

**TUMAINI LA MAISHA TANZANIA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

TUMAINI LA MAISHA TANZANIA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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LIST OF ABBREVIATION

AGM	Annual General Meeting
BSc	Bachelor of Science
EIR	Effective Interest Rate
IAS	International Accounting Standard
IASB	International Accounting Standards Board
ICT	Information Communication Technology
IFRIC	International Financial Reporting Interpretation Committee
IFRS	International Financial Reporting Standards
INCTR	International Network for Cancer Treatment and Research
KCMC	Kilimanjaro Christian Medical Centre
MNH	Muhimbili National Hospital
MoHCDGEC	Ministry of Health, Community Development, Gender, Elderly and Children
MSc	Master of Science
N/A	Not Applicable
NGO	Non-Government Organization
NHIF	National Health Insurance Fund
PhD	Doctor of Philosophy
PPF	Parastatal Pension Fund
TLM	Tumaini La Maisha Tanzania
UK	United Kingdom
US	United States

**TUMAINI LA MAISHA TANZANIA
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Principal Place of Business and Registered Office

Tumaini La Maisha Tanzania,
Muhimbili National Hospital,
Kalenga Street / Upanga West,
P.O. Box 65030,
Dar es Salaam,
Tanzania.

BANKERS

First National Bank,
Peninsula Branch,
P.O. Box 72290,
Dar es Salaam,
Tanzania.

AUDITORS

HLB MEKONSULT,
Certified Public Accountants,
2nd Floor, Acacia Estates,
Plot. No. 84, Kinondoni Road,
P. O Box 20651,
Dar es Salaam,
Tanzania.

**TUMAINI LA MAISHA TANZANIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Directors Report

1. Introduction

The Directors hereby submit their annual report together with the audited financial statements for the year ended 31st December 2018, which disclose the state of affairs of the organization as at that date.

2. Background and Summary

Tumaini la Maisha is a local NGO dedicated to supporting children with cancer and increasing awareness of childhood cancer among health care professionals and parents across Tanzania. The Paediatric Oncology Programme at Muhimbili National Hospital in Dar es Salaam is the only one of its kind in the country. The programme, currently treats more than 700 children annually in its two wards at Muhimbili National Hospital and 6 partner centres across the country, but with an estimated population of over 60 million people, Tanzania would expect to see up to 4,500 new cases of childhood cancer each year.

TLM has supported MNH to improve the quality of clinical services to children with cancer. International Network for Cancer Treatment and Research (INCTR), international donor organizations and individual philanthropists, as well as a wide range of local supporters that include the Tanzanian business sector and the diplomatic community have joined hands to support these efforts. TLM Tanzania coordinates implementation of all activities aimed to strengthen clinical service provision through a Paediatric Oncology Programme in close dialogue with the Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDGEC).

TLM has been established to provide clinical and non-clinical support to children with cancer and to raise awareness of childhood cancer in Tanzania. TLM works to ensure the long term sustainability of the Paediatric Oncology Programme through local and international fundraising as well as advocacy with the Government of Tanzania to meet its obligations.

3. Mission, Vision and Objectives

Mission

All children living in Tanzania who develop cancer are diagnosed with curative intent and have appropriate access to good quality Paediatric Oncology services.

Vision

All children with cancer in Tanzania have easy access to locally based high quality curative and palliative treatment leading to survival outcomes similar to resource rich settings.

TLM's core values are:

- Commitment - to reach and provide free treatment to every child with cancer in Tanzania.
- Excellency - to strive to provide the highest quality of care and use all available resources effectively and efficiently.
- Partnership - to work continuously in collaboration with the MoHCDGEC, OLCHC, MUHAS and our donors and friends to make our vision a reality.
- Integrity - to ensure accountability and transparency with all funding received and services offered for children in treatment.
- The Now & the Future - maintaining two equal priorities: providing the very best for children now by whatever means available, while constantly striving for local system strengthening for the children of the future.

Strategic

1. In partnership with the MoHCDGEC provide access to free quality paediatric oncology clinical services for all Tanzanian children through a national network of medical centres;
2. Expand the psycho-social support of patients and their families to improve adherence to treatment and support family understanding of cancer and treatment plans;

**TUMAINI LA MAISHA TANZANIA
DIRECTORS' REPORT
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3. Provide comprehensive sub-specialist training for multi-disciplinary healthcare workers as well as raise public awareness on key issues relating to paediatric oncology;
4. Establish a paediatric M&E framework for paediatric oncology cases;
5. Complete the establishment of TLM as a sustainable partner to the MoHCDGEC in support of paediatric oncology services in Tanzania.

Target groups and Beneficiaries

All children with cancer in Tanzania are direct beneficiaries; indirect are their caregivers and families.

4. Principal Activities

TLM Vision is to increase cancer survival rates for children in Tanzania through improving the quality of life of patients and families through increased quality of clinical care and the increased likelihood of early cancer diagnosis.

TLM's main activities focus on the realization of free medical and non-medical service for children with cancer in Tanzania. However, in order for the programme to realize this, it has put forth a five-year strategic plan from 2016 to 2020. The five-year strategic plan was put forth on three major result areas formulated to guide TLM operations:

- Outcome 1: Increased quality of life of patients and their families
- Outcome 2: Increased accessibility to and quality of clinical care
- Outcome 3: Increased likelihood of early diagnosis

5. Composition of Board of Directors

The Board of TLM consists of 6 Directors. Apart from the Executive Director, no other director holds executive positions in the organization. The Board has the overall responsibility of the organization, including responsibility for identifying key risks, monitoring the project operations, deciding on significant financial matters, approving the performance of management, strategic plans and budgets. 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 organization is committed to the principles of effective corporate governance and embrace integrity, transparency and accountability as its core values. Tumaini La Maisha Tanzania is well managed and its policies and operations are directed, controlled and managed in conformity with Good Corporate Governance Principles.

The Board is required to meet at least four times a year. During the year in consideration the Board conducted 4 ordinary meeting.

These meetings deliberated on matters relating to the control and performance of the programme.

The Board Members who served Tumaini La Maisha Tanzania during the year under review are:-

Name	Position	Nationality	Age/ DOB	Qualification
Dr. Blandina Lugendo	Chairperson	Tanzanian	1970	BSc, MSc and PhD in Marine Ecology
Mr. Gerald Mongella	Treasurer	Tanzanian	1969	ICT Expert
Dr. Trish Scanlan	Member	Irish	1973	MB BCh BAO MRCPI (PAEDS)
Ms. Dixita Dewji	Member	Tanzanian	1976	Bachelors in Business administration with a specialization in marketing
Dr. Julius Mwaisalage	Member	Tanzanian	1969	MD, PHD
Dr. Mwele Ntuli	Member	Tanzanian	1963	BSc in Zoology, MSc and PhD in Parasitology

**TUMAINI LA MAISHA TANZANIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. Management of the Programme

The Management team is headed by the Chief Executive Officer (CEO) who manages day to day activities of the programme. The CEO is assisted by the management team which is comprised of Director of Medical Services, Chief of Operations and Donor Manager/CFO.

Total number of working staff was 29 comprising of core programme staff, medical staff and supporting staff; 21 were contractual staff and 8 were MoU staff. The gender compositions were 7 males and 22 females.

Key Management Personnel of the Programme

The management of the Organization is under the Executive Director and is organized in the following sections:

- Clinical Services Section
- Administration Section
- Donor and Finance Section

7. Donors

The implementation of the 2018 planned activities were mainly made possible through financial support from The Big Heart Foundation, Mo Dewji Foundation, Irish Aid, US Embassy, Wings of Support, Electric Aid, Esther Ireland, IMA World Health, Royal Society of St. George, Bank of Ireland, Kenneally International Foundation, Vodacom Foundation, SONGAS, Human Dignity Foundation, TLM Ireland, TLM UK, Sea Cliff Hotel, Slipway Hotel, Reader Rabbits, International School of Tanganyika, HOPAC, Bravo Logistics, Oases Company, Global Health Initiative, HLB Mekonsult, DHL and general community. The financial support from donors in conjunction with the commitment of TLM Board of Directors and staff made implementation of activities during the year successful.

The Board of Directors wishes to record their appreciation to all donors who supported TLM so generously throughout the year.

8. Directors' Emoluments

The organization did not pay Directors' fees during the year.

9. Strategic Plan

TLM identified five key strategic areas which will guide its work towards better care and treatment for children with cancer in Tanzania. The rationale for each area is set out below as outcomes for a period of 5 years from 2016 -2020.

Objective 1: To improve access to and affordability of quality paediatric oncology clinical services for all through a national network of medical centres

Rationale Care for children with cancer is complex, due to the severity and high acuity of illness, intensity of care, and immediate and long-term consequences of treatment, due to this cancer services should be available at a close proximity of where the patients reside.

Directors Report (Continued)

Objective 2: To expand the psycho-social support of patients and their families

Rationale To improve adherence to treatment and reducing lost to follow up; general parental support; family understanding of cancer and treatment plans is of vital importance; by expanding the psycho-social support we aim to minimize external stressors affecting the cancer patients and their families during treatment through providing psycho-social support to children and their families.

Objective 3: To support specialist training in all areas of paediatric oncology care

Rationale In order to accommodate a growing number of children, it is essential to increase the training capacities and the general awareness and sub-specialist training for multi-disciplinary healthcare workers

Objective 4: Audit, monitoring and evaluation of clinical, non-clinical and NGO activities.

Rationale This will include the creation of a reliable Paediatric Oncology database and conduct clinical research to further impact survival. In addition evaluation and accountability in providing high-quality care with limited health care resources

Objective 5: To focus on fundraising and efforts to create financial security for the programme by expanding the TLM charity family to Ireland, the UK (and in time the US)

Rationale- This involves strengthening the fundraising activities based in Tanzania by creating a fundraising advisory committee and hold fundraising activities annually; and strengthening our financial base by partnering with 3 independent sister charities namely TLM Ireland, UK and USA with the primary focus on fundraising and advocacy.

10. Results

The results for the year are set out on page 15 are summarized as follows.

	2018	Restated 2017	2017
Fund Balance	-	-	30,682,243
Fund Balance for the year	-	-	30,682,243

11. TLM Performance and Achievement for the year 2018

Tumaini La Maisha Strategic programme, it's a 5-year strategic plan 2016 to 2020 is in the third year of implementation, this report will be covering the third implementation year.

Our plans for commencing the fourth year of the 5-year strategic plan was to continue providing clinical support, expand the psycho-social support of patients and their families by providing nutrition and counselling programmes, transportation and on-site housing services for the children and their family members.

In 2018 TLM efforts included many clinical services such as the provision of all chemotherapy used for children in the country – entirely free of charge; the construction and equipping of a Paediatric Intensive Care Unit (PICU) and a Neonatal Intensive Care Unit (NICU) at Muhimbili National Hospital; Haematology and Pathology Laboratory strengthening including the provision of flow cytometry, immunohistochemistry and minimal residual disease analysis and training of the lab scientists.

Lastly training to nurses and healthcare workers was conducted onsite by visiting doctors and nurses from overseas, also integrated specialized training in paediatric oncology for medical doctors were done at the unit carried out by specialized doctors and professors from UK, Ireland and US organized through the project funded by Irish Aid.

We continued rolling out the programme for paediatric oncology expansion throughout the country, three peripheral centres were already in operation in 2018 namely, KCMC hospital, Bugando Medical Center and Sengerema Hospital. During the year 2018 three new centres were enrolled these are: Benjamin Mkapa Hospital in Dodoma, Mbeya referral hospital in Mbeya and Mnazi Mmoja hospital in Zanzibar making a total of 7 centres including MNH. All these centres can treat a number of childhood cancer types, increase public awareness of common childhood cancer with more robust standards for early detection and referral.

12. Corporate Governance

Code of Corporate Practice and Conduct

TLM is committed to the principles of effective corporate governance and the Board is of the opinion that the programme currently complies with principles of Good Corporate Governance.

The Board of Directors

The Board is chaired by a Chairperson, who has no Directorship functions. The roles of the Chairperson and the CEO are separate, with each having set of responsibilities. The Board is confident that its members have the knowledge, commitment and experience to lead the programme. The Non-Executive Directors are independent of management and exercise their independent judgment. With their depth of experience, they add value to the Board's deliberations.

The Board is required to meet at least four times a year. The Board delegates the day to day management of the programme to the CEO, assisted by the management team. The management is always invited to attend the Board meetings to report on the progress of the TLM's programmes results and financial performance on quarterly basis.

It is the programme's philosophy to manage and control its business on various level of responsibility. The management meets regularly on weekly basis to review operations, key financial indicators and the overall operation strategies of the programme.

Risk management and internal control

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

- The effectiveness and efficiency of operations
- The safeguarding of the programme assets (including information)
- Compliance with the applicable laws, regulations and supervisory requirements
- The reliability of the accounting records
- Operation sustainability under normal as well as adverse conditions and responsible behaviour 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 noncompliance of such measures by staff. Consequently, even a strict and efficient internal control system can provide no more than a reasonable measure of assurance in respect of the above mentioned objective. The Board assessed the internal control systems throughout the financial year ended 31 December 2018 and is of the opinion that they met acceptable criteria.

Ethical behaviour

The Programme's Code of Conduct governs all activities, internal relations and interactions with stakeholders in accordance with its ethical values. It is expected of all staff to maintain the higher level of integrity and honesty in dealing with children, donors, suppliers, government agencies and all stakeholders.

Business ethics and organizational integrity

The Programme's Code of Conduct commits it to the highest standards of integrity, conduct and ethics in its dealings with all parties concerned, including its Directors, managers, employees, members, suppliers and other stakeholders. The Directors and staff are expected to fulfil their ethical obligations in such a way that the services are run strictly according to human rights competitive practices.

**TUMAINI LA MAISHA TANZANIA
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Financial reporting and auditing

The directors accept final responsibility for the preparation of the annual financial statements which fairly present: The financial position of the programme as at the end of the year under review, The financial results of the operations, as well as, The cash flows for that period.

The responsibility for compiling the annual financial statements was delegated to the management. The external auditors report on whether the annual financial statements are fairly presented.

The Directors are satisfied that during the year under review

- Adequate accounting records were maintained.
- An effective system of internal control and risk management, monitored by management was maintained.
- Appropriate accounting policies, supported by reasonable and prudent judgments and estimates, were used consistently and
- The financial statements were compiled in accordance with International Financial Reporting Standards.
- The Directors are also satisfied that no material event has occurred between the financial year end and the date of this report. The Directors are of the opinion that the programme still requires more resources and commitments at its disposal to operate the programmes for whole period of its five years 2016 - 2020 Strategic plan.
- The financial statements have been prepared on a going concern basis.

13. Going Concern

The Directors are satisfied that TLM has the resources to continue in operations for the foreseeable future. Furthermore, they have confirmed that they are not aware of any material uncertainties that may cast significant doubt upon the TLM ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

14. Accounting Policies

The annual financial statements are prepared on the underlying assumption of a going concern. TLM accounting policies, which are laid out on pages 15 to 18 are subject to an annual review to ensure compliance with International Financial Reporting Standards.

15. Solvency

The Board of Directors confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board of Directors has reasonable expectation that organisation has adequate resources to continue in operational existence for the foreseeable future.

16. Acquisition and Disposals

During the year ended 31 December 2018 TLM acquired office furniture, and office equipment. The total cost for these acquisitions amount to TZS 293,502,244. The detailed cost for each class of asset is presented in note 14 of the financial statements.

17. Gender Parity

The TLM is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties. As at 31 December 2018 TLM had staff distribution which shows male were 27% and female 73%.

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

Directors Report (Continued)

Gender	2018	2017
Male	7	7
Female	22	19
Total	29	26

18. Political and Charitable Donations

TLM did not make any political donations as well as donations to charitable and other programmes during the year.

19. Employee Welfare

Management/employee relationship

The relationship between employees and management was good during the reporting period. Any complaints were resolved through discussions and work morale was good. There were no unresolved complaints from employees.

Benefits

Employees received pay for annual leave which is distributed evenly during the 12 months. Another benefit which is statutory in nature is that employees are members of Parastatal Pension Fund (PPF) and National Health Insurance Fund (NHIF) whereby the TLM contributed 10% and 3% of the basic salary of each employee accordingly.

Training

On job training programs were developed to ensure TLM and the working partners' employees were adequately trained at all levels. During the year, TLM set aside TZS 66,485,661 for staff training in order to improve employees' technical skills, hence their effectiveness.

Persons with Disability

TLM's policy is to give equal opportunities to disabled persons for any available vacancies.

20. Environmental Matters

The TLM complied with standards of Industrial Safety and Environmental Regulations established by various authorities to the best of its knowledge.

21. Auditors

HLB MEKONSULT were appointed to audit TLM financial statements for the year ended 31 December 2018 and have expressed their willingness to continue in office and are eligible for re-appointment

TUMAINI LA MAISHA TANZANIA
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2018

It is the responsibility of the Directors to prepare financial statements for each financial period that gives a true and fair view of the state of affairs of the organization as at the end of the financial year and of the financial activities of the Organization for the year. The directors are also responsible for keeping proper accounting records which disclose the reasonable accuracy at any time the financial position of the organisation. Directors are also responsible for safeguarding the assets of the organisation ensuring the Organization comply with all regulatory and legal requirements and for taking reasonable steps for prevention and detecting fraud, error and other irregularities.


The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards (IFRS) and in accordance with the terms of funding agreements. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Organisation and its financial activities in accordance with International Financial Reporting Standards (IFRS). The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

The Board is also responsible in ensuring that the terms of section 29 of Non-Government Organizations Acts 24 of 2002 and NGO regulations of 2004 are adhered to.

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

BY ORDER OF THE BOARD


Mr. Gerald Mongella
Board Chairperson


Dr. Blandina Lugendo
Treasurer

18.10.2019
Date

18.10.2019
Date

**TUMAINI LA MAISHA TANZANIA
DECLARATION OF THE HEAD OF FINANCE OF TUMAINI LA MAISHA
FOR THE YEAR ENDED 31 DECEMBER 2018**


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 entity concerned.

It is the duty of a Professional Accountant to assist Tumaini la Maisha and Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity 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 Committee as under Committee's Responsibility statement on the earlier page.

I, SISTUS EMANUEL being the Financial Consultant of Tumaini La Maisha here by acknowledges my responsibility of ensuring that financial statements for the year ended 31 December 2018 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements present a true and fair view position of Tumaini la Maisha on that date and that they have been prepared based on properly maintained financial records.

Name: SISTUS EMANUEL
Signed: 
Position: FINANCIAL CONSULTANT
NBAA Membership No: ACPA 3052
Date: 18/10/2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TUMAINI LA MAISHA

Introduction

We have audited the financial statements of Tumaini la Maisha, which comprise the Statement of Financial Position as at 31 December 2018, the Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Net assets and Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes as set out on pages 16 to 20.

Opinion

In our opinion, the accompanying financial statements present a true and fair view of the financial position of the Tumaini La Maisha as at 31 December 2018, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Tanzania NGO's Act 2002.

What we have audited

The financial statements of TLM are set out on pages 14 to 24 comprise:

- the statement of Income and Expenditure for the year ended 31 December 2018;
- the statement of financial position as at 31 December 2018;
- the statement of changes in General Reserve;
- the statement of cash flows for the year ended 31 December 2018; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with 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 organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together 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 and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements of the National Board of Accountants and Auditors (NBAA) that are relevant to our audit of the financial statements in Tanzania. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the NBAA.

Other Information

Management is responsible for the other information. The other information comprises the information included in Directors' statements and the Head of Finance declaration, but does not include the financial statements and our audit reports thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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.

There were no any significant matters that came to our attention that need to be reported as key Audit Matters

Responsibilities of the directors for the financial statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the directors 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, the directors are responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors' either intend to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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 is not a guarantee that an audit conducted in accordance with International Standards on Auditing (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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit we report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) In our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) The organization's statement of financial position and statement of profit or loss and other comprehensive income are in agreement with the books of account.

Yours faithfully


CPA Elinisaide K. Msuri - ACPA 814

For and On Behalf of HLB MEKONSULT

Certified Public Accountants

Dar es Salaam

Date: 



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A member of HLB International

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of Income and Expenditure for the year ended 31 December 2018

	Notes	2018 TZS	2017 Restated TZS	2017 TZS
INCOME				
Restricted Funds	5	2,991,893,017	690,811,369	721,493,612
Unrestricted Funds	6	352,471,566	264,777,590	264,777,590
Donated Goods and Services	7	178,370,509	47,677,103	47,677,103
Other Income	8	25,217,343		
		3,547,862,435	1,003,266,062	1,033,948,305
EXPENDITURE				
Clinical Care Program	9	578,425,343	678,835,532	678,835,532
Non Clinical Care Program	10	223,482,993	148,406,911	148,406,911
Training and Twinning Program	11	66,485,662	498,980	498,980
Projects	12	2,407,425,303	-	-
Admin Expenses	13	272,043,134	175,524,639	175,524,639
		3,547,862,435	1,003,266,062	1,003,266,062
Net income before income tax		-	-	30,682,243
Income tax expense		-	-	-
Net and comprehensive income for the year transferred to General Reserve		-	-	30,682,243

**TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Statement of Financial Position as at 31 December 2018

	Notes	2018 TZS	2017 Restated TZS	2017 TZS
Assets				
Non-current Assets				
Property and Equipment	14	279,928,891	9,665,000	9,665,000
Current Assets				
Inventory	15	156,214,465	21,750,700	21,750,700
Receivables	16	2,196,193,704	112,615,250	112,615,250
Cash and cash equivalents	17	1,309,034,351	185,713,360	185,713,360
		3,661,442,520	320,079,310	320,079,310
Total Assets		3,941,371,411	329,744,310	329,744,310
Liabilities and Reserve				
Liabilities				
Payables and accruals	18	902,106,332	125,351,952	125,351,952
Deferred Grant	19	3,039,265,079	204,392,358	-
Total Liabilities		3,941,371,411	329,744,310	125,351,952
NET ASSETS		-	-	204,392,358
Financed by:				
Fund Balance at the year end		-	-	204,392,358
Fund Balance		-	-	204,392,358

The notes on page 19 to 30 form an integral part of these financial statements. The financial statements on pages 15 to 18 were approved by the Board of Directors and were signed on its behalf by:


Gerald Mongella
Board Chairperson

18/10 2019


Dr. Blandina Lugendo
Treasurer

18/10 2019

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of Changes in General Reserve

	2018	2017 Restated	2017
	TZS	TZS	TZS
At the beginning of the year	-	-	173,710,115
Fund Balance for the year	-	-	30,682,243
As at 31 December	-	-	204,392,358

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of Cash Flows for the year ended 31 December 2018

	2018 TZS	2017 TZS
CASH FLOWS FROM OPERATING ACTIVITIES:		
Deficit/Surplus	-	30,682,243
Adjustments for:-		
Depreciation and amortization	23,238,353	15,153,620
Operating cash flows before working capital changes	23,238,353	45,835,863
Change Inventory	(134,463,765)	(21,750,700)
Change Receivable	(2,083,578,454)	(112,615,250)
Change in creditors and accruals	776,754,380	125,351,956
Change in Deferred Grant	2,834,872,721	-
Cash (used in)/from operations	1,416,823,235	(9,013,99)
Tax paid	-	-
Net Cash (used in)/from operating activities	1,416,823,235	36,821,866
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of fixture, furniture and fittings	(293,502,244)	(870,000)
Net cash used in investing activities	(293,502,244)	(870,000)
Net change in cash and cash equivalents	1,123,320,991	35,951,866
Cash and cash equivalents at start of year	185,713,360	149,761,494
Cash and cash equivalents at end of year	1,309,034,351	185,713,360

Notes to the Financial Statements

1. COMPANY INFORMATION

Tumaini la Maisha is a local NGO dedicated to supporting children with cancer and increasing awareness of childhood cancer among health care professionals and parents across Tanzania. The Paediatric Oncology Programme at Muhimbili National Hospital in Dar es Salaam is the only one of its kind in the country. The Programme, currently treats more than 700 children annually in its two wards at Muhimbili National Hospital and 6 partner center's across the country, but with an estimated population of over 60 million people, Tanzania would expect to see up to 4,500 new cases of childhood cancer each year.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

a) Basis of accounting

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and under the historical cost basis of accounting.

b) Changes in accounting policy and disclosures

i) New standards, amendments and interpretations adopted

The following new amendments to standards effective for accounting period beginning on or after 1 January 2018 have been adopted by the Organization:

- IFRS 15 -Revenue from contracts with customers (financial years beginning on or after 1 January 2018);
- IFRS 9 - Financial Instruments (2009 & 2010) (financial years beginning on or after 1 January 2018);
- IFRIC 22, 'Foreign currency transactions and advance consideration (financial years beginning on or after 1 January 2018);

ii) New standards and interpretations that are not yet effective and have not been early adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2018 reporting periods and have not been early adopted by the organization. None of these is expected to have a significant effect on the financial statements of the organization:

- IFRS 16 - Leases financial years beginning on or after 1 January 2019);
- IFRIC 23, 'Uncertainty over income tax treatments' (financial years beginning on or after 1 January 2019).

c) General reserves

General reserves represent unrestricted funds that are available for use at the discretion of the directors in furtherance of the objects of the Company.

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

d) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of the Organization are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Tanzanian Shillings which is the Organization's functional and presentation currency.

ii. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at yearend exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income and expenditure.

e) Income recognition

All funds received from Development Partners are recognised upon approval and signing of the contractual commitment by donors. Grants received in respect of revenue expenditure are credited to income and expenditure statement in the same period in which the related revenue expenditure is charged, the balance of unspent grant is carried forward as fund balance for implementation of the pending project activities in the subsequent period.

The un-received fund and unspent grant which are part of the contract is treated grants receivable and deferred grant carried forward to the next period.

Interest income: Interest income is recognized in the income statement on an accrual basis taking into account the effective yield.

Investment Income – Investments "if any" with fixed maturity, where management has both the intent and the ability to hold to maturity are classified as held to maturity and are carried at amortized costs using the effective yield method, less any provision for impairment.

f) Property, Plant and equipment and depreciation

Property and equipment are stated at cost less accumulated depreciation and any impairment in value. Depreciation is charged on a straight-line basis to write off the cost of the assets over their expected useful economic lives. The annual rates of depreciation adopted, which have been consistently applied, are as indicated below: -

Detail	Depreciation rate
Computer and Equipment	33.3%
Motor Vehicles	25%
Furniture and fittings	12.5%
Intangible Asset	33.3%

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

g) Computer software development Costs

Costs associated with maintaining computer software programmes are recognized as an expense as incurred. However, expenditure that enhances or extends the benefits of computer software programme beyond their original specifications and lives is recognized as capital improvement and added to the original cost of the software. Computer software recognized as assets is amortized using the straight-line method over a period of 3 years.

h) Financial assets

(i) Classification

All financial assets of the Organization are in the category of receivables.

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are classified as current assets except for maturities greater than 12 months, otherwise they are classified as non-current. The Organization's receivables comprise staff debtors and grant receivable in the statement of financial position.

ii) Recognition and measurement

Receivables are initially recognized at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method.

i) Impairment of assets

The carrying amounts of the Organizations' assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the applicable assets' recoverable amount is estimated, and impairment loss is recognized in the income and expenditure statement.

j) Other receivables

Other receivables consist of funds deposited to vendors and employees in the normal course of the business. Advances and prepaid expenses are recognized upon payment and derecognized when service has been rendered.

k) Grants receivable

Grants receivable comprise contractual commitments from donors and development partners. Grant receivables are initially recognized at contracted value and subsequently measured at amortized cost based on actual amounts receivable from donors less provision for impairment.

l) Cash and Cash Equivalents

For the purpose of statement of cash flow, cash and cash equivalents comprise cash in hand and cash at bank.

m) Deferred capital grants

Donations received to acquire property and equipment are capitalized and credited to deferred capital grant account. Deferred capital grant account is amortized in the statement of income and expenditure over the estimated useful lives of the assets concerned.

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

n) Deferred income grants

Deferred income grant represents funds received but not spent during the year of which there is an obligation to conduct donor funded activities per contractual commitments made between donors/development partners and the Organization.

Also it includes grants amount recorded on the statement of financial position to represents the total amount of grants per funding agreements less the amount received.

o) Employee Benefits

Retirement Benefit Costs

As required by the Tanzanian laws and regulations, TLM contributes to various (PPF and PSPF) statutory pension schemes for its employees. The contributions are computed based on rates determined by prevailing legislations (Currently it is limited to 20% per month based on employee's monthly salaries). The TLM's contributions to the funds are included as resources expended in the period paid.

p) Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are presented as current liabilities unless payment is not due within twelve months after year end. If not, they are presented as non-current liabilities.

q) Impairment of non-financial assets

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For purposes of assessing impairment, assets are grouped at the lowest levels for which these are separately identifiable cash flows (cash-generating units).

r) Expenditure recognition

The effects of expenses are recognised when they occur (and not as cash or its equivalents is paid) and they are recorded in the accounting records and reported in the financial statements of the periods to which they relate.

s) Capital Expenditure

Capital expenditure comprises purchase price for fixed assets including import duties, and non-refundable purchase taxes, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended, and other direct costs.

**Notes to the Financial Statements for the year ended 31 December 2018
(Continued)**

t) Taxation

TLM is a charitable organisation as per government notice number 615 of 23 December 1994 and therefore is exempted from the corporation tax on income or surplus.

u) Inventories

Inventories are stated at the lower of cost and net realizable value.

v) Donated Assets / Goods / Services

Donated assets, goods or services are recorded at the invoice value advised by donors or at estimated market value if invoice is not advised by the donors.

3. FINANCIAL RISK MANAGEMENT

The Organization's activities expose it to a variety of financial risks, namely: market risk, credit risk and liquidity risk. The Organization's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance.

This note presents information about the Organisation's exposure to each of the above risks, the Organisation's objectives, policies and processes for measuring and managing risk, and the Organisation's management of Accumulated Fund. Further quantitative disclosures are included throughout these financial statements.

The Organisation's risk management policies are established to identify and analyse the risks faced by the Organisation, to set appropriate risk limits and controls, and to monitor risk adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions. The Organisation, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

The Organisation's directors have overall responsibility of the establishment and oversight of the Organisation's risk management framework. The Directors are responsible for monitoring compliance with the risk management policies and procedures, and for reviewing the adequacy of the risk management framework in relation to the risk faced by the Organisation. The Directors are assisted in these functions by the management.

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Notes to the Financial Statements for the year ended 31 December 2018
(Continued)

FINANCIAL RISK MANAGEMENT (CONTINUED)

a) Market risk

Foreign exchange risk

The Organization is exposed to foreign exchange risk arising from grants receivable/received, purchases, assets and liabilities denominated in currencies other than the functional currency of the Organization, primarily with respect to Tanzania shillings, United States Dollar and Euro.

Organization financial assets are denominated in Tanzania shillings, United States Dollar and Euro. As a result, the Organization is exposed to exchange rate fluctuations that have impact on cash flows. Exposure to foreign currency risk is mitigated by the fact that the Organization maintain certain part of its grants in United States Dollar and Euro. The effect of the foreign currency risk is not significant and therefore management does not hedge against foreign currency risk. This exposure does not result in significant risk as foreign currency assets and liabilities are normally recovered and settled within a fairly short time.

As at 31 December 2018, if the US Dollar weakened/strengthened by 10% against the Tanzanian shillings with all other variables held constant, change in net income for the year would have been USD 92,653,163.04 higher/lower mainly as a result of foreign exchange gains/losses on translation of Tanzania Shillings denominated payables, receivables and cash.

As at 31 December 2018, if the EURO weakened/strengthened by 10% against the Tanzanian shillings with all other variables held constant, change in net income for the year would have been EURO 20,969,899.50 higher/lower mainly as a result of foreign exchange gains/losses on translation of Ugandan Shillings denominated payables, receivables and cash.

b) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, including outstanding receivables and committed transactions.

The amount that best represents the Organization's maximum exposure to credit risk at 31 December 2018 is made up as follows:

	2018	2017
	TZS	TZS
Cash and bank balances	1,309,034,351	185,713,360
Staff debtors	720,500	720,000
No collateral is held for any of the above assets	<u>1,309,754,851</u>	<u>186,433,360</u>

c) Liquidity risk

Liquidity risk is the risk that the Organisation will not be able to meet its financial obligations as they fall due. The Organisation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Organisation's reputation.

All liquidity policies and procedures are subject to review and approval by the Organisation's board of directors.

**TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Notes to the Financial Statements for the year ended December 2018 (Continued)

FINANCIAL RISK MANAGEMENT (CONTINUED)

c) Liquidity risk (continued)

The table below analyses the Organization's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

	Less than 1 year TZS '000
At 31 December 2018	
Trade payables and accruals	<u>902,106,332</u>
At 31 December 2017	
Trade payables and accruals	<u>125,351,952</u>

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of grant receivable

The Organization reviews its grant receivable balances to assess impairment on an annual basis. In determining whether an impairment loss should be recorded in the statement of income and expenditure, the Organization makes judgements using estimates based on historical loss experience for its donors/development partners. It is on this basis that management have determined the risk of recoverability based on days outstanding.

5. RESTRICTED INCOME

	2018 TZS	2017 Restated TZS	2017 TZS
Non-profit Organization Grants	2,957,651,857	647,655,826	678,338,069
Corporate / Business Grants	20,220,000	38,405,543	38,405,543
Individual	240,000	4,750,000	4,750,000
Income Generating Activity	5,835,300	-	-
Special Event	7,945,860	-	-
	<u>2,991,893,017</u>	<u>690,811,369</u>	<u>721,493,612</u>

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Notes to the Financial Statements for the year ended December 2018 (Continued)

6. UNRESTRICTED INCOME

	2018	2017
	TZS	TZS
Nonprofit Organization Grants	320,915,115	245,618,590
Corporate / Business Grants	6,817,800	8,000,000
Individual	24,738,651	11,159,000
	<u>352,471,566</u>	<u>264,777,590</u>

7. DONATED GOODS AND SERVICES

Donated Professional Services	11,405,000	11,150,000
Donated Goods	166,965,509	36,527,103
	<u>178,370,509</u>	<u>47,677,103</u>

8. OTHER INCOME

Gain / Loss in Forex	13,014,846	-
Interest-Savings, Short-term Fixed Deposit	12,112,497	-
	<u>25,127,343</u>	<u>-</u>

9. CLINICAL PROGRAM COST

Drugs and Supplies	409,507,375	488,802,070
Personnel Costs	168,917,968	130,538,941
	<u>578,425,343</u>	<u>619,341,011</u>

10. NON-CLINICAL PROGRAM COST

PLAY THERAPY

Play - therapy equipment	2,054,500	1,143,300
Personnel Costs	28,947,493	23,356,060
Sub total	<u>31,001,993</u>	<u>24,499,360</u>

SCHOOL PROGRAMS

School Stationaries / Books / Skills items	10,243,100	3,803,500
School Snacks	4,322,500	2,524,000
Personnel Costs	23,401,593	21,757,212
Sub total	<u>37,967,193</u>	<u>28,084,712</u>

NUTRITION PROGRAMME

Spices / Antioxidants	7,150,000	6,025,000
Fruits & Vegetables	18,866,800	17,038,050
Nuts & beans	3,475,000	3,356,000
Personnel Costs	14,001,575	13,112,800
Sub total	<u>43,493,375</u>	<u>39,531,850</u>

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

	2018	2017
TRANSPORT PROGRAM		
Meals / Transport for patients	18,952,100	8,686,700
Local Travel & Meeting expenses	3,023,900	5,590,600
Fuel / Maintenance / Parking	5,535,430	6,336,800
Tax / Insurance	1,062,000	3,222,590
Personnel Costs	5,887,569	5,288,800
Sub total	34,460,999	29,125,490
OFFICE AND HOUSING		
Cartridges	1,243,197	820,000
Broadband internet	1,554,500	1,071,000
Stationary / Printing	9,336,650	1,484,300
Office repairs / Maintenance	21,832,800	8,371,200
Mobile Phone cost	3,540,000	2,930,000
Visiting experts local travel	1,038,503	-
Kitchen running cost	2,493,000	1,720,000
House maintenance	2,265,600	1,193,280
Personnel	12,295,283	9,575,719
TLM Events	7,839,000	-
Hostel Items	13,120,900	-
Sub total	76,559,433	27,165,499
Grand total	223,482,993	148,406,911

11. TRAINING AND TWINNING PROGRAMS

Training	57,869,470	498,980
Housing Cost	8,616,191	-
	66,485,661	498,980

12. PROJECTS

Patient Database Management	13,167,200	-
Water Project	102,255,988	-
Intensive Care Units Project	2,292,002,115	-
	2,407,425,303	-

**TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

13. ADMIN EXPENSES

	2018 TZS	2017 TZS
Personnel Costs	68,016,836	74,663,350
Statutory Employer's Contribution	161,816,384	132,147,006
Membership Dues	2,998,200	-
Depreciation	23,238,352	15,153,620
WHT Interest	1,814,523	-
Bank Charges	2,273,839	1,905,184
Operations - Outreach Expenses	480,000	
Audit fees	11,405,000	11,150,000
	272,043,134	235,019,160

14. PLANT AND EQUIPMENT

	Computer Equipment TZS	Furniture, Fixture and Fitting TZS	Total TZS
Cost			
At start of year	-	18,895,000	18,895,000
Additions	3,938,983	289,563,261	293,502,244
At end of year	3,938,983	308,458,261	312,397,244
Depreciation			
At start of year	-	9,230,000	9,230,000
Charge for the year	518,426	22,719,928	23,238,353
At end of year	518,426	31,949,928	32,468,354
Net book value			
At 31 December 2018	3,420,557	276,508,333	279,928,891
At 31 December 2017	1	9,665,000	9,665,000

15. INVENTORY

	2018 TZS	2017 TZS
Inventory – Drugs	130,221,365	9,374,000
Inventory – Supplies	25,993,100	12,376,700
	156,214,465	21,750,700

16. RECEIVABLES

Grant Receivable	2,195,473,204	111,895,250
Imprest Receivable - Transport	720,500	720,000
	2,196,193,704	112,615,250

TUMAINI LA MAISHA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

The carrying amounts of accounts receivable are denominated in the following currencies

	<u>2018</u> TZS	<u>2017</u> TZS
United States dollars	2,195,473,204	111,895,250
Tanzanian Shillings	720,500	720,000
	<u>2,196,193,704</u>	<u>112,615,250</u>

17. CASH AND CASH EQUIVALENTS

Stanbic bank	-	157,982,507
FNB Bank – TZS Account	162,819,708	39,053
FNB Bank – EURO Account	209,698,995	26,620,000
FNB Bank – USD Account	926,531,927	446,000
Petty Cash	359,400	625,800
Un-deposited Funds	9,624,321	-
	<u>1,309,034,351</u>	<u>185,713,360</u>

18. PAYABLES

Supplier for Drugs	79,406,000	71,274,834
Supplier for Equipment	822,700,332	53,597,118
Supplier for Nutritional Stuff	-	480,000
	<u>902,106,332</u>	<u>125,351,952</u>

19. DEFERRED GRANT

Deferred Income Grants	2018	2017 Restated TZS	2017
At start of year	204,392,358	173,710,115	173,710,115
Additions during the year	5,718,208,296	1,064,630,548	-
Less/Add: Recognised During the Year	-2,883,335,575	-1,033,948,305	30,682,243
At end of year	<u>3,039,265,079</u>	<u>204,392,358</u>	<u>204,392,358</u>

During the year 2018 TLM received funds for the construction and equipping of two intensive care units for Paediatric and Neonatal respectively. The project was funded by her Highness Sheikha Jawaher bint Mohammed Al Quasim (Wife of His Highness Sheikh Dr. Sultan Bin Mohammed Al Quasim Ruler of Sharjar) through The Big Heart Foundation.

Total value of the project was USD 2.29 Million to include the construction, equipping and administration costs. The table below provides summary of the funding;

Notes to the Financial Statements for the year ended 31 December 2018 (Continued)

	USD	TZS
Contract Value	2,295,155	5,138,852,045
Actual Received in the year 2018	1,332,710	3,019,843,816
Actual Spending in 2018	1,102,413	2,513,809,997
Fund Balance	230,297	506,033,820
Deferred Grant	962,445	2,195,473,204

20. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party by participating in its financial or operational policy decisions.

Remuneration paid to key management personnel who were on contractual terms is as set out below:

Senior Management Staff Salaries and Benefits	68,789,762	51,863,901
TOTAL	68,789,762	51,863,901

21. EVENTS AFTER REPORTING DATE

The Management is not aware of any events that have occurred date between the financial reporting period and when the financial statements are authorized for issue to be disclosed.

22. CONTINGENT LIABILITY AND COMMITMENTS

Contingencies

There were no contingent liabilities as at 31 December 2018.

Commitments

TLM's general contractual approach is to account and pay after delivery of work and scrutiny of reports. In 2018 a number of payments were not made due to partial delivery or inadequate provision of evidence/reporting. Operating costs do not include contractual commitments made but not paid out because the delivery of work and scrutiny of reports was outstanding as at year end. The total outstanding value of signed direct program contracts not yet paid on 31 December 2018 was **TZS 816,772,512** (2017: **TZS 204,392,358**).

At 31st December 2018, TLM had commitment as listed in the table below:

Commitments as at 31 Dec 2018	Purpose	Amount (TZS)
The Big Heart Foundation	Construction & Equipping of PICU & NICU	506,033,820
US Embassy	Paediatric Oncology Data Base	54,802,800
Irish Aid	Training and Purchase of equipment	178,505,285
Mo-Dewji Foundation	Support the program activities	51,883,407
Human Dignity Foundation	Salaries for CoO & Donor Manager	25,547,200
		816,772,512

23. COMPARATIVES AND PRIOR YEAR ADJUSTMENT

Where necessary, the figures have been adjusted and re-grouped to conform to changes in presentation in the current year.