



Health Improvement Project Zanzibar

**Report and Financial Statements
For the Year Ending 30 June 2023**

**Charity number 1171687
Company number 10168369**

**Health Improvement Project Zanzibar
(A company limited by guarantee)**

**Financial Statements
For the year ending 30th June 2023**

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1 Legal and Administrative Information

HIPZ (Health Improvement Project Zanzibar)

Report of the Board of Directors for the year ending 30th June 2023. The Board of Directors presents its directors' and trustees' report and independently examined financial statements for the year ending 30 June 2023.

Reference and Administrative Information

Charity Name: HIPZ (Health Improvement Project Zanzibar)

Charity registration number: 1171687

Company registration number: 10168369

Registered address:

Applecombe Cottage,
Wild Oak Lane, Trull
Taunton
TA3 7JS, UK

Board of Directors/Trustees

Founder and Chair: Dr Ruairaidh MacDonagh

Treasurer: Ian Franklin

Secretary: Caitlin Farrow

Dr Nicholas Campain

Susie Moore

Michael Sugden

Dr Nicola Biggs

Helen Rafferty (appointed March 2023)

Senior Management Team

UK Operations and Development Director (UK): Jess Price (resigned Dec 2022)

Finance Director (UK): Juliette Webb (appointed January 2023)

Fundraising Manager (UK): Kathryn Sheldon (appointed March 2023)

Programme Director (Zanzibar): Simon Kühnert

Clinical Operations Director (Zanzibar): Jabir Ayindo

Partnerships Advisor (Zanzibar): Pamela Allard

External Accountants

SPX Oxford Ltd
Peace House
19 Paradise Street
Oxford
OX1 1LD

Bank

Royal Bank of Scotland (UK), Exim Bank (T) Ltd (Zanzibar)

1.1 Background

Health Improvement Project Zanzibar (HIPZ) was founded in 2006. It is a Private Company Limited by Guarantee and a charity registered with the Charity Commission for England and Wales. In Zanzibar, HIPZ has a registered branch which is governed by the same Articles of Association and policies.

In the initial years the partnership between the Zanzibar Ministry of Health and HIPZ focused on the development and management of rural hospitals. With time the scope has evolved to strengthen the wider health system in Zanzibar.

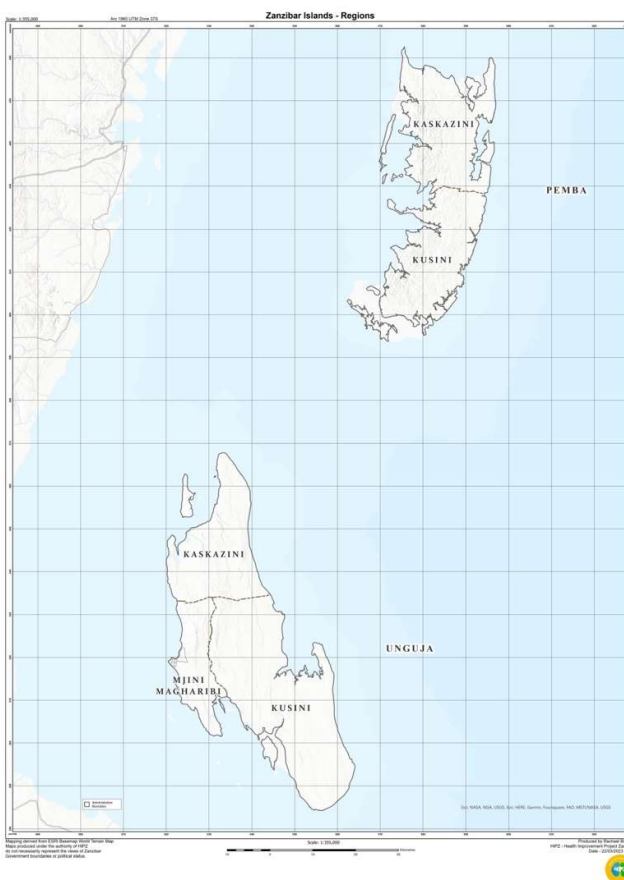
1.2 The context

Zanzibar is a semi-autonomous archipelago of the United Republic of Tanzania. It consists of two large islands, Unguja and Pemba and several small islands. Zanzibar has 5 administrative regions with 11 districts.

Zanzibar's population stands at around 1.8 million people. Around half of the population is under 18 years old. Basic needs poverty affects 26% of the population (30% of the under 17s).

The Ministry of Health Zanzibar provides overall stewardship of the health sector.

Zanzibar has made significant gains in human resources for health over the last 10 years. Currently, one doctor serves a population of 4,445 and one nurse serves a population of 1,258. However, these ratios remain far below the World Health Organisation (WHO) recommendations (of 2.5 skilled healthcare workers per 1000). Furthermore, 60% of the health workforce work in urban areas where only 18% of the population resides, meaning there is still significant disparity in accessing healthcare for the majority of the population who live in rural areas.



Zanzibar Performance towards SDG 3 targets

SDG Indicator	Zanzibar	SDG Target 2030
Under-five mortality rate per 1,000 live births	56 per 1,000 live births	25 per 1,000 live births
Neonatal mortality rate per 1,000 live births	28 per 1,000 live births	12 per 1,000 live births
Maternal Mortality ratio per 100,000 live births	118 per 100,000 live births (only includes institutional mortality)	70 per 100,000 live births

The total health expenditure is approximately 3% of the Gross Domestic Product, falling below the WHO recommendation of at least 5% to achieve Universal Healthcare Coverage. The global COVID pandemic has hit the Zanzibar economy especially hard as the country relies heavily on tourism. The Ministry of Health only implemented 84% of its budget, and as a result there is a gap in the service provision. Therefore, people are frequently forced to spend their own funds on healthcare and out of pocket expenditure on healthcare in Zanzibar is high. This creates a financial risk of pushing households into poverty.

1.3 Our Aims and Objectives

HIPZ aims to strengthen the Zanzibari healthcare system. It is our mission to make it possible for all people in Zanzibar to access high quality healthcare to achieve our vision of a healthy people in Zanzibar.

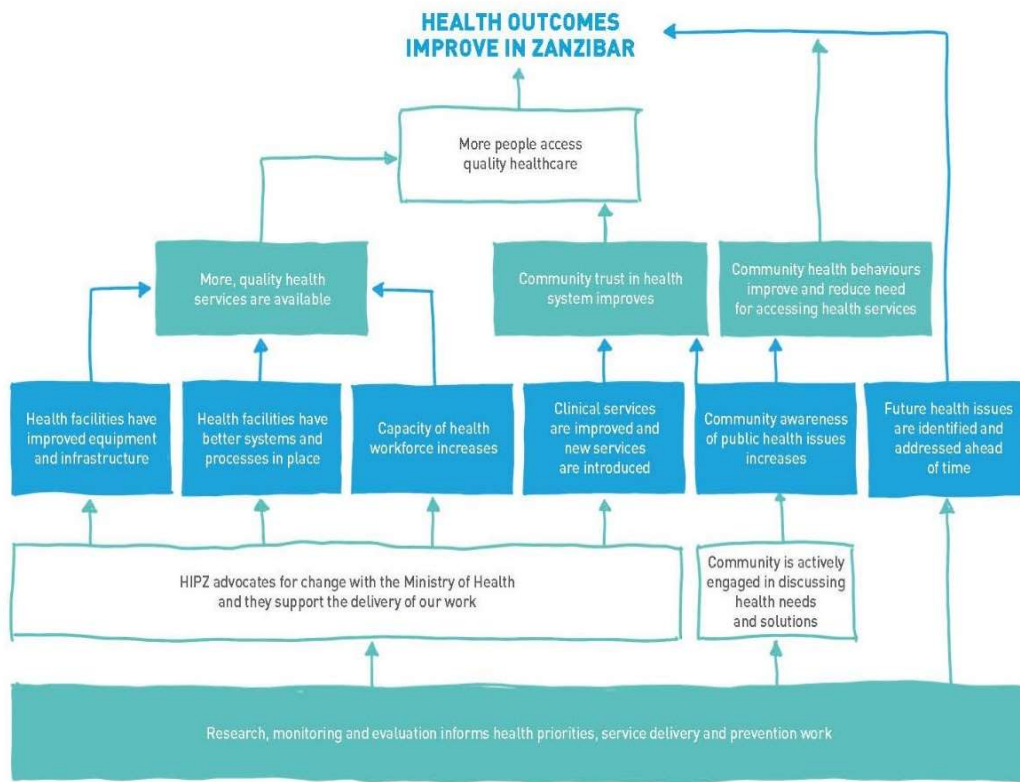
1.4 How we work

Our HIPZ model has been tried and tested over the past 15 years. This model is our blueprint for how healthcare can be transformed in resource-poor environments. We believe this has the potential to make a difference not just in Zanzibar, but on a global scale.

Our work is derived in line with our values:

- We put patients first
- We are locally rooted and locally led
- We work for equitable, equal and consistent healthcare
- We are collaborators
- We create long-term, cost-effective, evidence-based solutions
- We have a whole health system approach

Based on these values and our in-depth understanding we have developed our theory of change to improve health outcomes in Zanzibar.



HIPZ Theory of Change

This model focuses around six pillars:

1. Build workforces. We train healthcare workers in all areas, equipping them with the knowledge and skills to take ownership of their services.
2. Expand Services. In line with the Zanzibar Essential Healthcare Package, we listen to the medical needs of the community and find cost-effective, evidence-based solutions to introduce impactful change.
3. Develop Infrastructure. We improve the structural condition of health facilities and fill gaps in equipment and consumables.
4. Work with the community. We learn from the community and share our experience to reduce barriers to positive health seeking behaviour.
5. Invest in research. We invest in locally relevant health research and share it with the global health community to improve health services delivery not just in Zanzibar, but around the world.
6. Strengthen systems. We co-develop processes, policies and strategies in collaboration with the government, health facilities and other development partners to improve care and create long-lasting change.

All this work is delivered in close partnership with the Revolutionary Government of Zanzibar to ensure local ownership, alignment with national policies and priorities as well as sustainability of our programmes.

1.5 Performance and Achievements

For the first time HIPZ has been able to deliver work in Pemba. We supported over 50 public health facilities and implemented projects across 10 out of the 11 districts in Zanzibar.

In the facilities supported by HIPZ over 5,000 pregnant women received antenatal care and over 6,800 women delivered their babies in these facilities. At the same time, home deliveries reduced from 222 in the previous year to 72.

Through our hypertension project we enabled 15 health facilities to screen over 20,000 people for hypertension and 33% were found with an elevated blood pressure and received appropriate management.

This is a summary of our key achievements, each section reflecting the financial categories in note 8 of the financial statements:

1. Capacity Building
2. Equipment and Infrastructure
3. Policy advocacy and system strengthening
4. Preventive Services and work in the community

Capacity Building

We have continued to build the capacity of the health workforce in Zanzibar. We have trained health workers in various fields including Reproductive, Maternal, Neonatal, Child and Adolescent Health (RMNCAH), Emergency Medicine, Hospital Management, Quality Improvement, Mental Health and Internal Medicine, with a focus on cardiology. We have done this through mentorship, on-the-job-training and formal short and long-term training. We have also engaged microbiologists to establish a microbiology department at Makunduchi Hospital. Now the biggest laboratory in Zanzibar?, it will improve diagnostic services and conduct Antimicrobial Resistance Surveillance.

Our maternal and newborn health project trained mentors who conducted over 500 mentorship sessions across primary health care facilities to build capacity of their fellow health care workers and improve referrals for more specialised care. Furthermore, we have established weekly continuous medical education sessions at Kivunge and Makunduchi hospitals and supported Maternal Perinatal Death Surveillance and Response sessions.

Together with the MoH and our project partner, the hypertension project developed a training package on hypertension and trained healthcare workers from all public facilities in North A district.

Our mental health programme involved training healthcare workers from health facilities across Pemba and Unguja to deliver evidence-based care to patients with mental illness and Community Health Volunteers (CHVs) to deliver problem solving therapy within the community.

Equipment and Infrastructure

HIPZ invested in the development of the infrastructure, equipment and provision of pharmaceuticals and equipment.

Partnership with International Health Partners

We have formed a 3-year partnership with International Health Partners to strengthen the supply of essential medicines in Zanzibar. A pilot consignment was successfully handed over to the Ministry of Health and the medicines have been distributed through government channels across the health facilities HIPZ supports.

Provision and maintenance of equipment

Through our hypertension project we have supplied medical equipment to 15 facilities in the North of Unguja supporting the early diagnosis and treatment of hypertension. Through our maternal and newborn health project we have supported 28 facilities with equipment supporting antenatal care and delivery services.

We engaged a biomedical engineer to establish pre-planned maintenance plans for Makunduchi and Kivunge hospitals, train local technicians and provide corrective maintenance when necessary across all facilities in North and South districts of Unguja.

Emergency Medicine and Laboratory Block

The old laboratory of Makunduchi Hospital consisted of only two small rooms. Whilst the Hospital team had done its very best to maximize this space, it was evident that the old laboratory was insufficient to accommodate all the laboratory services a District Hospital should provide according to the Essential Healthcare Package. Similarly, the Hospital and the Ministry identified that the provision of emergency care was hampered by the inadequate existing space which did not allow for a good patient flow, was not easily accessible, nor had it the required bed capacity. To address these needs HIPZ partnered with the Lady Fatemah Charitable Trust and Festival Medical Services to construct a new Emergency Medicine and Laboratory Block at Makunduchi Hospital.

When planning the design of this building we followed a human centered approach which builds on the existing standard design from mainland Tanzania. The design was adapted to our context and defined by the population size, the essential service package, availability of human resources for health, the disease patterns and alignment to the patient flow within Makunduchi Hospital, especially in relation to key services such as surgery, imaging, pharmacy, inpatient and outpatient.

The new laboratory will accommodate haematology, parasitology, chemistry and microbiology departments as well as a room for quality control, sterilization and a phlebotomy lab, plus a dedicated waiting area on the ground floor decongesting the hospital. It will also offer a conference room for the hospital.

The Emergency Department provides easy access, an improved patient flow, a dedicated resuscitation area, triage, a consultation room, a treatment area with up to 8 beds and an isolation room.

Ambulance boat

In order to strengthen the referral system and emergency care provision for the 18,000 people living on Tumbatu island, we provided the District Health Management Team with an ambulance boat to easily refer patients from the island to Kivunge Hospital. HIPZ also engaged and trained a captain to ferry patients from Tumbatu to the main island.

Policy advocacy and system strengthening

HIPZ has exceptional stakeholder relationships across the health sector, at local, regional, and national government level, as well as in the community.

We have participated in the Zanzibar Development Partners Group for Health and Nutrition, as well as in Technical Working Groups of the Ministry of Health. We have continued to contribute to the Zanzibar Health Basket Fund and have been participating in the Zanzibar Global Fund Country Coordinating Mechanism as an alternate representative of international non-governmental organizations.

We also have been appointed as a member of Zanzibar Multisectoral Coordinating Committee on Antimicrobial Resistance and supported the Ministry of Health through the Zanzibar Health Research Institute to develop a proposal addressing antimicrobial stewardship through an implementation research project based at Mnazi Mmoja and Chake Chake hospitals. HIPZ will now provide an advisory role to the project over the next 3 years.

Preventive Services and work in the community

We trained over 200 Community Health Volunteers (CHVs) in 'Dawati Rafiki' across 7 districts in Unguja and Pemba. Dawati Rafiki is an evidence-based, problem-solving therapy devised in Zimbabwe to support beneficiaries with anxiety and depression. The CHVs conducted 2,000 sessions and substantially improved access to basic mental health services at community level.

We have delivered 14 integrated mental health outreach days in Zanzibar in partnership with the Ministry of Health. The outreach days raised awareness of mental health and other NCDs as well as nutrition. Over 5,000 people were screened for NCDs and mental illnesses. We have also partnered with the Rotary Club of Stone Town and Urban Care to deliver Breast Cancer Outreach Camps in every district of Unguja.

In order to further raise awareness and create positive health seeking behavior we delivered radio and TV health talks on mental health and hypertension. In order to support this, together with the Ministry of Health we developed awareness and education materials on hypertension for print, audio and video.

We also delivered community-based activities to support sexual and reproductive health and safe journeys into motherhood. This included Girl mentors and Youth Health Champions conducting 427 sessions with a total of 7,607 youths. We also trained 50 CHVs who reached 3,700 people throughout 800 sessions community sessions. Around 25% of men in the catchment area participated in the sessions delivered by CHVs. This is a significant result, which helps ensure reproductive health and motherhood are safely supported at the household level.

Future plans

In the next year we plan to focus more on antimicrobial resistance which is an emerging public health concern. At Makunduchi hospital we want to establish a surveillance site. We will continue to support the antimicrobial stewardship project of the Zanzibar Health Research Institute at Mnazi Mmoja and Chake-Chake hospitals.

We plan to scale up our hypertension project and continuously build the capacity of Kivunge as a referral site for cardiovascular disease. We plan to support the NCD Unit of the Ministry of Health to tackle the increasing disease burden of NCDs in Zanzibar.

Our maternal, newborn and child health project in partnership with the Lady Fatemah Charitable Trust, will be scaled up across all of Zanzibar. We will also continuously promote positive health seeking behaviour for RMNCAH services, mental health and NCDs across the islands.

1.6 Structure, Governance and Management

We take our financial and governance responsibilities seriously. This is particularly important to support our work in Zanzibar and ensure the money we spend there is used as effectively as possible. In line with Charity Commission and Companies House requirements our accounts are independently examined annually and published on the relevant websites.

Our Senior Management Team consists of a Programme Director, Clinical Operations Director, Finance Director, Programme Advisor and Fundraising Manager. We have a small fundraising and partnerships team who lead our fundraising activities to ensure incoming funds support the vital activities in Zanzibar. All activities are overseen by the Trustees. Our board of Trustees scrutinise our finances at quarterly meetings and discuss the risks to the charity via our risk register.

We have two sub-committees supporting the work of the Board – the Finance, Audit and Governance Committee and the Medical Advisory Group. These groups report to the Board of Trustees and have been a great support to the trustees over the past year.

This year we have worked with a strategic leadership consultant specialising in the growth of small charities to help support our organisational development and strengthen our governance and management approach. The work has included developing our HR management, staff development, governance structures, finance and funding and strategy development.

Directors/Trustees

Our board of trustees is made up of experienced professionals from a range of backgrounds, including senior clinicians, communications and marketing, finance, charity and business planning.

Since we were incorporated in 2016, the trustees of the charity are also directors of the company. All directors give their time voluntarily and received no benefits from the charity. There were no trustees' remuneration or other benefits paid for the year ending 30 June 2023.

Recruitment to the board of trustees is skills-based, and we regularly review the skills and experience we have represented on the board. In the last financial year, we have recruited a new trustee with expertise in human resources to help support our work.

Trustees gain knowledge from other trustees and HIPZ staff and keep up to date with the role of the trustee using Charity Commission guidance. Trustees are encouraged to oversee specific areas of interest, for example finance, events, fundraising or planning.

Risk Management

Risk is discussed at all levels of the organisation, and at the strategic level is overseen by an organisational risk register. The risk register is discussed regularly at the Finance, Audit and Governance Committee and with the Board of Trustees.

Governing Document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

1.7 Financial Review

Financial Performance 2022-23

Income for the year at £898k was +47% higher than budgeted and represented a +79% increase from 2021-22 (£500k). The majority of the additional income (£286k), compared to the previous year, came from Trusts and Foundations and was raised during the year.

Expenditure for the year at £880k was +25% higher than budgeted in total and represented a +69% increase compared to 2020-21. The higher spend (£179K) was mostly in the areas of capacity building and quality improvement as well as equipment and pharmaceuticals (including goods donated in kind), and preventative services, for which restricted funding was raised during the year (incremental to the original budget as noted above).

The small surplus of income vs expenditure at +£18k was higher than budgeted and resulted in a net asset position of £134k at the end of 2022-23 (£115k 2021-22). This represents restricted funds received for ongoing projects in Zanzibar.

Principal Funding Sources

Our income sources for this financial year were:

- Trusts and Foundations 75%
- Major Donors 3%
- Individuals & Regular Gifts 6%
- Corporate support 10%
- Statutory 3%
- Community and Events 3%

We continue to work hard to build up a portfolio of long-term supporters from a range of funding sources.

Investment Policy

The charity does not have any investments.

Reserves Policy

The reserves policy is designed to maintain a sufficient level of unrestricted funds to enable the charity to close down should it be required to. It allows for six months of basic operations to continue and would give time for staff in Zanzibar to make alternative employment arrangements. It is based upon the cost of three months' predictable liabilities.

The policy allows HIPZ to actively manage our finances and ensure we have the capacity to weather unforeseen financial problems. The Trustees have reviewed the position, noting that the yearend reserves are not at the level of the policy, but consider that there are no material uncertainties to continue as a going concern.

Auditors / Independent examiner

Ross Brooke were appointed to conduct the independent examination of these accounts.

This report has been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their

accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

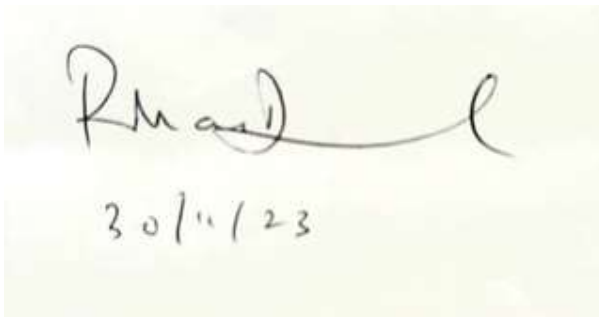
In Zanzibar, Hybrid Assurance was appointed to conduct the audit of HIPZ in Zanzibar. The audit was conducted in accordance with International Standards on Auditing issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants.

In the opinion of the auditor the financial statements presented for Zanzibar presented a true and fair view of the state of affairs of HIPZ, as at 30th June 2022 and for the period then ended, accordance with International Public Sector Accounting Standards issued by the Public Sector Committee of the International Accounting Standards issued by the International Accounting Standards Board.

Public benefit

The Trustees have complied with the duty in section 17(5) of the Charities Act 2011 and have given due regard to public benefit guidance published by the Charity Commission.

Approved by the directors on 29th November 2023 and signed on its behalf by Dr Ruairaidh MacDonagh:

A photograph of a piece of paper with a handwritten signature in dark ink. The signature appears to be 'Ruairaidh MacDonagh'. Below the signature, the date '30/11/23' is handwritten in the same ink.

2 Independent Examiner's Report to the trustees of HIPZ (Health Improvement Project Zanzibar) for the year ended 30 June 2023

FOR THE PERIOD ENDED 30 JUNE 2023

I report to the charity trustees on my examination of the accounts of the Company for the period ended 30 June 2023, which are set out in pages 14-24.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

BASIS OF INDEPENDENT EXAMINER'S REPORT

Having satisfied myself that the accounts of the Company are not required to be audited for this period under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act).

INDEPENDENT EXAMINER'S STATEMENT

The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Caroline Webster FCA

UHY Ross Brooke
Windrush Court
Abingdon Business Park
Suite I
Bucklands Way
Abingdon
OX14 1SY

Date

3 Statement of Financial Activities including Income and Expenditure Account

FOR THE PERIOD ENDED 30 JUNE 2023

	Note	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Income							
Donations and legacies	3	122,236	772,691	894,927	100,604	398,414	499,018
Other		3,331	-	3,331	1,636	1	1,637
Total income		<u>125,567</u>	<u>772,691</u>	<u>898,258</u>	<u>102,240</u>	<u>398,415</u>	<u>500,655</u>
Expenditure							
Fundraising costs	4	17,430	33,442	50,872	26,823	47,462	74,285
Charitable activities	5	152,171	676,472	828,643	122,176	323,812	445,988
Total expenditure		<u>169,601</u>	<u>709,914</u>	<u>879,515</u>	<u>148,999</u>	<u>371,274</u>	<u>520,273</u>
Net income/ - expenditure		- 44,034	62,777	18,743	- 46,759	27,141	- 19,618
Transfers between funds		702	- 702	-	22,806	- 22,806	-
Net movement in funds		- 43,332	62,075	18,743	- 23,953	4,335	- 19,618
Reconciliation of funds:							
Total funds brought forward		65,173	49,658	114,831	89,126	45,323	134,449
Total funds carried forward		<u>21,841</u>	<u>111,733</u>	<u>133,574</u>	<u>65,173</u>	<u>49,658</u>	<u>114,831</u>

The Statement of Financial Activities includes all gains and losses in the period and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 17 to 24 form part of these financial statements.

4 Balance Sheet

AS AT 30 JUNE 2023

	Note	2023 £	2023 £	2022 £	2022 £
Tangible fixed assets	7		13,506		13,278
Current assets					
Debtors	8	31,580		5,527	
Cash at bank and in hand		111,332		108,722	
		142,912		114,249	
Creditors: amounts falling due within one year	9	- 22,844		- 12,696	
Net current assets			120,068		101,553
Creditors: amounts falling due in more than one year			-		-
Net assets			133,574		114,831
Funds					
Restricted funds	10		111,733		49,658
Unrestricted funds general	11		21,841		65,173
Designated			-		-
Total charity funds			133,574		114,831

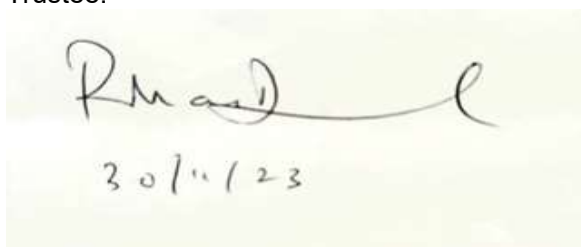
For the period ended 30 June 2023 the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006.

Trustees responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the members of the committee and authorised for issue on and are signed on their behalf by Dr Ruairadh MacDonagh, Chairman and Trustee.

Trustee:



30/11/23

5 Statement of Cash Flows

FOR THE PERIOD ENDED 30 JUNE 2023

	Note	2023 £	2022 £
Cash used in operating activities	14	<u>11,687</u>	<u>- 17,734</u>
Cash flows from investing activities			
Dividends and interest from investments		-	-
Proceeds from the sale of fixed assets		-	-
Purchase of fixed assets		- 9,077	- 7,655
Cash provided by (used in) investing activities		<u>- 9,077</u>	<u>- 7,655</u>
Increase (decrease) in cash and cash equivalents in the year		2,610	- 25,389
Cash and cash equivalents at the beginning of the year		108,722	134,111
Total cash and cash equivalents at the end of the year		<u><u>111,332</u></u>	<u><u>108,722</u></u>

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023

1. ORGANISATION STATUS

HIPZ (Health Improvement Project Zanzibar) is a Charitable Incorporated Organisation.

2. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) with the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The financial statements have been prepared under the historical cost convention (SORP 2019), 'Accounting and Reporting by Charities', issued by the Charities Commission.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Income

All income is included in the statement of financial activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 in the UK, or £300 in Zanzibar are not capitalised.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset. There are currently no assets held in the UK. Our depreciation rates in Zanzibar are based on the Tanzanian Revenue Authority rates and are therefore as follows:

Depreciation rates - Zanzibar

Computers and accessories and motor cycles– 37.5% (reducing balance)

Furniture and fixings, office equipment and motor vehicles – 12.5% (reducing balance)

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure represents amounts invoiced, including value added tax.

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

Taxation

The Charity is exempt from corporation tax on its charitable activities.

Going concern

The trustees consider that there are no material uncertainties as to the charity's ability to continue as a going concern.

Currency

The accounts are presented in GBP although the functional currency is TZS (Tanzanian Shillings). This is because most of the transactions occur in Zanzibar and are in TZS.

3. DONATIONS AND LEGACIES

	Unrestricted £	Restricted £	2023 £	2022 £
Individual Giving	52,106	125	52,231	45,208
Corporate	10,910	78,954	89,864	66,009
Major Donors	26,500	-	26,500	21,000
Statutory	-	26,987	26,987	44,177
Community and events	27,173	-	27,173	11,352
Trusts and Foundations	5,547	666,625	672,172	311,272
	<u>122,236</u>	<u>772,691</u>	<u>894,927</u>	<u>499,018</u>

4. FUNDRAISING COSTS

	Unrestricted £	Restricted £	2023 £	2022 £
Fundraiser salaries	8,573	14,887	23,460	53,188
Other fundraising costs	8,857	18,555	27,412	21,097
	<u>17,430</u>	<u>33,442</u>	<u>50,872</u>	<u>74,285</u>

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	Unrestricted £	Restricted £	2023 £	2022 £
Operational costs	28,787	18,799	47,586	32,057
Capacity building and quality improvement	36,314	233,966	270,280	226,158
Equipment and consumables, Infrastructure development and Pharmaceuticals	18,672	254,885	273,557	72,899
Policy advocacy / government liaison	8,549	17,951	26,500	9,314
Preventive Services	3,919	141,785	145,704	67,114
Administration	48,016	9,086	57,102	34,346
Exchange rate differences	7,914	-	7,914	4,100
	<u>152,171</u>	<u>676,472</u>	<u>828,643</u>	<u>445,988</u>

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

6. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	212,257	144,642
Social security costs	36,590	18,876
Pension costs	818	1,104
	<u>249,665</u>	<u>164,622</u>
	2023	2022
Fundraising	2.0	2
Programme mgt & admin	9.6	10
Total	<u>11.6</u>	<u>12</u>

No employee received benefits exceeding £60,000

7. TANGIBLE FIXED ASSETS

	Motor vehicles	Equipment	Total cost
	£	£	£
Cost			
Cost at 1 July 2022	10,884	13,502	24,386
Additions	-	9,077	9,077
Disposals	- 1,469	-	- 1,469
Exchange adjustment and other adjustments to align to Zanzibar accounts	- 1,399	- 1,948	- 3,347
At 30 June 2023	<u>8,016</u>	<u>20,631</u>	<u>28,647</u>
Depreciation			
At 1 July 2022	8,479	2,629	11,108
Disposals	- 1,615	-	- 1,615
Charge for the period	514	6,376	6,890
Exchange adjustment	- 463	- 779	- 1,242
At 30 June 2023	<u>6,915</u>	<u>8,226</u>	<u>15,141</u>
Net book value			
At 30 June 2023	<u>1,101</u>	<u>12,405</u>	<u>13,506</u>
At 30 June 2022	<u>2,405</u>	<u>10,873</u>	<u>13,278</u>

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

8. DEBTORS

	2023	2022
	£	£
Trade debtors	16,810	-
Staff loans	761	2,127
Other debtors	10,782	-
Prepayments	3,227	3,400
	<u>31,580</u>	<u>5,527</u>

9. CREDITORS

	2023	2022
	£	£
Trade creditors	1,594	-
Accruals	9,804	4,465
Other creditors	11,446	8,231
	<u>22,844</u>	<u>12,696</u>

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

10. RESTRICTED INCOME FUNDS

	Balance at 30 June 2022	Income	Expenditure	Transfer (to) / from unrestricted funds	Balance at 30 June 2023
	£	£	£	£	£
Restricted funds					
AstraZeneca	-	54,054	- 27,816	-	26,238
BNITM	-	46,758	- 6,248	-	40,510
CM Lemos Foundation	- 43,165	181,318	- 138,153	-	-
Dornenburg Stiftung	702	-	-	- 702	-
Ethicall	16,729	-	- 14,322	-	2,407
Evan Cornish	- 925	9,916	- 8,991	-	-
Festival Medical Services	20,400	-	- 12,206	-	8,194
Grant Bradley Foundation	-	6,000	- 5,861	-	139
Geoff Harrington Foundation	-	5,060	- 4,729	-	331
Guernsey Overseas Aid Commission	10,169	26,987	- 53,637	-	- 16,481
ICARS	-	8,171	- 8,171	-	-
IHP donated goods	-	35,414	- 35,414	-	-
James Tudor Foundation	-	4,120	-	-	4,120
The Lady Fatemah Charitable Trust	14,595	302,404	- 294,480	-	22,519
Pharmanovia	5,925	24,900	- 30,825	-	-
Rotary Club of Stone Town	-	3,068	-	-	3,068
Rotary Global Grant (Makunduchi)	- 2,272	1,971	301	-	-
Scott Bader	-	4,000	- 4,000	-	-
St James Place Foundation	-	2,500	-	-	2,500
Todos Juntos	5,000	-	- 3,528	-	1,472
USAID	-	51,326	- 44,440	-	6,886
HIPZ Christmas Fundraiser	5,969	125	- 6,094	-	-
ZIDO	16,531	3,929	- 10,630	-	9,830
Other	-	670	- 670	-	-
	<u>49,658</u>	<u>772,691</u>	<u>- 709,914</u>	<u>- 702</u>	<u>111,733</u>

There is a negative fund balance on the Guernsey Overseas Aid Commission. This is due to the funds being paid in arrears. In this case, an invoice to GOAC for £22k was raised in July and paid by the donor in July.

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

Purpose of restricted funds:

ZIDO is registered non-profit charitable organisation based in Canada. The registered name is Reaching out to Zanzibar International Development Organization and its mission is to improve the lives of the people of Zanzibar

- **ZIDO Biochemistry Machine.** ZIDO supported HIPZ to rent a biochemistry analyser and procure reagents. The biochemistry analyser is placed in a laboratory of Kivunge District Hospital. It vastly improves the diagnostic services and therefore the treatment and management of diseases.
- **ZIDO other small projects.** ZIDO has supported HIPZ to implement various projects to improve the health care service delivery at Makunduchi and Kivunge Hospital. The majority of the funds are used to provide infants with formula milk who do not receive enough breastmilk due to medical reasons. Additionally, ZIDO supports the ophthalmic clinics, psychiatric clinics, training for healthcare workers and the provision of medical equipment.

Rotary Zanzibar is the short form of Rotary Club of Zanzibar - Stone Town based in Zanzibar Town, Tanzania. It is an organisation to bring together business and professional leaders in order to provide humanitarian services and to advance goodwill and peace. It is a non-political and non-religious organisation open to all.

- **Rotary Global Grant Makunduchi.** The Rotary Global Grant in Makunduchi aims at improving the delivery of health care services at Makunduchi Hospital by improving the infrastructure, equipment and capacity of the health care workers. The Rotary Club of and HIPZ is downstream partner delivering parts of Global Grant and providing technical expertise to the Rotary Club of Zanzibar.

Comic Relief. Comic Relief is supporting us to implement a mental health project in North A and South Districts benefiting 180,000 people with the aim of improving access to mental health services in the community, improving quality of mental health services, improving awareness of mental health in the community.

Dorenburg Stiftung is a private family foundation funding medication and consumables for our paediatric work.

Evan Cornish Foundation is a UK based grant-giving organisation. They awarded HIPZ funding to deliver mental health community outreach days.

Ethical is a historic partner of HIPZ and they reached back out to us in 2020, and generously offered to support our work. They donated £17,000 towards our surgical work which included renovating and equipping the operating theatre in Kivunge Hospital and purchasing a new theatre bed for Makunduchi Hospital.

The **Lady Fatemah Charitable Trust** is funding HIPZ to deliver a new maternal and new-born health programme in the hospitals and Primary Health Care Units we work in.

The Costas M Lemos Foundation is a private foundation supporting HIPZ's fundraising and operations functions.

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

11. UNRESTRICTED INCOME FUNDS

	Balance at 30 June 2022	Income	Expenditure	Transfer (to) / from unrestricted funds	Balance at 30 June 2023
Unrestricted funds	£	£	£	£	£
General unrestricted funds	65,173	125,567	- 169,601	702	21,841
	<u>65,173</u>	<u>125,567</u>	<u>- 169,601</u>	<u>702</u>	<u>21,841</u>

12. ANALYSIS OF FUNDS BY ASSET TYPE

	Restricted	Unrestricted	Total cost
	£	£	£
Fixed assets	-	13,506	13,506
Net current assets	111,733	8,335	120,068
	<u>111,733</u>	<u>21,841</u>	<u>133,574</u>

13. TRUSTEE REMUNERATION, KEY MANAGEMENT PERSONNEL & RELATED PARTY TRANSACTIONS

No member of the board of trustees received any remuneration or were reimbursed for any expenses during the reporting period.

The key management personnel are the voluntary trustees and so there is no expenditure on key management personnel during the reporting period.

There were no related party transactions during the reporting period.

14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/expenditure for the year (as per the Statement of Financial Activities)	18,743	- 19,618
Add back depreciation charge	6,890	1,819
Investment income	-	-
Loss on disposal of fixed assets	1,959	- 854
Decrease (increase) in stock	-	-
Decrease (increase) in debtors	- 26,053	- 822
Increase (decrease) in creditors	10,148	1,741
Net cash used in operating activities	<u>11,687</u>	<u>- 17,734</u>

6 Notes to the Accounts

FOR THE PERIOD ENDED 30 JUNE 2023 (continued)

15. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 30 JUNE 2022

	Note	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Income							
Donations and legacies	3	100,604	398,414	499,018	265,440	99,976	365,416
Other		1,636	1	1,637	813	-	813
Total income		102,240	398,415	500,655	266,253	99,976	366,229
Expenditure							
Fundraising costs	4	26,823	47,462	74,285	45,422	-	45,422
Charitable activities	5	122,176	323,812	445,988	207,053	93,117	300,170
Total expenditure		148,999	371,274	520,273	252,475	93,117	345,592
Net income/ -expenditure		- 46,759	27,141	- 19,618	13,778	6,859	20,637
Transfers between funds		22,806	- 22,806	-	-	-	-
Net movement in funds		- 23,953	4,335	- 19,618	13,778	6,859	20,637
Reconciliation of funds:							
Total funds brought forward		89,126	45,323	134,449	75,348	38,464	113,812
Total funds carried forward		65,173	49,658	114,831	89,126	45,323	134,449