

MATERNITY AFRICA
(a Non-Governmental Organization)



**Maternity
Africa**
Making childbirth safe

**GOVERNANCE REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020**



ANCASSOCIATES

Certified Public Accountants in Public Practice

Audit and Assurance - Tax Consultants - Transactions and Advisory Services

MATERNITY AFRICA
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GOVERNANCE REPORT AND AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

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LIST OF ABBREVIATIONS

MA	Maternity Africa
ACPA-PP	Associate Certified Public Accountant in Public Practice
F CPA-PP	Fellow Certified Public Accountant in Public Practice
CCBRT	Comprehensive Community Based Rehabilitation in Tanzania
CRDB	Corporate Rural Development Bank plc
IESBA	International Ethics Standards Board for Accountants
CPA	Certified Public Accountant
IFRS	International Financial Reporting Standards
ISA	International Standards on Auditing
NBAA	National Board of Accountants and Auditors
NHIF	National Health Insurance Fund
NSSF	National Social Security Fund
PAYE	Pay As You Earn
PSSSF	Public Services Social Security Fund
SDL	Skills Development Levy
TRA	Tanzania Revenue Authority
TZS	Tanzanian Shilling
USD	United States Dollar
WCF	Workers Compensation Fund
WIP	Work In Progress
OSHA	Occupational Safety and Health Authority

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ORGANIZATION GENERAL INFORMATION

REGISTERED/PRINCIPAL OF ACTIVITIES	PLACE	Plot No.181, Kivulini Estate Arusha District, P.O. Box 16464 Arusha, Tanzania. Tel: +255 27 254 3192 Phone: +255 (0) 716 913 934 Email: info@maternityafrica.org Website: www.maternityafrica.org
BANKERS		CRDB Bank Plc Ngaramtoni Service Centre, Arusha Branch P.O. Box 1377 Arusha, Tanzania Tel: +255 (0) 737 210 536 Email: www.crdbbank.co.tz
LAWYERS		Rocks Attorney Col. Middleton Road P.O.BOX 1441 Blue Rock Building, Room No;4 Arusha, Tanzania
EXTERNAL AUDITORS		ANC ASSOCIATES Certified Public Accountants in Public Practice 3 rd Floor, Safari Hotel Business Centre, Room 406, India Street, P.O. Box 2165, Arusha, Tanzania. Email: info@ancassociates.co.tz Website: www.ancassociates.co.tz

INTRODUCTION

The Board of Directors of Maternity Africa Limited is pleased to present this report and audited financial statements for the financial year ended 31 December 2020, which disclose the state of affairs of the Organization for the year under review.

INCORPORATION

Maternity Africa Limited was incorporated on 6th September 2013 and issued with certificate of incorporation number 102204. However due to changes of laws of Tanzania, regarding companies limited by guarantee, Maternity Africa changed its registration status from a limited company by guarantee to NGO and issued with registration certificate number 000NGO/000524 on 27th August 2019.

The organization pursues charitable (not-for-profit) and according to Article 26 of the constitution use of funds, funds however obtained shall solely be applied towards the promotion of objectives of the organization.

MATERNITY AFRICA'S MISSION

The mission of Maternity Africa is: Maternity Africa is a Christian-based organization that endeavours to provide fistula treatment and quality maternity care for all marginalized women throughout Africa, through clinical excellence and in the example of displaying love, kindness and compassion regardless of race, religion or ethnicity.

MATERNITY AFRICA'S VISION

Maternity Africa's vision is to make child birth safe for every woman. Our prayer is to act justly and to love mercy and to walk humbly with our God.

MATERNITY AFRICA'S MAIN OBJECTIVES

The following are Maternity Africa's main objectives as outlined in its Constitution:

- To contribute to the improvement of maternal health outcomes in the country, aiming in particular to reach out to the poor and marginalized women so as to improve their health status and overall well-being;
- To strengthen capacity for the provision of high-quality emergency obstetric care;
- To improve access to high quality treatment of obstetric fistula and other birth injuries;
- To support partners and coordinate activities for improving maternal health and well-being including for ladies suffering from fistula;

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GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (Continued)

- To work closely with existing hospitals and health centres to improve maternal health planning provision so that women can receive the best care available within the available resources; and
- To work officials from the Ministry of Health, Community Development, Gender, Elderly and Children, align the institutional works with the plans of the Government and collaborate on addressing gaps and develop a relationship that promotes ongoing learning of good practice lessons that can be used in other parts of the country.

COMPOSITION OF THE BOARD OF DIRECTORS

The Directors of the Organization at the date of this report and who have served throughout the year except where otherwise stated, are:

S/ N	NAME	POSITION	AGE	QUALIFICATION / DESCLIPLINE	NATIONALITY	APPOINTED	DATE OF APPOINTMENT / RESIGNATION
1.	Wilfred Mlay	Chairman of the Board	75	Professor	Tanzanian	Appointed	Oct 2015
2.	Monica Ndege	Director/ Secretary	61	Midwife	Tanzanian	Appointed	Feb 2017
3.	Esther D Mwaikambo	Director	80	Professor	Tanzanian	Appointed	Sep 2014
4.	Goodwin Elinaja Kimaro	Director	67	Businessman	Tanzanian	Appointed	Dec 2017
5.	Andrew James Browning	Director	51	Doctor	Australian	Appointed	Sep 2014
6.	William Temu	Director	74	Independent consultant	Tanzanian	Appointed	Dec 2019
7.	Modest Akida	Director	-	Lawyer	Tanzanian	Appointed	March 2020

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GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (Continued)

DONORS DURING THE YEAR

During the year Maternity Africa received grants from the following donors:

S/N	NAMES OF DONORS	2020 USD	2020 TZS
1.	Australian Volunteers	7,001	16,145,272
2.	Barbara May Foundation	250,318	576,902,200
3.	CCBRT	2,623	6,008,700
4.	Fistula Foundation	129,823	299,344,202
5.	Fulmer Charitable	7,882	18,197,703
6.	Gould Family Foundation	872	2,013,675
7.	Impact Foundation	6,139	14,091,567
8.	Rotary Club Arusha	474	1,090,000
9.	Segal Family Foundation	61,882	142,448,952
10.	The Susan Thompson Buffet	338,695	776,035,858
11.	Up for Africa	100	229,645
12.	Visitors from St Jude school	115	263,658
	Total	805,924	1,852,771,432

CORPORATE GOVERNANCE

The Board of Maternity Africa comprises seven Directors. Apart from the country Director, no other director holds executive positions in the organization. The Board takes overall responsibility for the Organization, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The board is also responsible for ensuring that a comprehensive system of internal control policies and procedure is operative and for compliance with sound corporate governance principles.

The Board is required to meet at least four times a year. The Board delegates the day-to-day management of the business to Country Director, who is assisted by senior management. Senior management is invited to attend Board meetings and facilitates the effective control of all the organization's operational activities, acting as a medium of communication and coordination between all of the various business units.

The Organization is committed to the principles of effective corporate governance. The Directors also recognize the importance of integrity, transparency and accountability.

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GOVERNANCE REPORT FOR THE YEAR ENDED 31ST DECEMBER 2020 (Continued)

During the year the Board of Maternity Africa had the following Board Sub-Committees to ensure a high standard of corporate governance throughout the Organization:

1. Board Governance and Policy Review Committee (1st Committee)

The Board Governance and Policy Review Committee reports to the General Committee. The Committee met as necessary during the main Board meetings during the year. Members of the Committee who served to the date of this report were:

S/N	NAME	POSITION	QUALIFICATION/ DESCLIPLINE	NATIONALITY
1.	Professor Wilfred Mlay	Board chair	Professor	Tanzanian
2.	Monica Ndege	Director/Secretary	Midwife	Tanzanian
3.	Esther Mwaikambo	Director	Professor	Tanzanian

2. Finance, Audit and Risk Committee (2nd Committee)

The Finance, Audit and Risk Committee reports to the General Committee. The Committee met during the main Board meetings four times during the year. Members of the Committee who served to the date of this report were: -

S/N	NAME	POSITION	QUALIFICATION / DESCLIPLINE	NATIONALITY
1.	Godwin Kimaro	Director	Financial Consultant	Tanzanian
2.	Monica Ndege	Director/Secretary	Midwife	Tanzanian
3.	Goodluck Simon	Finance Administrator	Accountant	Tanzanian

3. Strategy Committee (3rd Committee)

The Strategy Committee reports to the General Committee. The Committee met as during the main Board meetings during the year. The Board met 4 times during the year. Members of the Committee who served to the date of this report were: -

S/N	NAME	POSITION	QUALIFICATION / DESCLIPLINE	NATIONALITY
1.	Prof Wilfred Mlay	Board chair	Professor	Tanzanian
2.	Monica Ndege	Director/secretary	Midwife	Tanzanian
3.	William Temu	Director	Independent Consultant	Tanzanian
4.	Modest Akida	Director	Lawyer	Tanzanian

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MANAGEMENT

The Management of the Organization is under the Country Director and is organized in the following departments.

- Medical Department
- Finance and Procurement Department
- Nursing Department
- HR & Administration

FUTURE DEVELOPMENT PLANS

Maternity Africa officially opened its brand-new hospital, Kivulini Maternity Centre on 9th June 2018. It is situated at Ngaramtoni ya Chini, close to the city of Arusha. The 48-bed facility commenced service delivery with a fistula camp commencing in May 2018, and opened to maternity and family planning patients shortly afterwards.

Maternity Africa's strategic planning involves gradually increasing the number of women accessing care at Kivulini Maternity Centre.

Maternity Africa's annual service delivery targets are:

- up to 2,000 Deliveries;
- up to 10,000 antenatal visits;
- up to 160 fistula and birth injury surgeries;
- up to 800 family planning consultations (for external clients); and
- practical skills development for up to 60 skilled birth attendants working at other healthcare facilities in the area.

Maternity Africa also expects to manage more surgeries for early pregnancy complications.

Maternity Africa provides all of its services free of charge to the vulnerable and marginalized women it serves.

CLINICAL PERFORMANCE FOR THE YEAR

Maternity Africa opened its doors for service on 28th May 2018 (slightly behind schedule because of delays encountered with importing containers), with its official opening ceremony taking place on 9th June 2018. We successfully commenced all three programs - Maternity, Fistula Treatment and Family Planning.

Maternity met its targets for the number of family planning consultations and deliveries.

The main challenge for the fistula camp was the outbreak of the global corona virus pandemic, Normally, Maternity Africa plans for four fistula camps to take place each year but this year only one camp was conducted, so we treated fewer fistula patients than anticipated.

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DELIVERIES	FISTULA (and related birth injuries)	ANTENATAL VISITS	FAMILY PLANNING CONSULTATIONS
2,399	68	8,197	432

RISK MANAGEMENT AND INTERNAL CONTROL

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

- The effectiveness and efficiency of operations;
- The safeguarding of the Organization assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Organization system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively. The Board assessed the internal control systems throughout the financial year ended 31st December 2020 and is of the opinion that they met accepted criteria.

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 Maternity Africa has adequate resources to continue in operational existence for the foreseeable future.

EMPLOYEES' WELFARE

(i) Management and Employees' Relationship

There were continued good relation between employees and management for the year ended 31st December 2020. There were no unresolved complaints received by Management from the employees during the year. The Organization is 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.

(ii) Training Arrangements

When presenting its annual budget for 2020, the Organization allocated approximately TZS 16,470,000/- for staff training in order to improve employees' technical skills and workplace effectiveness. It has been the practice of Maternity Africa to conduct orientation to newly recruited staffs, the orientation provides a valuable opportunity to help ensure that the newly recruited clinical, facilities and administration staff were fully trained and equipped with Maternity Africa systems and procedures and it also help to ensure that Maternity Africa vision, mission and values are well communicated and embraced.

Clinical staff subsequently enrolled on a continuous performance review program in which they are responsible for ongoing competency development. Training sessions were also been initiated with the Administration staff. All employees have annual performance reviews and opportunities for development. Skills training opportunities are implemented when appropriate needs assessments are completed.

(iii) Medical Assistance

All members of staff with a maximum number of four beneficiaries (dependents) for each employee were availed medical insurance guaranteed by the Board. The National Health Insurance Fund currently provides these services.

(iv) Health and Safety

Maternity Africa has a robust health and safety culture, promoting high standards of safety within the working environment. We were reviewed by OSHA, currently hold a certificate issued by and are registered with Occupation Safety and Health Authority (OSHA). According to requirements, four staff were trained in order to form an OSHA on-site committee. An external consultant expects to have a formal risk assessment completed by the end of April 2019. Our official health and safety registration number is ARS/1439, dated to 28th June 2019.

Employees are provided with adequate Personal Protective Equipment (PPE), training and Supervision as required. This helps to ensure that their safety prevails at all times.

(vi) Financial Assistance to Staff

Maternity Africa has a policy of not offering loans to Employees.

(vii) Persons with Disabilities

Maternity Africa always considers applications for employment received from persons presenting with a disability(s), bearing in mind the aptitudes of the individual applicant(s). In the event that members of staff become disabled, Maternity Africa makes every reasonable effort to help ensure that their employment continues and appropriate training (if necessary) is arranged. It is Maternity Africa's policy that training, career development and promotion of persons presenting with a disability should, as far as possible, be identical to that of other employees.

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(viii) Employee Benefits Plan

Maternity Africa pays staffs contributions which amounts to 20% of the gross salary to the approved retirement fund which is National Social Security Fund (NSSF) but it also contributes 1% of the staff gross salaries for the Workers Compensation Fund (WCF). This is a mandatory requirement for national employees.

The average number of employees during the year was 76.

GENDER PARITY

Maternity Africa had an average of 76 employees during 2020, of whom 49 were female and 27 were male.

RELATED PARTY TRANSACTIONS

There were no related party transactions throughout the year.

POLITICAL AND CHARITABLE DONATIONS

Maternity Africa didn't donate anything to a charitable institution for the year 2020.

ENVIRONMENTAL CONTROL PROGRAMME

During the year, Maternity Africa undertook an Environmental Impact Assessment in order to review all operations and their effect on staff, neighbors and surrounding environment at Kivulini Maternity Centre.

CORPORATE SOCIAL RESPONSIBILITY

Maternity Africa is funded by charitable donations. It is a not-for-profit organization, offering all of its services free of charge to vulnerable and marginalized people. It therefore does not have a policy for Corporate Social Responsibility.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Director prepared financial statements 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 its profit or loss for that year.

Directors ensures that the organization maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the organization. The directors are also responsible for safe guarding the assets of the organization and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

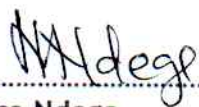
AUDITORS

The auditors, ANC Associates have expressed their willingness to continue in office and are eligible for reappointment. A resolution proposing the re-appointment as auditor of the organization for the year ending 31st December 2021 will be put to the Annual General Meeting.

Approved by the Board of Directors on 2020 and signed on its behalf by:


.....
Prof. Wilfred Mlay
MA - BOARD'S CHAIRMAN

26/06/2021
.....
DATE


.....
Monica Ndege
MA - COUNTRY DIRECTOR

26.06.2021
.....
DATE

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DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the project concerned.

It is the duty of a Professional Accountant to assist the Maternity Africa Board of Directors to discharge the responsibility of preparing financial statements of the showing true and fair view of the Maternity Africa 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 Maternity Africa Board of Directors as under Directors Responsibility statement on an earlier page.

I CPA ANGELINA KIDELLO..... being the Person who prepared the Financial Statements of **MATERNITY AFRICA** hereby acknowledge my responsibility of ensuring that financial statements for the period ended 31st December 2020 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by: Gmmmmsew.....

Position: ACCOUNTANT.....

NBAA Membership No.: GA7326.....

Date: 26.06.2021.....

**REPORT OF THE INDEPENDENT AUDITORS****To the members of
MATERNITY AFRICA****Opinion**

We have audited the Financial Statements of Maternity Africa which comprise the Statement of Financial Position as at 31st December 2020, and the Statement of Income and Expenditure Statement of Changes in Accumulated Funds and Statement of Cash Flows for the year then ended, and notes to the financial statements including a Summary of Significant Accounting Policies.

In our opinion, Maternity Africa financial statements present fairly, in all materials respects, the financial position of the Maternity Africa as at 31st December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs)

Basis for Opinion

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

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. During the period under review, we have not come up with the significant key issues which need to be reported.

Report on the Audit of the Financial Statements Responsibilities of Management and those charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable.

In matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditors' 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 auditors' 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.

Report on other Legal Requirements

As required by the Non-governmental organizations Act 2002, we report to you, based on our audit, 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 Maternity Africa, so far as appears from our examination of those books; and
- iii) The statement of Profit or loss and statement of financial position are in agreement with the books of account.

ARUSHA

29th June2021



Audit & Assurance Partner
CPA EDWIN ALEXANDER ACPA - PP [3001]
ANC ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS IN PUBLIC PRACTICE

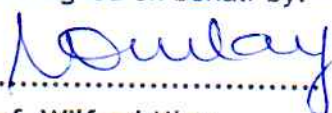


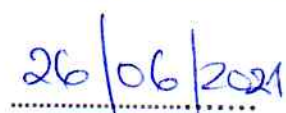
MATERNITY AFRICA
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STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020


REVENUE	Note	2020	2019
Revenue from Exchange Transactions		TZS	TZS
Other Income	3.1	<u>370,109,186</u>	<u>449,134,485</u>
		<u>370,109,186</u>	<u>449,134,485</u>
Revenue from Non-Exchange Transactions			
Grants Received from Donors	4.1	<u>1,815,864,598</u>	<u>1,329,455,888</u>
		<u>1,815,864,598</u>	<u>1,329,455,888</u>
Total Revenue		<u>2,185,973,784</u>	<u>1,778,590,373</u>
EXPENDITURE			
Direct costs	5	395,966,268	284,654,524
Administration expenses	6	1,435,269,785	1,334,176,676
Finance costs	7	9,103,304	8,900,192
Advertisement Expenses	8	611,500	-
Other operating costs	9	<u>469,276,982</u>	<u>501,901,743</u>
Total expenses		<u>2,310,227,838</u>	<u>2,129,633,136</u>
Deficit for the Year		<u>(124,254,054)</u>	<u>(351,042,763)</u>

These financial statements were approved by the board of directors on.....and were signed on behalf by: -


.....
Prof. Wilfred Mlay
MA - BOARD'S CHAIRMAN


.....
Date


.....
Monica Ndege
MA - COUNTRY DIRECTOR


.....
Date

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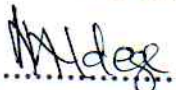
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020

ASSETS	Notes	2020 TZS	2019 TZS
Current Assets			
Inventories	12	160,706,646	169,156,969
Receivables	13	7,232,004	11,500,795
Cash and Cash Equivalents	14	<u>130,347,092</u>	<u>204,017,257</u>
Total Current assets		<u>298,285,742</u>	<u>384,675,021</u>
Non-Current Assets			
Property, Plant & Equipment	10	<u>5,606,042,669</u>	<u>5,926,959,077</u>
		<u>5,606,042,669</u>	<u>5,926,959,077</u>
TOTAL ASSETS		<u>5,904,328,412</u>	<u>6,311,634,098</u>
FUNDS AND LIABILITIES			
Funds			
Accumulated Funds		<u>(601,759,232)</u>	<u>(477,505,178)</u>
Current Liabilities			
Trade & other payables	16	<u>206,579,760</u>	<u>168,714,987</u>
Non - current liabilities			
Capital Grants		<u>6,299,507,883</u>	<u>6,620,424,289</u>
TOTAL EQUITY AND LIABILITIES		<u>5,904,328,412</u>	<u>6,311,634,098</u>

These financial statements were approved by the board of directors on.....and were signed on behalf by: -


.....
Prof. Wilfred Mlay
MA - BOARD'S CHAIRMAN

26/06/2021
.....
Date


.....
Monica Ndege
MA - COUNTRY DIRECTOR

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Date

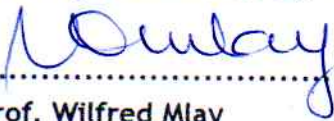
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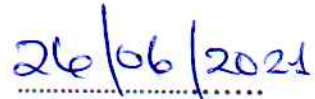
STATEMENTS OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31ST DECEMBER 2020

	ACCUMULATED FUNDS	TOTAL
	TZS	TZS
At 1 st January 2020	(477,505,178)	(477,505,178)
Deficit for the Year	<u>(124,254,054)</u>	<u>(124,254,054)</u>
As at 31 st December 2020	<u><u>(601,759,232)</u></u>	<u><u>(601,759,232)</u></u>
At 1 st January 2019	(126,462,415)	(126,462,415)
Deficit for the Year	<u>(351,042,763)</u>	<u>(351,042,763)</u>
As at 31 st December 2019	<u><u>(477,505,178)</u></u>	<u><u>(477,505,178)</u></u>

These financial statements were approved by the board of directors on.....and were signed on behalf by: -


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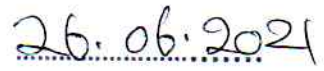
Prof. Wilfred Mlay
MA - BOARD'S CHAIRMAN


.....

Date


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Monica Ndege
MA - COUNTRY DIRECTOR


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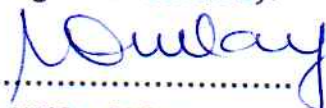
Date

MATERNITY AFRICA
(a Non-Governmental Organization)

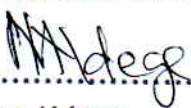
STATEMENT OF CASHFLOWS FOR YEAR ENDED 31ST DECEMBER 2020

	Notes	2020 TZS	2019 TZS
CASHFLOW FROM OPERATING ACTIVITIES			
Cash Receipts	17.1	1,832,419,335	1,322,399,315
Cash Payments	17.2	<u>(1,906,089,500)</u>	<u>(2,054,550,851)</u>
Net Cash Flow from Operating Activities		<u>(73,670,165)</u>	<u>(732,151,536)</u>
CASHFLOW FROM INVESTING ACTIVITIES			
Acquisition of PPE	10	<u>(36,906,834)</u>	<u>(181,877,063)</u>
Net Cashflow from Investing Activities		<u>(36,906,834)</u>	<u>(181,877,063)</u>
CASHFLOW FROM FINANCING ACTIVITIES			
Capital Grants received	15	<u>36,906,834</u>	<u>-</u>
Net Cashflow from Financing Activities		<u>36,906,834</u>	<u>-</u>
Net Increase in Cash & Cash Equivalents		(73,670,165)	(914,028,599)
At the beginning of the year		<u>204,017,257</u>	<u>1,118,045,856</u>
At the end of the year	14	<u>130,347,092</u>	<u>204,017,257</u>

These financial statements were approved by the board of directors on.....and were signed on behalf by:-


.....
Prof. Wilfred Mlay
MA - BOARD'S CHAIRMAN

26/06/2021
.....
Date


.....
Monica Ndege
MA - COUNTRY DIRECTOR

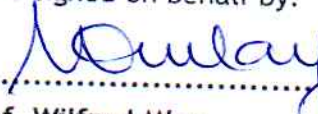
26.06.2021
.....
Date

MATERNITY AFRICA
(a Non-Governmental Organization)

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020

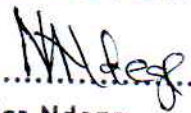
REVENUE	Budget 2020	Actual on Comparable Basis 2020	Performance Difference for the Year
	TZS	TZS	TZS
Revenue from Exchange Transactions			
Other Income	-	370,109,186	370,109,186
	-	370,109,186	370,109,186
Revenue from Non-Exchange Transactions			
Grants Received from Donors	2,755,061,872	1,815,864,598	(939,197,274)
	2,755,061,872	1,815,864,598	(939,197,274)
Total Revenue	2,755,061,872	2,185,973,784	(569,088,088)
EXPENDITURE			
Direct costs	596,871,685	395,966,268	(200,905,417)
Administration expenses	1,719,681,857	1,435,269,785	(284,412,072)
Finance costs	9,176,000	9,103,304	(72,696)
Advertisement Costs	4,588,000	611,500	(3,976,500)
Other operating costs	424,744,330	469,276,982	44,532,652
Total Expenses	2,755,061,872	2,310,227,838	(444,834,034)
Deficit for the year	-	(124,254,054)	(124,254,054)

These financial statements were approved by the board of directors on.....and were signed on behalf by: -


.....

Prof. Wilfred Mlay
MA - BOARD'S CHAIRMAN

26/06/2021
.....
Date


.....
Monica Ndege
MA - COUNTRY DIRECTOR

26.06.2021
.....
Date

NOTES

1. GENERAL INFORMATION

Maternity Africa Limited was incorporated on 6th September 2013 and issued with certificate of incorporation number 102204. However due to changes of laws of Tanzania, regarding companies limited by guarantee, Maternity Africa changed its registration status from a limited company by guarantee to NGO and issued with registration certificate number 000NGO/000524 on 27th August 2019.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention. Historical Cost is generally based on the fair value of the consideration given in exchange of assets

2.2 Statement of Compliance

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSASs).

2.3 The principal accounting policies are set out below:

a) Revenue recognition

Revenue for the organization is mainly in form of grants and other Donations from donors.

Grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relating to an expense item is received, it is recognized as income over a period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where there is no basis existing for allocating a grant to periods other than the one in which it was received, the grant is recognized on receipt basis.

Where the Organization receives non-monetary grants, the asset and the grant are recorded at fair value amounts and released to the income statement over the expected useful economic life of the underlying assets by equal annual instalment.

Other income from donors is recognized to the extent that it is probable that the economic benefits will flow to the Organization and income can be reliably measured.

NOTES (Continued)

b) **Operating expenses**

Operating expenses are recognized on an accrual basis. Hence expenditures incurred and their associated liabilities are recognized in the income and expenditure statement at the accounting period in which they occur, regardless of whether or not the payment of expense is made.

c) **Foreign currency translation**

Transactions in currencies other than Tanzania Shillings are recorded at rates prevailing at the transactions' dates. Monetary assets and liabilities that are denominated in foreign currencies are translated into Tanzania Shillings at rates prevailing at the balance sheet date. The resulting differences from conversion and translation are dealt with in the income statement.

d) **Property, Plant and Equipment**

Property, Plant and Equipment is stated at cost less accumulated depreciation and accumulated impairment losses, if any. Major replacement of parts of property or equipment is recognized as individual assets with specific useful lives and depreciation, respectively. All other repairs and maintenance expenses related to equipment are charged to the statement of comprehensive income in the year in which they are incurred.

Depreciation

Depreciation is calculated in the straight-line method to write off the cost of each asset, to their residual value over its estimated useful life as follows:

Asset	Depreciation Rate in %
Buildings	2.0
Furniture and Fittings	12.5
Medical Equipment	25.0
Plant and Machinery	25.0
Computer and Accessories	33.3
Motor Vehicles	25.0

e) An item of equipment and any significant part initially recognized is derecognized upon disposal or when no future benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the statement of comprehensive income when the asset is derecognized. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) **Cash and Cash equivalents**

Cash and cash equivalents in the balance sheet comprise of cash at banks and in hand and short-term deposits. For the purposes of statement cash flows, cash and cash equivalents comprise cash and cash equivalents defined above.

NOTES (Continued)

b) Operating expenses

Operating expenses are recognized on an accrual basis. Hence expenditures incurred and their associated liabilities are recognized in the income and expenditure statement at the accounting period in which they occur, regardless of whether or not the payment of expense is made.

c) Foreign currency translation

Transactions in currencies other than Tanzania Shillings are recorded at rates prevailing at the transactions' dates. Monetary assets and liabilities that are denominated in foreign currencies are translated into Tanzania Shillings at rates prevailing at the balance sheet date. The resulting differences from conversion and translation are dealt with in the income statement.

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f) Cash and Cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at banks and in hand and short-term deposits. For the purposes of statement cash flows, cash and cash equivalents comprise cash and cash equivalents defined above.

NOTES (Continued)

g) Provisions

Provisions are recognized when the organization has a present legal or constructive obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and reliable estimate can be made of the amount of the obligation.

h) Pension and other post-employment benefits

Obligations to defined retirement benefit plans are charged as an expense as they fall due. Payments to statutory retirement benefit scheme, NSSF, are dealt with as payments to defined contribution plans where the Organization's obligations under the scheme are equivalent to those arising in a defined contribution retirement plan.

i) Trade and other payables

Liabilities for the trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Organization.

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

		2020	2019
3 REVENUE FROM EXCHANGE TRANSACTIONS		TZS	TZS
3.1 Other Income			
Capital Grants Realized during the year		357,823,240	444,690,263
Gain in Foreign Currency Translation		11,628,558	350,448
Other		<u>657,387</u>	<u>4,093,774</u>
Sub Total		<u>370,109,186</u>	<u>449,134,485</u>
Grand Total		<u>370,109,186</u>	<u>449,134,485</u>
4 REVENUE FROM NON-EXCHANGE TRANSACTIONS			
		2020	2019
4.1 Grants Received from Donors		USD	TZS
Barbara May Foundation (Less: Grants related to Assets)	234,304	539,995,366	458,571,070
Fistula Foundation	129,823	299,344,202	256,217,822
CCBRT	2,623	6,008,700	15,267,500
IMPACT Foundation	6,139	14,091,567	17,113,431
Fulmer Charitable Gould Family Foundation	7,882 872	18,197,703 2,013,675	45,729,124 -
Ben Fund UK	-	-	59,484,985
Australian Volunteers	7,001	16,145,272	-
Segal Family Foundation	61,882	142,448,952	68,103,017
The Suzan Thomas Buffet	338,695	776,035,858	47,421,150
Rotary Club Arusha	474	1,090,000	-
Up for Africa	100	229,645	-
Visitors from St Jude school	115	263,658	-
Other Donors	<u>-</u>	<u>-</u>	<u>361,547,789</u>
Sub Total	<u>789,910</u>	<u>1,815,864,598</u>	<u>1,329,455,888</u>
Grand Total	<u>789,910</u>	<u>1,815,864,598</u>	<u>1,329,455,888</u>

MATERNITY AFRICA

(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

5	DIRECT COST	2020	2019
5.1	Drugs & Medical Consumables	TZS	TZS
	Opening inventory	169,156,969	74,841,725
	<i>Add: Purchases</i>		
	Drugs	92,300,100	50,768,600
	Medical Consumables	150,381,348	108,768,680
	<i>Less: Closing inventory</i>	<u>(160,706,646)</u>	<u>(169,156,969)</u>
	Cost of Drugs & Medical Consumables	<u>251,131,771</u>	<u>65,222,036</u>
5.2	Non - Drugs & Medical Consumables		
	Fistula Expenses	39,973,972	112,845,296
	Teenage program	-	11,499,900
	Bedding & Towels	4,635,000	5,231,500
	Patient food	45,551,950	51,239,850
	Patient Uniforms	696,500	250,000
	Sick baby Expenses	47,935,875	20,648,640
	Sick Patient Expenses	4,545,500	17,717,302
	Pack Care support	<u>1,495,700</u>	-
	Sub -Total	<u>144,834,497</u>	<u>219,432,488</u>
	Grand- Total	<u>395,966,268</u>	<u>284,654,524</u>
6	GENERAL ADMINISTRATION EXPENSES		
	Salaries & Wages	988,901,371	820,142,461
	Contingency Expenses	13,505,735	969,946
	Legal Fees Expenses	15,000,795	15,961,113
	Importation expenses	1,527,898	3,967,835
	Trainings Expenses	2,170,000	7,216,410
	Volunteers Expenses	<u>96,409,061</u>	<u>203,867,170</u>
	Balance Carried forward	1,117,514,860	1,052,124,934

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

6 GENERAL ADMINISTRATION EXPENSES	2020	2019
(Continued)	TZS	TZS
Balance Brought forward	1,117,514,860	1,052,124,934
Recruitment Expenses	1,865,500	3,538,400
Staff Uniforms	12,840,810	1,812,000
Environmental Expenses	-	1,770,000
Gardening Expenses	-	1,203,590
NHIF Employer's Contribution	27,822,685	19,930,332
NSSF Employer's Contribution	98,191,127	82,729,847
Workers Compensation	10,793,553	8,344,063
Skills Development levy	41,276,652	38,119,806
Board Meeting Expenses	5,530,500	2,087,600
Staff Support	-	2,460,100
Fundraising Expenses	-	6,440,359
Consultancy Expenses	59,564,301	40,957,966
Internet Expenses	7,917,251	2,236,572
Nurses & Doctors Registration	1,159,750	1,150,735
Registration HC	-	846,000
OCC Health License	3,553,060	9,180,000
Land Rent	-	641,200
Stationaries	19,792,200	17,145,100
Bursary/Scholarship	7,896,336	23,090,972
Audit Fees	17,700,000	9,640,000
Transportation	1,851,200	2,976,000
Loss on disposal	-	60,000
Entertainment	-	5,691,100
	<u>1,435,269,785</u>	<u>1,334,176,676</u>
 7 FINANCE EXPENSES		
Bank Charges	<u>9,103,304</u>	<u>8,900,192</u>
	<u>9,103,304</u>	<u>8,900,192</u>

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

	2020	2019
	TZS	TZS
8 ADVERTISEMENT		
Advertisement	<u>611,500</u>	<u>-</u>
	<u>611,500</u>	<u>-</u>
9 OTHER OPERATING EXPENSES		
9.1 Other Repair and Maintenance Costs		
Insurance	2,753,891	6,675,553
Motor vehicle Repairs	16,170,842	14,891,563
Property Maintenance	42,073,746	19,155,279
Motor Vehicle Fuel Expenses	14,328,677	18,869,500
Motor Vehicle Registration	-	20,000
Depreciation	<u>357,823,240</u>	<u>406,073,714</u>
Sub Total	<u>433,150,396</u>	<u>465,685,608</u>
9.2 Utilities costs		
Communication Expenses	2,261,500	2,151,500
Water Expenses	460,000	-
Water Rent	532,200	-
Electricity Expenses	<u>32,872,886</u>	<u>34,064,635</u>
Sub Total	<u>36,126,586</u>	<u>36,216,135</u>
Grand total	<u>469,276,982</u>	<u>501,901,743</u>

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

10 PROPERTY, PLANT AND EQUIPMENT

COST	Land		Buildings		Furniture & Fittings		Medical Equipment		Plant & Machinery		Computers & Accessories		Motor Vehicles		Total
	TZS		TZS		TZS		TZS		TZS		TZS		TZS		
1 st January 2020	542,360,720		4,985,201,953		165,291,891		298,596,687		537,923,352		49,726,766		240,076,661		6,819,178,030
Additions	-		3,733,004		10,304,000		3,754,000		14,275,680		4,840,150		-		36,906,834
31 st December 2020	<u>542,360,720</u>		<u>4,988,934,957</u>		<u>175,595,891</u>		<u>302,350,687</u>		<u>552,199,032</u>		<u>54,566,916</u>		<u>240,076,661</u>		<u>6,856,084,864</u>
DEPRECIATION															
1 st January 2019	-		173,027,878	2.0%	43,754,737	12.5%	158,060,341	25.0%	245,210,048	25.0%	37,151,065	33.3%	235,014,889	25.0%	892,218,955
Charge for the year	-		99,778,699		21,949,486		75,587,672		138,049,758		17,405,852		5,051,773		357,823,240
31 st December 2020	-		<u>272,806,577</u>		<u>65,704,223</u>		<u>233,648,012</u>		<u>383,259,805</u>		<u>54,556,917</u>		<u>240,066,661</u>		<u>1,250,042,195</u>

CARRYING AMOUNTS

31 st December 2020	<u>542,360,720</u>	<u>4,716,128,380</u>	<u>109,891,668</u>	<u>68,702,675</u>	<u>168,939,226</u>	<u>10,000</u>	<u>10,000</u>	<u>5,606,042,669</u>
31 st December 2019	<u>542,360,720</u>	<u>4,812,174,076</u>	<u>121,537,155</u>	<u>140,536,347</u>	<u>292,713,305</u>	<u>12,575,702</u>	<u>5,061,773</u>	<u>5,926,959,077</u>

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

		2020	2019
11 CAPITAL WORK IN PROGRESS		TZS	TZS
Balance as at 1 st January		-	38,033,118
Transfer to PPE		-	(38,033,118)
Balance as at 31st December		-	-
12 INVENTORIES			
Drugs		77,416,791	81,487,543
Medical Consumables		83,289,855	87,669,426
Total Inventories		160,706,646	169,156,969
13 RECEIVABLES			
Staff Advances		2,469,060	100,000
Prepaid Expenses		4,514,557	11,400,795
Other		248,387	-
Total Receivables		7,232,004	11,500,795
14 CASH & CASH EQUIVALENTS		2020	2019
	USD	TZS	TZS
CRDB A/c 0150470305301	N/A	105,504	29,346,879
CRDB A/c 0250470305301	52,571.04	121,355,514	54,563,157
CRDB A/c 0150470305300	N/A	-	6,933,229
CRDB A/c 0250470305300	3,278.59	7,568,330	107,076,028
Petty Cash - TZS	N/A	1,142,314	6,097,965
Petty Cash - USD	63.00	145,430	-
Vodacom M Pesa	N/A	30,000	-
Total Cash & Cash equivalents		130,347,092	204,017,257

OANDA Average Closing Exchange Rate as at 31.12.2020 - TShs 2,308.41/USD

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

15 CAPITAL GRANTS	2020 USD	2020 TZS	2019 TZS
Opening balance		6,620,424,289	7,065,114,552
Additions - Assets Financed by Grants	16,013.87	36,906,834	219,910,181
Unspent Capital Grants		-	(219,910,181)
Released during the year		<u>(357,823,240)</u>	<u>(444,690,263)</u>
Closing Balance		<u>6,299,507,883</u>	<u>6,620,424,289</u>

Exchange Rate used at the prevailing date - TShs 2,304.68/USD

16 TRADE AND OTHER PAYABLES	2020 TZS	2019 TZS
16.1 Trade Payables		
Creditors	52,564,381	14,424,016
Withholding Tax Payables	625,004	356,676
Other Payables	474,802	-
Audit Fee Payable	11,800,000	9,640,000
Unused Capital Grants	<u>103,402,880</u>	<u>103,402,880</u>
	<u>168,867,066</u>	<u>127,823,572</u>
16.2 Payroll & Other Staff Liabilities		
Social Welfare Committee	370,000	-
NSSF Payable	16,503,030	13,409,316
PAYE Payable	11,257,597	14,268,019
WCF Payable	812,732	-
NHIF Contribution Payables	4,749,355	3,836,133
HESLB Payable	769,051	276,090
SDL Payable	3,250,929	3,727,961
Volunteers' Payable	-	<u>5,373,897</u>
Sub-total	<u>37,712,694</u>	<u>40,891,415</u>
Grand Total	<u>206,579,760</u>	<u>168,714,987</u>

MATERNITY AFRICA
(a Non-Governmental Organization)

FINANCIAL STATEMENTS FOR YEAR ENDED 31ST DECEMBER 2020

NOTES (Continued)

	2020	2019
	TZS	TZS
17 CASH FLOW WORKINGS		
17.1 Cash Receipts		
Opening Balance - Receivables	11,500,795	-
Add:		
Revenue from Exchange Transactions	370,109,186	449,134,485
Revenue from Non-Exchange Transactions	1,815,864,598	1,329,455,888
Less:		
Capital Grants amortization realized	(357,823,240)	(444,690,263)
Closing Balance - Receivables	<u>(7,232,004)</u>	<u>(11,500,795)</u>
Cash Receipts during the Year	<u>1,832,419,335</u>	<u>1,322,399,315</u>
17.2 Cash Payments		
Opening Balance - Payables	168,714,987	405,391,172
Add:		
Direct Costs	395,966,267	284,654,524
Administration expenses	1,435,269,785	1,334,176,676
Finance costs	9,103,303	8,900,192
Advertisement Costs	611,500	-
Other operating costs	469,276,982	501,901,743
Closing Balance - Inventories	160,706,646	169,156,969
Less:		
Depreciation Charge for the year	(357,823,240)	(406,073,714)
Closing Balance - Payables	(206,579,760)	(168,714,987)
Opening Balance - Inventories	<u>(169,156,969)</u>	<u>(74,841,725)</u>
Cash Payments during the Year	<u>1,906,089,500</u>	<u>2,054,550,851</u>

NOTES (Continued)

18 REGISTRATION

Maternity Africa operates as Non-Governmental Organisation (NGO) with a registration certificate number 000NGO/000524 from 27th August 2019.

19 COMPARATIVE

Where necessary comparative figures have been adjusted to conform with changes in the current year presentations.

20 EVENTS AFTER REPORTING PERIOD

There were no any events subsequent to the date of the financial statements up to the date of issuing them, which would require adjustments or disclosure in the financial statements in accordance with the requirement of the generally accepted accounting principles.

21 CONTINGENT LIABILITIES

The Organisation is not aware of any contingent liability or commitments.

22 FINANCIAL RISK MANAGEMENT

(a) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument leading to a financial loss. The organisation manages credit risk by finding new with maintaining the long-term contracts with donors for grants financing. Maternity Africa has no such Risk.

(b) Currency risk

Foreign currency risk is the risk that the company future cash flows will fluctuate because of changes in foreign exchange rates. Grants from donors are committed in foreign currency and converted into Tanzanian shillings at the rate ruling on the receipt date. Maternity Africa has no such Risk.

(c) Liquidity risk

The company monitors the risk of shortage of funds through forecast of future cash flows to meet its obligations and pursue long-term contractual commitments. Maternity Africa has no such Risk.

23 CURRENCY

These financial statements are presented in Tanzania Shillings (TZS)