EAST CENTRAL AND SOUTHERN AFRICA HEALTH
COMMUNITY ECSA – HC

INTERNATIONAL DEVELOPMENT FUND TO SUPPORT THE
AFRICA TECHNICAL CAPACITY FOR NUTRITION
PROJECT IN KENYA, UGANDA AND TANZANIA

PROJECT REPORT AND STATEMENT OF
RECEIPTS AND PAYMENTS FOR THE PERIOD FROM
1 JULY 2017 TO 25 MARCH 2018
EAST CENTRAL AND SOUTHERN AFRICA HEALTH COMMUNITY (ECSA-HC) – INTERNATIONAL DEVELOPMENT FUND TO SUPPORT THE AFRICAN TECHNICAL CAPACITY FOR NUTRITION IN KENYA, UGANDA AND TANZANIA

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PROJECT REPORT AND STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD FROM 1 JULY 2017 TO 25 MARCH 2018

PROJECT INFORMATION

Project name: Africa -Technical Capacity for Nutrition in Kenya, Tanzania and Uganda

Project Implementation Agency: East Central and Southern Africa Health Community

Coordinator of Finnish Partners: Prof. Yoswa M. Dambisya

Bankers: Stanbic Bank Tanzania Limited
Arusha Branch
P.O Box 3062
Arusha-Tanzania

Auditors: Ernst & Young
Certified Public Accountants
Tanhouse Tower (4th Floor)
34/1 – Ursino South; New Bagamoyo Road
P.O. Box 2475
Dar es Salaam, Tanzania
EAST CENTRAL AND SOUTHERN AFRICA HEALTH COMMUNITY (ECSA-HC) –
INTERNATIONAL DEVELOPMENT FUND TO SUPPORT THE AFRICAN TECHNICAL
CAPACITY FOR NUTRITION IN KENYA, UGANDA AND TANZANIA

PROJECT REPORT FOR THE PERIOD FROM 1 JULY 2017 TO 25 MARCH 2018

LIST OF ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BPF</td>
<td>Best Practise Forum</td>
</tr>
<tr>
<td>C&amp;DST</td>
<td>Culture &amp; Drug Susceptibility</td>
</tr>
<tr>
<td>CRHC</td>
<td>Commonwealth Regional Health Community</td>
</tr>
<tr>
<td>DRS</td>
<td>Drug Resistance Survey</td>
</tr>
<tr>
<td>DR-TB</td>
<td>Drug Resistant Tuberculosis</td>
</tr>
<tr>
<td>DST</td>
<td>Drug Susceptibility Testing</td>
</tr>
<tr>
<td>ECSA-HC</td>
<td>East, Central and Southern Africa – Health Community</td>
</tr>
<tr>
<td>EQA</td>
<td>External Quality Assurance</td>
</tr>
<tr>
<td>GF</td>
<td>Global Fund</td>
</tr>
<tr>
<td>HBC</td>
<td>High Burden TB Countries</td>
</tr>
<tr>
<td>MDR-TB</td>
<td>Multi- Drug Resistant Tuberculosis</td>
</tr>
<tr>
<td>MOH</td>
<td>Ministry of Health</td>
</tr>
<tr>
<td>MOHSW</td>
<td>Ministry of Health and Social Welfare</td>
</tr>
<tr>
<td>MoHCDGEC</td>
<td>Ministry of Health, Community Development, Gender, Elderly and Children</td>
</tr>
<tr>
<td>NRL</td>
<td>National Reference Laboratory</td>
</tr>
<tr>
<td>NTP</td>
<td>National Tuberculosis Program</td>
</tr>
<tr>
<td>NTRLs</td>
<td>National TB Reference Labs</td>
</tr>
<tr>
<td>PMDT</td>
<td>Programmatic Management of Drug Resistant Tuberculosis</td>
</tr>
<tr>
<td>PR</td>
<td>Principal Recipient</td>
</tr>
<tr>
<td>RAP</td>
<td>Regional Advisory Panel</td>
</tr>
<tr>
<td>RSC</td>
<td>Regional Advisory Committee</td>
</tr>
<tr>
<td>SNR</td>
<td>Supra – National Tuberculosis Reference Laboratories</td>
</tr>
<tr>
<td>SR</td>
<td>Sub-Recipient</td>
</tr>
<tr>
<td>SRL</td>
<td>Supra-National Reference Laboratory</td>
</tr>
<tr>
<td>TA</td>
<td>Technical Assistance</td>
</tr>
<tr>
<td>TB</td>
<td>Tuberculosis</td>
</tr>
<tr>
<td>WB</td>
<td>World Bank</td>
</tr>
<tr>
<td>WHO</td>
<td>World Health Organisation</td>
</tr>
</tbody>
</table>
EAST CENTRAL AND SOUTHERN AFRICA HEALTH COMMUNITY (ECSA-HC) –
INTERNATIONAL DEVELOPMENT FUND TO SUPPORT THE AFRICAN TECHNICAL
CAPACITY FOR NUTRITION IN KENYA, UGANDA AND TANZANIA

PROJECT REPORT FOR THE PERIOD FROM 1 JULY 2017 TO 25 MARCH 2018

1. INTRODUCTION

The East, Central and Southern Africa Health Community (ECSA) formerly known as
the Commonwealth Regional Health Community for East, Central and Southern Africa
(CRHC - ECSA) was established in 1974 by Commonwealth Secretariat in London. The
secretariat was set up to promote and support the aims of East, Central and Southern
Africa Health Community (ECSA), an intergovernmental organization formed by
Ministers of Health to foster and strengthen regional corporation and capacity to address
the health needs of East, Central and Southern Africa.

Currently it has 9 member countries namely Kenya, Lesotho, Malawi, Mauritius,
Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.

Since 1980, ECSA has functioned under the direct control of Members States
governments, who see ECSA as a permanent mechanism for promoting cooperation in
health in the region. The Executive Secretary based in Arusha Tanzania heads the
ECSA Secretariat. The Secretariat is the focal point for health policy formulation in the
region, working closely with Ministers of Health, governments and institution in the
member countries to identify and address priority health needs, stimulate policy
dialogue, and promote harmonization approaches.

ECSA is recognized as an important indigenous organization that has earned the
support of the government and other regional and international organizations. It enjoys
political, administrative and professional support of the Member States who guide and
monitor its activities through Ministerial Conferences, Expert Committee Meetings and
other forum.

In November 2002, The Conference of Health Ministers held in Entebbe, resolved that
the Community be renamed "The East, Central and Southern African Health Community
ECSA-HC" as part of the institutional reforms undertaken by the community to reflect
ownership.

2. PROJECT OBJECTIVE

To strengthen the ability of the Governments of Kenya, Uganda and Tanzania to build
the technical capacity of their frontline workers for the delivery of essential nutrition
interventions at health facilities and community level.

3. PROJECT ACTIVITIES

3.1 Finalization of the nutrition in service training packages and pre-service
model curriculum

Following the thorough review and incorporation of feedback from ECSA-HC, 3 project
countries (Kenya, Tanzania and Uganda) and regional stakeholders, the developed
nutrition training packages and model curriculum were finalized by the team of
consultants who assisted in the development. The final artwork and designing was also
done and the consultant handed over the final products to ECSA-HC. A package of
advocacy materials was developed to facilitate buy in and adoption of developed
packages and model curriculum in the 3 project countries.
3. PROJECT ACTIVITIES (Continued)

3.2 Development of targeted advocacy materials

An open letter from key nutrition stakeholder and fliers were designed to call for action by the key decision makers at various levels in the country to facilitate the adoption of the ECSA's Nutrition training packages for frontline workers. The advocacy materials were reviewed and cleared by country teams and handed over during the dissemination event in all the three countries.

3.3 Printing and branding of materials and equipment related to the project

The finalized training packages, model curriculum and advocacy materials were printed for dissemination in the 3 project countries and beyond. ECSA-HC also took an initiative to increase its visibility by branding other materials specifically document bags, roll up banner, flash disk and t-shirts which were disseminated to the community health workers and other stakeholders during the dissemination event. The developed materials were also saved in the branded flash disk and disseminated to key stakeholders for easy adoption/adopter.

3.4 Dissemination event for developed ECSA in-service training packages, pre-service model curriculum and advocacy materials

The dissemination event was organized in all 3 countries where by ECSA-HC disseminated the developed in-service training packages, pre-service model curriculum and advocacy materials. The stakeholders/institutions had an opportunity to develop the country's adoption and dissemination plan with clear roles and responsibilities of key players at national and sub national level.

The first day of the workshop across the three countries focused on presentation of Social Return on Investment study where stakeholder had an opportunity to critique the report with a purpose of value addition. Each country team had the opportunity to present the status of the adoption and dissemination plans which were developed in May and update on the progress. With the help of facilitator through positive critique the team had an opportunity to enrich the plan.

The second day focused more on dissemination event, beginning with the background of the project and the process towards development of the products followed by presentation of the products to the guest of honor and other key stakeholders. The guest of honor in all the three countries was the Permanent Secretary or designated official from the Ministries of Health. Open guided discussion session was allowed for participants who suggest the way forward on adoption and utilization of the documents. This was later on followed by media coverage and official hand over of the developed products by the guest of honor to the representatives from the Ministry of Health and all other key Ministries with a stake on nutrition, training institutions, professional associations and representatives of the frontline workers.

The Ministries of Health in all the three countries committed to oversee the adoption/adoption process. The products will enable the frontline workers to receive harmonized nutrition training and enhance their knowledge, skills and competencies in nutrition.
3. PROJECT ACTIVITIES (Continued)

3.5 Evidence generation for planning and decision making on capacity development for Nutrition

ECSA HC conducted a study on Social Returns on Investment in scaling up nutrition competencies of front line workers in Kenya, Uganda and Tanzania. The study was also complemented by literature review and interview of key informants from all the 3 countries. The study was successfully conducted in all the three countries with some political challenges during the data collection in Kenya resulting from political tensions. The key findings from this study indicated that; for every 1 dollar of investment in the Nutrition training for frontline workers; USD 13 of social value was created. This implies that the implementation of this project will have a significant socially verifiable return.

4. PROJECT FINANCING

A total of 151,304 USD Dollars was received by the ECSA - HC during the period from 1 July 2017 to 25 March 2018 in one installment in November 2017 from World Bank.

5. STATEMENT OF MANAGEMENT RESPONSIBILITIES ON THE STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD FROM 1 JULY 2017 TO 25 MARCH 2018

The management of East, Central and Southern Africa Health Community (ECSA-HC) accepts responsibility for the statement of receipts and payments, which has been prepared on a modified cash basis of accounting. Modified cash basis of accounting is an acceptable comprehensive basis of accounting other than the International Financial Reporting Standards. Under this basis of accounting, income is recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

The management of ECSA-HC is of the opinion that the statement of receipts and payments presents fairly the state of financial affairs of the Project to Support the Africa-Technical Capacity for Nutrition in Kenya, Tanzania and Uganda. The management further accepts responsibility for maintenance of proper accounting records which disclose with reasonable accuracy the financial position of the project as well as adequate systems of internal controls. They also have responsibility for taking such steps as is reasonable to safeguard the assets of the project and to prevent and detect fraud and other irregularities.

6. PROJECT AUDITORS

Ernst & Young were the appointed auditors for the project for the period from 1 July 2017 to 25 March 2018.

Approved by management of East Central and Southern Africa Health Community (ECSA-HC) on ___________ 2018 and signed on its behalf by:

[Signature]

Prof. Yoswa M. Dambisya
Director General
INDEPENDENT AUDITOR’S REPORT

To the members of management

EAST, CENTRAL AND SOUTHERN AFRICA HEALTH COMMUNITY (ECSA-HC) – INTERNATIONAL DEVELOPMENT FUND TO SUPPORT THE AFRICAN TECHNICAL CAPACITY FOR NUTRITION IN KENYA, UGANDA AND TANZANIA PROJECT

Opinion

We have audited the financial statements of East, Central and Southern Africa Health Community (ECSA-HC) – International Development Fund to Support the African Technical Capacity for Nutrition in Kenya, Uganda and Tanzania Project set out on pages 9 to 10, which comprise the statement of Receipts and Payments for the period from 1 July 2017 to 25 March 2018 and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the project for the period from 1 July 2017 to 25 March 2018 are prepared in all material respects, in accordance with the financial reporting provisions of Part 4 of the contract dated 24 November 2014 between the International Bank for Reconstruction and Development and East, Central and Southern Africa Health Community (ECSA-HC).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Reports section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of financial statements in International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the project in complying with financial reporting provisions of Part 4 of the contract dated 24 November 2014 between the International Bank for Reconstruction and Development and East, Central and Southern Africa Health Community (ECSA-HC). As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the International Bank for Reconstruction and Development and East, Central and Southern Africa Health Community (ECSA-HC) and should not be distributed to or used by parties other than the International Bank for Reconstruction and Development and East, Central and Southern Africa Health Community (ECSA-HC). Our opinion is not modified in respect of this matter.
INDEPENDENT AUDITOR'S REPORT (Continued)

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

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions Part 4 of the contract and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ECSA - HC's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
INDEPENDENT AUDITOR’S REPORT (Continued)

- Conclude on the appropriateness of management’s use the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However future events or conditions may cause the Organization to cease to continue as a going concern.

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

Signed by: Neema Kiure Mssusa (FCPA 1227)

Date: 31/05/2018
# EAST CENTRAL AND SOUTHERN AFRICA HEALTH COMMUNITY (ECSA-HC) - INTERNATIONAL DEVELOPMENT FUND TO SUPPORT THE AFRICAN TECHNICAL CAPACITY FOR NUTRITION IN KENYA, UGANDA AND TANZANIA

## STATEMENT OF RECEIPTS AND PAYMENTS FOR THE PERIOD FROM 1 JULY 2017 TO 25 MARCH 2018

<table>
<thead>
<tr>
<th></th>
<th>Amounts in US$</th>
<th>Amounts in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 July 2017</td>
<td>1 July 2016</td>
</tr>
<tr>
<td>Balance at the beginning of the period</td>
<td>160,537</td>
<td>178,325</td>
</tr>
<tr>
<td>Funds received from World Bank</td>
<td>151,304</td>
<td>362,288</td>
</tr>
<tr>
<td>Interest from bank</td>
<td>22</td>
<td>148</td>
</tr>
<tr>
<td><strong>Total Funds available for the period</strong></td>
<td><strong>311,863</strong></td>
<td><strong>540,761</strong></td>
</tr>
</tbody>
</table>

## PAYMENTS

<table>
<thead>
<tr>
<th></th>
<th>Amounts in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultancy</td>
<td>164,099</td>
</tr>
<tr>
<td>Workshops/ Training</td>
<td>120,840</td>
</tr>
<tr>
<td>Equipment</td>
<td>9,633</td>
</tr>
<tr>
<td><strong>Total expenditure for the period</strong></td>
<td><strong>294,572</strong></td>
</tr>
</tbody>
</table>

## Closing balance

<table>
<thead>
<tr>
<th></th>
<th>Amounts in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>17,291</td>
</tr>
</tbody>
</table>

## Closing balance represented by:

<table>
<thead>
<tr>
<th></th>
<th>Amounts in US$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash at bank</td>
<td>20,292</td>
</tr>
<tr>
<td>Project staff imprest</td>
<td>1,265</td>
</tr>
<tr>
<td>Project payables</td>
<td>(4266)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>17,291</strong></td>
</tr>
</tbody>
</table>

Approved by Management of East Central and Southern Africa Health Community (ECSA-HC) on **31-05-2018** and signed on its behalf by:

Prof. Yoswa M. Dambisya
Director General
NOTES TO THE STATEMENT OF RECEIPTS AND PAYMENTS
FOR THE PERIOD FROM 1 JULY 2016 TO 25 MARCH 2018

1. BASIS OF PREPARATION

The project financial statements have been prepared on a modified cash basis of accounting which is a comprehensive basis of accounting other than the International Financial Reporting Standards (IFRS).

The financial statements which comprises the statement of Receipts and Payments are prepared to assist the project in complying with financial reporting provisions of the contract dated 24 November 2014 between the International Bank for Reconstruction and Development and East, Central and Southern Africa Health Community (ECSA-HC). As a result, the financial statements may not be suitable for another purpose.

The presentation currency used in the preparation of the statement of receipts and payments is United States Dollar (US$).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

2.1 Revenue recognition

Grant income is recognized upon receipts and the amount can be measured with sufficient reliability.

2.2 Expenditure

Expenditure in respect of goods and services is generally recognized in the statement of receipts and payments statement at the time of payment and expenditures approved for payments and subsequently paid are included in the total expenditure and reconciled in closing balance as project payables.

Expenditure of capital nature such as acquisition of fixed assets for the project are not capitalized but are expensed in the period of acquisition.

2.3 Foreign currency translation

The financial statements are presented in US Dollars (US$) which is the functional currency. Different currency transactions are recorded using the exchange rate at the date of transaction. Funds from the donor are received by the Bank in US Dollars in the East Central and Southern Africa Health Community (ECSA-HC) Account.

The bank accounts and accounting records are maintained in US Dollars. Grants are received by East Central and Southern Africa Health Community (ECSA-HC) in US Dollars.

The ECSA maintain a separate bank account; there is a separate project cash book which records all funds received for the project deposited in bank account at Stanbic Bank Tanzania Limited, Arusha branch in the name of ECSA – WB Project together with the project's expenditure.

2.4 Project stocks/inventories

All purchases of stationeries and other consumables are expensed in the Statement of Receipts and Payments at the time of purchase.