

**COMPREHENSIVE COMMUNITY BASED REHABILITATION  
IN TANZANIA (CCBRT)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024**

# **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024**

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## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### LIST OF ABBREVIATIONS

ADI	Advocacy & Disability Inclusion
IPSASs	International Public Sector Accounting Standards
CAPDA	Community Action for People with Disabilities in Africa
CBM	Christian Blind Mission
CCBRT	Comprehensive Community-Based Rehabilitation in Tanzania
CGU	Cash Generating Units
CHW	Community Health Worker
CIC	Clean Intermittent Catheterization
COO	Chief Operations Officer
CPA	Certified Public Accountant
CQR	Clinical Quality & Research
CRC	Current Replacement Cost
CRW	Community Rehabilitation Workers
CSI	Corporate Social Investment
CSR	Corporate Social Responsibility
DALYs	Daily Averted Life Years
DANIDA	Danish International Development Agency
DRC	Depreciated Replacement Cost
EAITD	Net Profit Margin
ECL	Expected Credit losses
eNPS	Employee Net Promoter Score
EUR	Euro
FRA	Finance, Risk and Audit
GAC	Global Affairs Canada
GIZ	Gesellschaft für Internationale Zusammenarbeit
GNR	Governance, Nomination & Remuneration
HEC	Hospital Executive Committee
HIV	Human Immunodeficiency Virus
HMIS	Hospital Management System
ICRC	International Committee of the Red Cross
IPC	Infection Prevention Control
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards on Auditing
J&J	Johnson & Johnson
MD	Medical Doctor
MSD	Medical Stores Department
MW	Maternal Wing
NBAA	National Board of Accountants and Auditors
NEMC	National Environment Management Council
NGO	Non-Governmental Organization
NHIF	National Health Insurance Fund
NSSF	National Social Security Fund
OPD	Outpatient Department
OTD	Operating Theatre Department
PCT	Parental Carer Training
ICRC	International Committee of the Red Cross
SFD	Special Fund for the Disabled
SLA	Service Level Agreement
TCF	The Charitable Foundation
TFRS	Tanzania Financial Reporting Standards
TZS	Tanzania Shillings
USD	United States Dollar
WCF	Workers' compensation fund
WIT	Week of Intensive Training
YTD	Year to Date

# **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

## **ORGANISATIONAL INFORMATION**

### **PRINCIPAL PLACE OF BUSINESS**

Comprehensive Community Based Rehabilitation in Tanzania (CCBRT)  
Msasani Village  
Kimweri Road  
P. O. Box 23310  
Dar es Salaam  
Tanzania

### **REGISTRATION AND COMPLIANCE**

On 12 October 1994, Comprehensive Community-Based Rehabilitation in Tanzania (CCBRT) was incorporated as a Society under the Societies Ordinance, 1954, CAP 337 R.E 2002. Subsequently, on 22 May 2018, CCBRT was issued with a Certificate of Compliance Number 00002071, which certifies that CCBRT has duly complied with the terms and conditions of NGO under the Non-Governmental Organisation Act, 2002. According to section 11(4) of non-Governmental organizations Act, No 24 of 2002. On 2<sup>nd</sup> August 2023, CCBRT was issued a certificate of registration number 00NG/R1/00221, under terms and conditions of NGO Act, 2002.

### **BANKERS**

Bank of Africa (Tanzania) Limited  
NDC Development House  
Ohio/Kivukoni Drive  
P. O. Box 3054  
Dar es Salaam, Tanzania

Absa Bank (T) Limited  
Absa House  
Ohio Street  
P. O. Box 5137  
Dar es Salaam, Tanzania

National Bank Commerce Limited  
Moshi Branch  
P. O. Box 3030  
Kilimanjaro, Tanzania

CRDB Bank Plc  
Msasani Branch  
P. O. Box 106263  
Dar es Salaam, Tanzania

NMB Bank Plc  
Oyster Branch  
P. O. Box 162409  
Dar es Salaam, Tanzania

### **AUDITOR**

KPMG  
2nd Floor, The Luminary  
Plot No. 574 Haile Selassie Road, Masaki  
Tax Identification No. 100-144-921  
NBAA PF No. PF020  
P. O. Box 1160  
Dar es Salaam  
Tanzania  
Registration No. 107992

### **SOLICITORS**

IMMMA Advocates  
IMMMA House, Plot No. 357  
United National Road, Upanga  
P. O. Box 72484  
Dar es Salaam, Tanzania

Association of Tanzania Employers (ATE)  
Plot No. 692  
Coca cola Road, Mikocheni B  
P. O. Box 2971  
Dar es Salaam, Tanzania

# **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

## **GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024**

### **INTRODUCTION**

The Board of Directors of CCBRT has the pleasure of submitting the Annual Report and Financial Statements for the year ended 31 December 2024, which disclose CCBRT's state of affairs for the year ended 31 December 2024.

#### **1. ESTABLISHMENT**

The Comprehensive Community-Based Rehabilitation in Tanzania (CCBRT) is a locally registered non-governmental organisation established in 1994.

#### **2. VISION**

To be the preferred provider of accessible specialised health services in Africa.

#### **3. MISSION**

To sustainably serve the community, including the most vulnerable, with quality accessible specialised healthcare services and development programmes.

#### **4. CORE VALUES**

On its course to attain its vision, CCBRT staff observe and adhere to the following core values: -

- (i) We are client centered.
- (ii) We embrace diversity.
- (iii) We are continuously learning.
- (iv) We work together as a team.
- (v) We are trustworthy and act with integrity.

#### **5. PRINCIPAL ACTIVITIES**

Since its establishment, CCBRT has become the largest rehabilitation and disability service provider in Tanzania through its ophthalmology, orthopaedic and rehabilitation, plastic and reconstructive surgery, and maternal and newborn health services. CCBRT operates the country's largest obstetric fistula programme, leading in cleft lip/palate and clubfoot treatments. In 2024, CCBRT provided clinical and rehabilitation services at two facilities: its hospital in Dar es Salaam and its rehabilitation centre in Moshi.

CCBRT integrates disability health and maternal and newborn healthcare through primary, secondary, and tertiary prevention. To help prevent and facilitate early identification of disability, improve maternal and new-born healthcare, and thereby reduce maternal and neonatal mortality, the CCBRT's purpose-built maternity wing was opened in 2022, in close partnership with the Government of Tanzania's Dar es Salaam Regional Health Management Team.

Training and capacity building are essential to CCBRT's work and are being strengthened through the 'CCBRT Academy', which provides training and education opportunities for CCBRT staff and human resources for health, management, and related fields across Tanzania and beyond. Training and support in livelihood activities for clients are provided through the CCBRT Moshi House of Hope Rehabilitation Centre and the Mabinti Centre in Dar es Salaam, which offers training courses and employment for women who received treatment for fistula at CCBRT.

With a strong community presence and international reputation, CCBRT's expertise is also mobilised to advocate for the rights of people with disabilities and promote disability inclusion through advocacy. CCBRT's work contributes to implementing and upholding the United Nations Convention on the Rights of People with Disabilities and within the wider global development context - the Sustainable Development Goals - as a specialised healthcare provider.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 5. PRINCIPAL ACTIVITIES (CONTINUED)

CCBRT seeks to provide accessible specialised healthcare for all Tanzanians in need. All children under the age of five, and the most vulnerable patients, receive care for free. To ensure accessibility, clients receive care at subsidised rates but can choose to receive additional amenities through private services, from which the revenue generated cross-subsidises free and subsidised care. CCBRT is in the process of expanding its private services to improve the organisation's financial health and ensure the continuation of free and subsidised care.

#### 6. STRATEGIC OBJECTIVES OF CCBRT

CCBRT has five strategic objectives as follows: -

- Valued and engaged staff;
- Excellent client outcome;
- Excellent client experience;
- Learning and innovation; and
- Financial sustainability.

#### 7. STATEMENT OF SERVICE OF PERFORMANCE INFORMATION

##### Hospital Services 2024 performance

Department	OUTPATIENT DEPARTMENT (OPD)		% to Target
	Actual 2024	Target 2024	
Obstetrics and gynecology	12,369	9,537	130%
Plastics & Reconstruction	867	499	174%
Visiting Consultants	17,990	10,760	167%
Eye services	76,508	95,273	80%
Orthopedics	20,517	20,704	99%
Physiotherapy & Occupational Therapy	14,869	28,604	52%
Prosthesis & Orthotics	1,832	1,076	170%
Pharmacy Services	2,256,842	3,141,310	72%
Laboratory services	87,008	94,949	92%
Imaging	17,321	19,050	91%
Pediatrics	6,943	6,118	113%
Optical	40,395	36,000	112%
Internal Medicine	12,372	15,565	79%
OPERATING THEATRE DEPARTMENT (OTD)			
Obstetrics and gynecology	1,664	1,151	145%
Plastics & Reconstruction	338	497	68%
Visiting Consultants	951	1,241	77%
Eye services	8,102	8,850	92%
Orthopedics	1,264	1,868	68%
DELIVERIES			
Obstetrics and gynecology	1,203	2,400	50%
IN-PATIENTS SERVICES			
All departments	24,188	24,120	100%

**COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

**GOVERNING BOARD MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**7. STATEMENT OF SERVICE OF PERFORMANCE INFORMATION (CONTINUED)**

**Trend in Hospital services**

Department	2021	2022	2023	2024	Trend Explanation
<b>OPD Clinical Numbers</b>					
Obstetrics and Gynaecology	2,571	4,841	10,819	12,369	Opening of Maternal Wing (MW) services contributes to an increase in numbers as a natural growth.
Plastics & Reconstruction	301	385	584	867	Mainly dependent on donor support, numbers reflect OPD performance.
Visiting Consultants	10,239	16,785	18,070	17,990	NHIF saga reduced visting consultants.
Eye services	80,541	88,630	91,377	76,508	NHIF saga reduced paediatric numbers.
Orthopaedics	20,546	21,505	21,800	20,517	Long term dependence on donor-supported services & cessation of toto Afya card.
Physiotherapy & Occupational Therapy	19,554	21,300	23,809	14,869	NHIF saga reduced paediatric numbers.
Paediatrics	2,876	5,261	7,794	6,943	Officiation of the paediatric department.
Internal Medicine	5,648	6,116	7,212	12,372	Officiation of the internal medicine department.
Prosthesis &Orthotics	1,699	1,650	1,772	1,832	Normal growth of services.
<b>OPD Clinical Support Numbers</b>					
Pharmacy Services	1,320,000	1,812,000	1,943,379	2,256,842	Normal growth of services.
Laboratory services	35,471	60,766	89,248	87,008	Out of stock and reduced.
Imaging	13,185	15,605	17,160	17,321	Increase in Obsgyn cases.
Optical	24,042	26,245	27,888	40,395	Normal growth of services.
<b>Operating Theatre Department</b>					
Obstetrics and Gynaecology	489	688	1,044	1,664	Growth in Obsgyn surgical numbers.
Plastics & Reconstruction	210	359	397	338	Poor growth of services other than cleft lip and palate.
Visiting Consultants	69	208	561	951	In-house surgeons added to surgical growth.
Eye services	6,038	7,957	8,429	8,102	NHIF changes in price tariffs reduced surgical and paediatric numbers.
Orthopaedics	2,810	3,153	1,641	1,264	Long-term dependence on donor-supported services, NHIF saga.
<b>Deliveries</b>					
Obstetrics and Gynaecology	-	327	892	1,203	Normal growth of services.
<b>In-Patient Services</b>					
All departments	-	15,778	24,233	24,188	NHIF changes in price tariffs reduced surgical numbers.

**Key:**

 Growing

 Static/No growth

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

## GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 7. STATEMENT OF SERVICE OF PERFORMANCE INFORMATION (CONTINUED)

#### Development Programmes and Projects

Advocacy & Disability Inclusion (ADI)			
	Target Year to Date (YTD)	Actual Year to Date (YTD)	Performance Evaluation
New client/partner engagement (presentations/visits)	4	8	200%
Consultancy contracts signed	4	1	25%
Participate in advocacy and lobby meetings/events with Government and other stakeholders	4	8	200%
Partnership - EH activities	32	29	90.6%
Individuals Empowered by Disability Inclusion	420	565	135%
Parental Carer Training (PCT) and Week of Intensive Training (WIT) consultations	640	877	We conducted additional weeks beyond our initial plan due to requests from our partners and the commitment of parents to keep their clinic appointments without missing them.
Internal Clean Intermittent Catheterization (CIC)	100	90	There was a scheduling conflict between Internal Clean Intermittent Catheterization (CIC) Week and Faraja School's timetable, which led to fewer students being able to attend CIC Week.
Ponseti Clinic Consultations	288	255	There are still challenges with parents not attending the clinic as scheduled due to transportation costs. This has resulted in not meeting the targets for the year 2024.
Outpatient Clinic Consultations	840	625	outpatient count decreases because many clients are enrolled in a week of treatment instead.
Local-made assistive device production/refurbishment	50	37	This was due to limited funding allocated to manufacture of locally made assistive devices.
Holistic disability-inclusive support through home visits, group discussions at community support units, and phone follow-up	6,480	4821	Despite some Community Rehabilitation Workers (CRWs) retiring and leaving their positions without replacements, the additional three weeks of Intensive treatment also contributed to not fully achieving the targets for this year.
Wheelchair service provision (new)	450	545	The team performed exceptionally well in this area because of the support from partners who helped mobilise clients and bring them to a central location. This significantly reduced travel time and allowed us to reach more people than initially planned.
Wheelchair follow-up services	370	535	This because of the support from partners who helped mobilize clients and bring them to a central location
Private Poly Clinic consultations			Due to the organisation's financial challenges, this clinic has not yet started, as some necessary investments require funding. However, efforts are still being made to implement it.
Basic Training (16 weeks)	24	10	Only one donor with specific area criteria (Mtwara/Lindi).
Other women empowerment	200	-	No funds for materials and Trainer.
Production (# items produced)	14,595	13,524	More small, valued products.
Sales (value of sales)	465,660,000	271,974,168	Few new clients with less valued products.

**COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

**GOVERNING BOARD MEMBERS' REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**7. STATEMENT OF SERVICE OF PERFORMANCE INFORMATION (CONTINUED)**

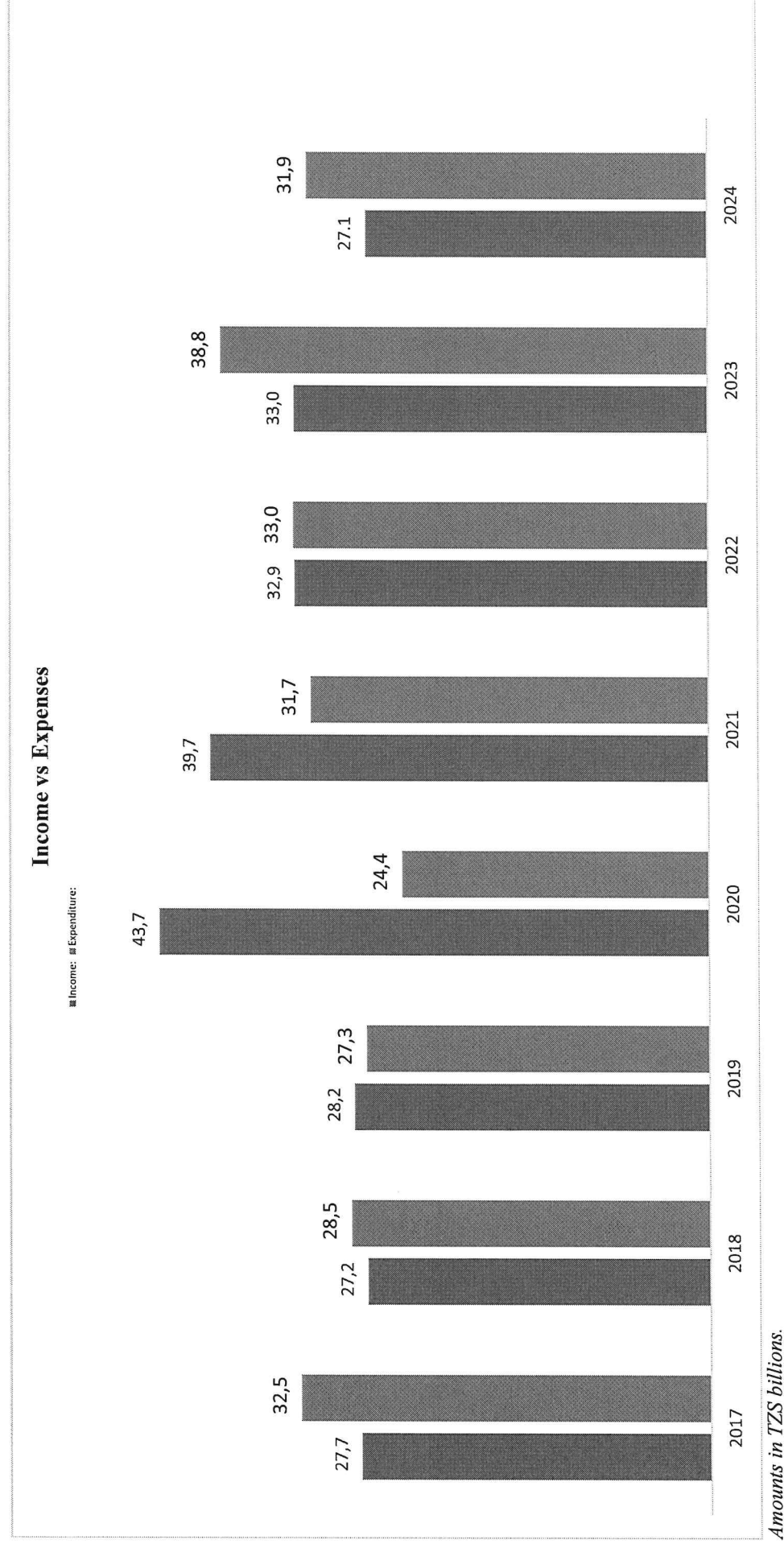
**CCBRT Academy**

<b>Academy – Training</b>			
	<b>Target Year to Date (YTD)</b>	<b>Actual Year to Date (YTD)</b>	<b>Performance Evaluation</b>
Training modules (non-repetitive).	68	82	Over target by 14 modules.
Enhancing health workers' capacity training (in seats)	2,481	2,378	Below target by 100.
Enhancing Community Health & inclusion Development	1,780	2,212	Over target by 432.
Enhancing Internal staff training (in seats)	526	45	Below target by 481 withdrawal of donor support for Fistula Community Health Worker (CHW) training affected annual targets.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

## GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 8. FINANCIAL PERFORMANCE

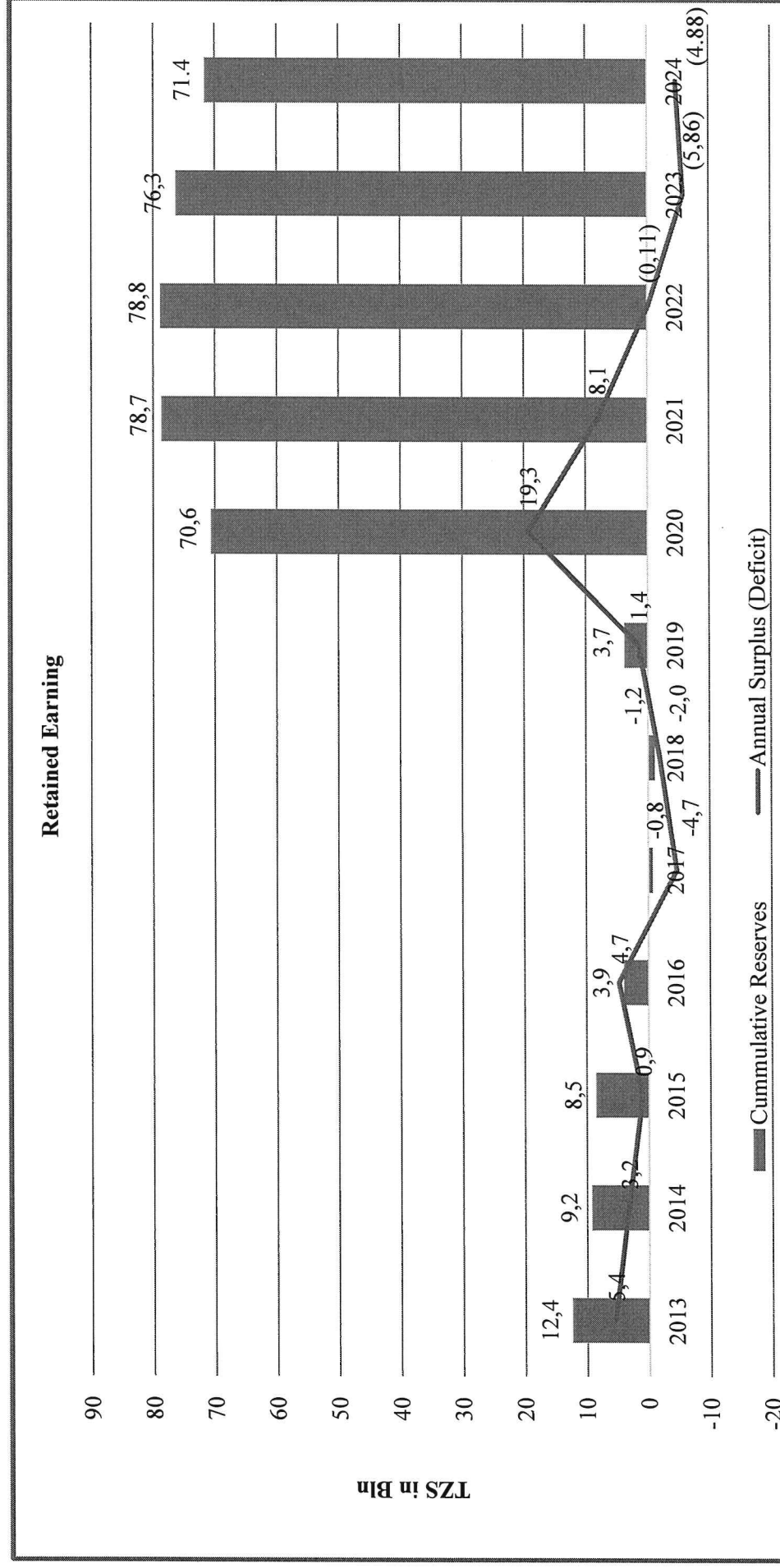


**Note:** Income and expenses, as reported in 2024, were TZS 27.1 billion and TZS 31.9 billion, respectively.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

## GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 8. FINANCIAL PERFORMANCE (CONTINUED)

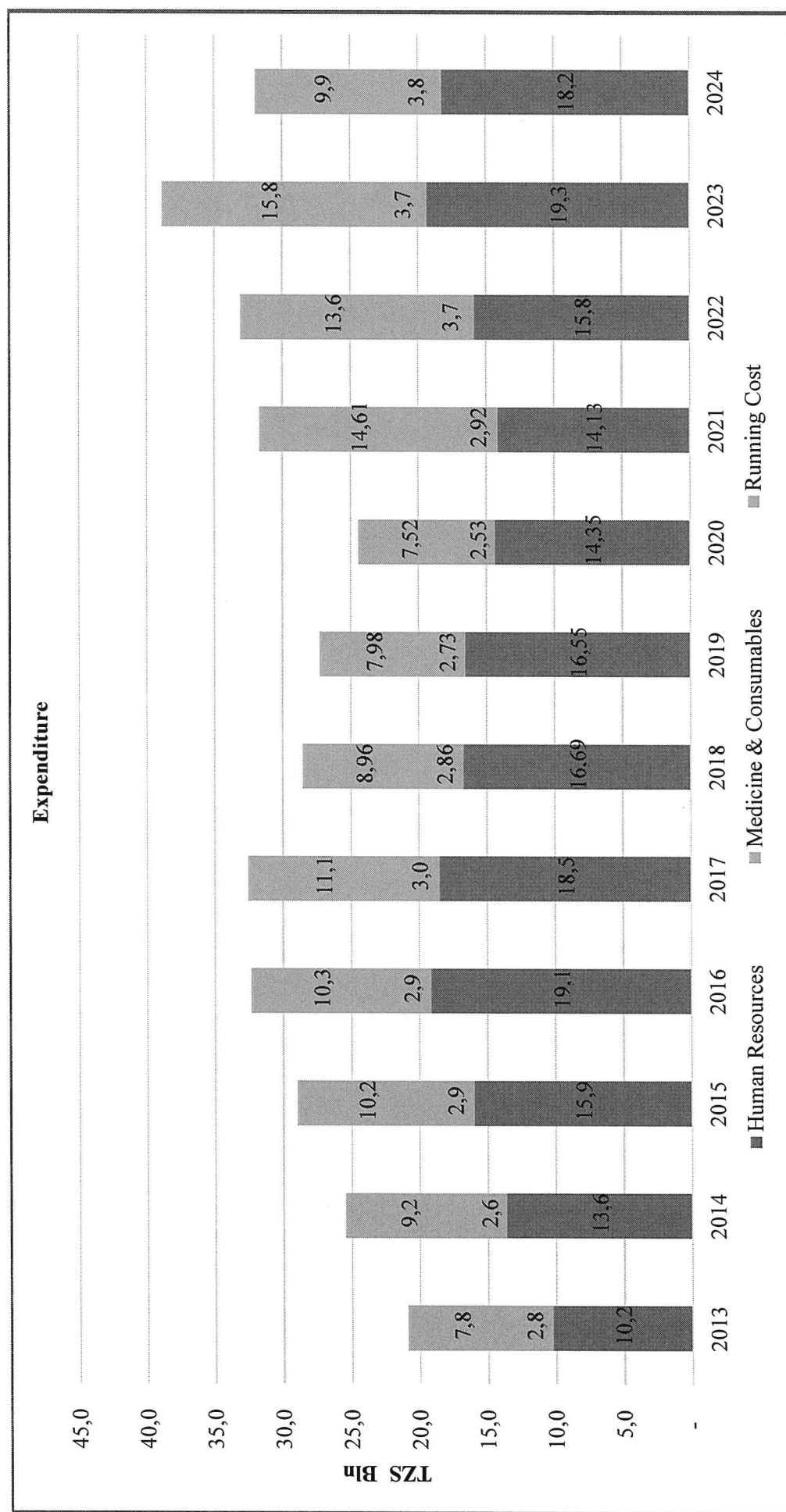


**Note:** The cumulative reserves and annual deficit for 2024 were TZS 71.4 billion and TZS 4.71 billion respectively.

COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

GOVERNING BOARD MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

8. FINANCIAL PERFORMANCE (CONTINUED)



## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 8. FINANCIAL PERFORMANCE (CONTINUED)

Revenue decreased by 16% in 2024 to TZS 25,598 million (2023: TZS 30,432 million).

The decrease in revenue has been primarily attributed to a price reduction from the National Health Insurance Fund, effectively started in March 2024, rejection amount of approximately TZS 960 million and a decline of Partners Revenue by 30% (TZS 3.4 billion).

Accumulated surplus account reflects the deficit of TZS 4,881 million (2023: TZS 5,864 million) for the year 2024. The main reason for this loss is the failure of partner revenue to materialize as expected. This revenue was intended to support the further operationalization and decline of Patient Revenue due to price changes of NHIF.

#### 9. FINANCIAL POSITION

Total assets decreased by 9% to TZS 85,280 million in 2024, compared to TZS 93,419 million in 2023. The main reason for these decreases is the experiencing business operation losses for two consecutive years.

Accumulated surplus account was impacted by a deficit of TZS 4,881 million in 2024, whereas a deficit of TZS 5,864 million was reflected in the account in 2023.

#### 10. CASH FLOWS

The organisation's cash flows statement shows that as of 31 December 2024, the closing balance of cash and cash equivalents was TZS 2,729,915,000. This represents a decrease compared to the closing balance of TZS 7,160,322,000 in 2023. The primary reason for these decreases is the reduced cash generated from operating activities as a result of changes in NHIF tariffs during the year.

#### 11. KEY PERFORMANCE INDICATORS

In 2023, CCBRT adopted the 2023-2027 strategy, which came with an updated set of strategic indicators for the respective strategic priority areas:

VALUED & ENGAGED STAFF IN 2024			
Indicator	Description	Annual Target	Actual YTD
Employee Net Promoter Score (eNPS)	Measure employee loyalty by measuring how willing employees is to recommend their workplace to their family or friends.	>10%	19%
Performance Score	Total number of staff whose performance is formally measured as per plan.	>75%	100%
Succession Plan	The percentage of staff (tier 1 and tier 2) provided with internal promotion.	>60%	-
*NM=not measured; to be measured from 2024			
EXCELLENT CLIENT OUTCOME IN 2024			
Indicator	Description	Annual Target	Actual YTD
Daily Averted Life Years (DALYs) score	Number of Disability Adjusted Life Years (DALYs) averted for clients treated at CCBRT; annually collected	>30,000	34,057
Safe Care accreditation	SafeCare is an independent stepwise certification to improve quality with standardised accreditation: Level 1 - low, Level 5 - high.	4	4
Hospital IPC Score	Total score on Infection Prevention Control using internal and external IPC quality assessment tools.	>75%	86%
Maternal Mortality Rate	The number of female deaths from any cause related to or aggravated by pregnancy or its management during pregnancy and childbirth or within 42 days of termination of pregnancy.	<23/1,000	0/1,206
Neonatal Mortality Rate	Total number of deaths in the 1st 28 days of life.	<20/1,000	6/1,211
*NM=not measured; to be measured from 2024			

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

## GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 11. KEY PERFORMANCE INDICATORS (CONTINUED)

EXCELLENT CLIENT EXPERIENCE IN 2024			
Indicator	Description	Annual Target	Actual YTD
Negative Client Feedback	Percentage of the negative feedback on the overall feedback received, considering through various feedback channels	<20%	21%
OPD turnaround time	The total service delivery time per patient including waiting time, measuring the difference in scores of the current period against the previous period	2.5 hours	2.2 hours

\*NM=not measured; to be measured from 2024

LEARNING, INNOVATION & RESEARCH IN 2024			
Indicator	Description	Annual Target	Actual YTD
Number of improvement ideas generated	Total number of suggested ideas from staff (employees & health volunteers) generated; measured per quarter	536	739
Number of Publications in peer reviewed international journals	Number of Publications in peer reviewed international journals	12	7
Percentage of CCBRT employees trained by the CCBRT Academy	The percentage of training seats occupied by employees out of the total	72%	94%

\*NM=not measured; to be measured from 2024

FINANCIAL SUSTAINABILITY IN 2024			
		2024	2024
Indicator	Description	Annual Target	Actual YTD
% revenue increase (Patient revenue)	Income generated in the current period minus income generated in the previous period	30%	(33%)
% revenue increase (Partner revenue)	Income generated in the current period minus income generated in the previous period	10%	(34%)
Net Profit Margin (EAITD)	% Earnings after interest, tax and depreciation/Operating expense	1%	(13%)
Acidic Test	Current assets- (Inventory +Prepayments/Current liabilities (this excludes inventories)	1.5	0.31
Donor Dependency	Donor Revenue (Partners, CSI, Government of Tanzania)/Total Revenue	40%	29%
Average Collections Period Trade Receivables	Accounts Receivable / Annual Credit Sales X 365days	60 days	46 days
Aging Trade Payables over 180 days	Percentage of outstanding debts older than 180 days	0%	44%
Aging Trade Receivables over 90 days	Percentage of outstanding payments older than 90 days	0%	62%
Insurance rejections	Percentage of rejections identified in the invoices received from all insurances in the respective quarter	0%	4%

\*NM=not measured; to be measured from 2024

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 12. EMPLOYEE WELFARE

CCBRT had 461 staff at the end of 2024, of which 410 were full-time employees and 51 were health volunteers. 71% work in the hospital, 18% in the Development Programmes & Projects and 10.7% in the Support Services.

CCBRT Job Cadres in 2023	Budget 2024 (A)	Actual 2024 (B)	Vacancies (B-A)
Executive management	6	5	(1)
Doctors & specialists	45	47	2
Nurses & medical attendants	120	119	(1)
Paramedical/Clinical staff	53	50	(3)
Other support staff	198	189	(9)
<b>Total employees</b>	<b>422</b>	<b>410</b>	<b>(12)</b>
Health volunteer – clinical	54	49	(5)
Health volunteer – non-clinical	-	2	2
<b>Total staff</b>	<b>476</b>	<b>461</b>	<b>(15)</b>

CCBRT promotes diversity and inclusion and aims to retain, attract, and recruit staff who share its values and reflect the diverse community it serves; 54% of CCBRT's staff are female, and 6.34% of employees have disabilities.

CCBRT has a female CEO, and 60% of the executive management is female. In total, 21 manager positions (49%) across the organisation are female led. At the end of 2024, 67% of CCBRT's governing board directors are women.

As a 'learning organisation', CCBRT continued in 2024 to promote on-the-job learning and formal skills advancement. In total, 11 employees went for formal long-term training outside of CCBRT. Most training for employees took place through the CCBRT Academy, where 95.4% (2,276) of the training seats were occupied by CCBRT staff receiving technical training. The CCBRT Academy offered various trainings and received formal accreditation from the Medical Council of Tanganyika. It is essential for employees needing CPD (Continuous Professional Development) points to retain their license to practise.

Funeral Insurance is a mandatory benefit for CCBRT staff. The aim of the CCBRT group funeral insurance is to provide a contribution towards funeral costs upon bereavement. CCBRT pays the full annual premium for staff members. 96% of staff is covered through this insurance. Staff members who voluntarily decline such insurance are requested to sign a declaration to avoid disappointment for relatives.

With funding challenges, CCBRT has not been able to invest in cross-organisational remuneration changes in 2024 as planned. Where possible, output-related pay has been adopted. To support 24-hour operations in a shift system, CCBRT adopted a locum payment system.

Furthermore, CCBRT has been seeking low-cost opportunities to engage staff regularly to maintain a good working climate and boost staff motivation. In addition to regular all-staff meetings and meetings with line managers, daily huddles continue to prove very instrumental in staff engagement, discussing developments and problem-solving.

On the social side, various staff events were organised in 2024, such as Women's Day, World Disability Day, and the CCBRT end-of-year event.

In 2024, CCBRT hosted 173 people seeking the opportunity to gain knowledge and skills at the workplace, including 2 Fellows under the FIGO fistula surgeon training programme, 91 residents from clinical training schools, and 30 interns through the government internship programme.

## **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

### **GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

#### **12. EMPLOYEE WELFARE (CONTINUED)**

##### **Health and Safety**

The Organisation ensures that a strong culture of safety prevails at all times. Adequate and proper personal protective equipment, training, and supervision provide a safe working environment for all employees. Following the 2023-2027 strategy, CCBRT scored Level 4 in the SafeCare Audit, which is a significant accomplishment from the Level 2 status.

The Organisation also adheres to the regulations set by the Occupational Health and Safety Authority of Tanzania (OSHA). In 2024, CCBRT continued to provide hand sanitization facilities for staff and visitors.

In 2024, a SafeCare audit was again conducted at CCBRT in support of improving quality and safety but there is no major findings were noted.

##### **Employees benefit plan**

CCBRT pays monthly contributions to:

- The National Social Security Fund (NSSF) as is required by Law;
- To National Health Insurance Fund (NHIF); and
- Workers' compensation fund (WCF).

#### **13. PERSONS WITH DISABILITIES**

CCBRT promotes disability inclusion in line with the Disability Act 2010 across the organisation, and 6.34% of staff employed are persons with disabilities. These disabilities include physical disabilities on limbs, hearing impairments, visual impairments as well as people with albinism.

CCBRT proactively encourages people with disabilities to apply for available positions, and staff participating in recruitment processes are trained to facilitate the process accordingly. As per CCBRT's diversity and inclusion policy, the training, career development, and promotion of disabled persons should, as far as possible, be identical to that of other employees.

CCBRT provides sign language training for staff members, particularly those in the reception areas, wards, and human resources.

If a staff member becomes impaired or disabled, efforts are made to ensure that employment with the Organisation continues and appropriate arrangements are made.

#### **14. POLITICAL AND CHARITABLE DONATIONS**

The organisation made no political donations during the year (2023: Nil).

#### **15. RESERVES**

##### **Accumulated surplus**

The accumulated surplus is the result of annual surplus over the years. The purpose of the accumulated surplus is to support or to reinvest in the business operations in cases of either a shortage of funding or any expansion of business activities. Governing Board Members do not share any income and are not entitled to receive any benefits from the Organisation's resources.

##### **Revaluation reserve**

In 2019, the Organisation's buildings were revalued, with a measurement of Level 3. All other classes of assets (property and equipment) were carried out using the cost model as per Note 12 in the financial statements. The revaluation reserve generated is not available for distribution.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 16. FUTURE DEVELOPMENTS

CCBRT has started implementing the new Strategic Plan 2023-2027, under which the focus will remain on delivering quality outcomes and sustainable impact among vulnerable persons living with disabilities in Tanzania.

The plan entails vertical growth, moving from giving specialised services to super specialised services to keep our niche as the preferred provider of specific services. Horizontal growth, offering new services that we did not provide before that are mandatory for the hospital, e.g., critical care services, paediatrics, surgeries, and urology. Fully operationalised maternal wing and laboratory services and natural service growth (volume in line with increasing population, increased health-seeking behaviour and health financing).

The CCBRT Academy has grown since its inception in 2018 and provides adequate skill-based training for healthcare workers.

Following the challenges faced by high human resource costs, it has been noted that other health facilities are using students to fill in staff gaps at low costs. CCBRT could apply the same strategy to manage HR costs by converting the academy into a formal registered training school. In addition, CCBRT could particularly focus on the observed gaps in the market linked to rehabilitation service providers, and it could serve as a business strategy to make the academy more financially sustainable.

Hence, CCBRT has started a feasibility study to transform the academy into a medical college.

Research has been added as a strategic priority in the 2023-2027 strategy, and this is hosted under the CCBRT Academy. From 2023 and 2024, the focus has been on establishing the research committee, training the team, and developing the research framework. The aim is to promote and conduct research at CCBRT, empower CCBRT staff with research skills, and host partnerships with research institutions.

The growth of the volume of activities will require strategic investment:

- 1) Investment in human resources to retain human capital, which includes remuneration review and investment in working tools. Capacity building is needed to get the required skill sets for vertical growth (super specialisation). Expanding 24-hour services to get both number and quality (recruitment and training);
- 2) Capital investment in machines, instruments, and operational capital equipment currently underutilised space. Replace old equipment & instruments. Capital investment in system improvement, software, and applications to ensure business continuity and enable data-driven decision-making and
- 3) Strengthening governance & management requires additional positions and human resources.

#### 17. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

SN	Risk	Implication	Mitigation
1	Changes in NHIF prices create a risk to achieving the target of own revenue.	A decrease in NHIF Revenue will affect the ability to cover operating costs.  It will affect the cash flows and the ability to pay suppliers and current borrowings.	<ul style="list-style-type: none"><li>• Improve the patient process so that patients can pay cash premiums. Process improvement for evening surgeries and clinics</li><li>• Tariff diversification (premium, cash, insurance)</li><li>• Re-negotiate contract with visiting consultants.</li><li>• System improvements and acquiring a new Hospital Management System (HMIS).</li><li>• Improving and Strengthening billing function.</li></ul>

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 17. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES (CONTINUED)

SN	Risk	Implication	Mitigation
2	Drastic reduction of financial support from development partners	If financial support is not secured, CCBRT will no longer be able to offer specific services and will need to execute retrenchment of staff.  This will mainly impact the subsidised support for poor and vulnerable clients.	CCBRT has taken several actions to restore/improve the financial situation: <ul style="list-style-type: none"><li>• Increased marketing of our services.</li><li>• Increase seeking CSR/CSI support.</li><li>• Continue fundraising, strengthening resource mobilisation function with Additional capacity for the resource mobilisers.</li><li>• Tanzania support: Continue lobbying the government on the modalities of this support.</li><li>• Diversification of proposals (incl. impact investors).</li><li>• Strategic branding and communication plan.</li><li>• Proposal to address organizational structure.</li></ul>
3	Insufficient support from the Government of Tanzania while the Service Level Agreement (SLA) is in place.	Financial support from the Government of Tanzania will directly assist in reducing the funding gap of CCBRT.	CCBRT Management and CCBRT Board continue to lobby with the government on inclusion in the Government of Tanzania budget.

#### Uncertainties

CCBRT relies heavily on Donor funding to implement its activities. The uncertainty, dynamics, and change in donors' focus create uncertainties for the organization to secure funds to cover activities.

#### Opportunities

Seek new donors/partnerships for resource support (e.g., in-kind, financial, and technical). Support from corporate partners and the business community. Impact investments, the 'gift that keeps on giving'.

#### Credit risk

The Organisation has established a credit policy under which each new customer is analysed individually for creditworthiness before the Organisation's standard payment terms and conditions and service delivery mode are offered. Other debtors do not have standard credit characteristics; they differ depending on whether they are normal debtors, "governed by specific debtor terms," or the creditworthiness of the Organisation from which they are receivable.

Credit risk is managed by the Chief Finance Officer, except for credit risk relating to trade receivables. The Organisation's billing manager assesses each customer's credit quality, considering its financial position, experience, and other factors.

#### Market risk

The main market risk to the Organisation is foreign currency. Management's policy to manage foreign exchange risk is to maintain foreign currency bank accounts, which act as a natural hedge for payment.

COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

GOVERNING BOARD MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

18. BUDGET PERFORMANCE VS ACTUAL

Details	Actual 2023	Plan 2024	Actual 2024	Variance Actual 2023 vs 2024	Variance Plan 2024 vs Actual 2024	Actual 2023 vs 2024	Plan 2024 vs Actual 2024
	TZS'000	TZS'000	TZS'000	TZS'000	TZS'000	Var %	Var %
<b>Revenue:</b>							
Patient revenue	19,417,302	25,117,264	16,827,565	(2,589,737)	(8,289,699)	(13%)	(33%)
Partners revenue	10,181,679	10,836,595	7,183,729	(2,997,950)	(3,652,866)	(29%)	(34%)
Government of Tanzania	545,825	483,000	486,551	(59,274)	3,551	(11%)	1%
Donations and contributions	718,037	941,000	344,784	(373,253)	(596,216)	(52%)	(63%)
Program income	860,340	1,566,875	755,257	(105,083)	(811,618)	(12%)	(52%)
<b>Total revenue</b>	<b>31,723,183</b>	<b>38,944,734</b>	<b>25,597,886</b>	<b>(6,125,297)</b>	<b>(13,346,848)</b>	<b>(19%)</b>	<b>(34%)</b>
<b>Expenses:</b>							
Medicines & med consumables	3,701,975	4,856,418	3,825,440	123,465	(1,030,978)	3%	(21%)
Staff cost	19,296,773	20,490,568	18,220,854	(1,075,919)	(2,269,714)	(6%)	(11%)
Running cost	5,999,790	6,537,817	4,724,536	(1,275,254)	(1,813,281)	(21%)	(28%)
<b>Sub total expenses</b>	<b>28,998,538</b>	<b>31,884,803</b>	<b>26,770,830</b>	<b>(2,227,708)</b>	<b>(5,113,973)</b>	<b>(8%)</b>	<b>(16%)</b>
<b>Gross margin</b>	<b>2,724,645</b>	<b>7,059,931</b>	<b>(1,172,944)</b>	<b>(3,897,589)</b>	<b>(8,232,875)</b>		
Others (non - cash expenses)	9,835,698	5,849,532	5,177,552	(4,658,146)	(671,980)	(47%)	(11%)
<b>Total expenses</b>	<b>38,834,236</b>	<b>37,734,335</b>	<b>31,948,382</b>	<b>(6,885,854)</b>	<b>(5,785,953)</b>	<b>(18%)</b>	<b>(15%)</b>
Non-operating income	1,246,596	-	1,469,545	222,947	1,469,545	18%	-
<b>Surplus/(deficit)</b>	<b>(5,864,457)</b>	<b>1,210,399</b>	<b>(4,880,951)</b>	<b>983,504</b>	<b>(6,091,350)</b>	<b>(17%)</b>	<b>(503%)</b>

## **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

### **GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

#### **18. BUDGET PERFORMANCE VERSUS ACTUAL (CONTINUED)**

##### **2024 Budget vs Actual**

After adjusting the plan with the IPSAS presentation, total revenue was 32% below the plan, which requires all capital expenses from non-exchange transactions to be recognised as revenue if no conditions are attached.

- Revenue from patients reported below target by 32%. Mainly contributed to NHIF fragility, NHIF changes, reduction of NHIF prices, Toto Afya card, NHIF rejections and monthly submitted claims dropped; and
- Partner decreased by 34% against plan; fundraising activities have not been as successful as expected and planned in 2024.

Expenses were below the plan by 16% before including non-cash items, and costs were maintained within the budget.

- However, medicine and consumables were 21% below the plan due to a lack of funding. Expenses were adjusted to match the revenue generated;
- Staff costs underspend by 11% as some positions were not replaced due to efficiency gains. Consideration for recruitment was given in revenue generation areas based on business case justifications; and
- Running costs were underspent because some activities were not executed due to a lack of funding; hence, they were below the plan by 28%.

##### **Actual 2023 versus 2024**

- Revenue decreased by 19% in 2024, and the reason was a decrease in the Partner's Revenue by 29%.
- Patient Revenue decreased by 13%, driven by changes in NHIF from the reduction of prices.

Expenses decreased in 2024 compared to 2023 by 18%:

- This is attributed mainly to underspending running costs; some activities were put on hold due to a lack of funding.

#### **19. STAKEHOLDER RELATIONSHIPS**

CCBRT's stakeholders are individuals or institutions with a direct or indirect interest in CCBRT. During the year, the organisation continued to engage with stakeholders.

##### **Customer feedback**

In 2024, our Quality Assurance & Customer Care department strengthened the tools to ensure effective customer feedback collection. Various methodologies are used to gather input, such as face-to-face interviews, emails, WhatsApp, "Maoni Box," and feedback via our website.

##### **Government of Tanzania**

The current Service Level Agreement (SLA) has expired. CCBRT is in discussion with the Government to renew the SLA. In 2023, CCBRT started receiving salary support from the Government and continued to receive Government funds for running costs. CCBRT also received a credit note to receive medicines and consumables from the Medical Stores Department (MSD). In addition, CCBRT continued receiving government internships in pharmacy and optometry.

##### **Donors**

In 2024, CCBRT has been undertaking individual engagements with all donors, presenting the performance and development of different activities and the organisation's strategic direction.

## **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

### **GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

#### **19. STAKEHOLDER RELATIONSHIPS (CONTINUED)**

##### **Employees**

The organisation continues to enhance its employee experience, putting employees first. Management ensures that our employees can directly and openly communicate with management through various channels and meeting opportunities. In 2024, CCBRT embarked on a performance management system that involves in-depth open discussions between staff and their line managers. Employee net promoter surveys were also introduced (once per quarter). All staff meetings were conducted twice per year, and prior to the meeting, staff were asked to submit their queries, which management responded to during the meeting.

#### **20. CAPITAL STRUCTURE**

The organization has no share capital; its assets originate from donated equity funds received from Donors. The acquired assets are capitalised and funded through capital grants. Capital includes a capital reserve, a property and equipment revaluation reserve, and an accumulated surplus, which stood at TZS 71,446,565,000 (2023: TZS 76,327,516,000).

#### **21. CORPORATE GOVERNANCE**

During the year, the Board had 9 non-executive members who were not involved in the day-to-day running of the Organisation. The Chairperson of the CCBRT Board is appointed by the members of the Board for a term of five years. The CEO is ex officio in her position as Secretary to the Board. The Governing Board Members possess a sufficient breadth of experience to bring independent judgement to the decision-making of the Organisation's activities.

The Governing Board is required to meet four times per year. The Board delegated the day-to-day management and running of the Organisation to the Chief Executive Officer, who is assisted by the Hospital Executive Committee (HEC).

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

## GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 21. CORPORATE GOVERNANCE (CONTINUED)

**Table 1: Members of the Governing Board**

SN	Name of Board member	Title	Qualifications	Year of Appointment	Year of resignation	Nationality
1	Dr Willibrod Peter Slaa	Chairperson-Retired	PhD Law Seminary Certificate Seminary Theology Certificate Psychology	1994	2025	Tanzanian
2	Ms. Miranda Naiman Mpogolo	Vice-Chairperson / Committee Chairperson GNR-Retired	BSc Drama MA in Theatre & Development Studies	2020	2025	Tanzanian
3	Mrs. Esther Kileo Kitoka	Vice-Chairperson / Committee chair GNR-Active	AMP CPA B.Sc. Commerce in Accounting Ms Commerce in Banking	2020	N/A	Tanzanian
4	Dr. Sabina Ferdinand Mugusi	Member CQR-Active	MBBS (MD) PhD- HIV & Tuberculosis Post-Grad Fellowship HIV	2021	N/A	Tanzanian
5	Dr. Nelly Iteba	Committee Chairperson CQR-Active	MD Master International Health Master of Management - Health Leadership (IHML)	2021	N/A	Tanzanian
6	Dr. Redempta John Mbatia	Board Chairperson-Active	MD Fellowship Cardiology Fellowship General Internal Medicine.  Post Graduate Tropical medicine (DTHM) M.Sc. Epidemiology.	2021	N/A	Tanzanian
7	Ms. Shemane Amin	Member GNR-Active	Bachelor of Arts (B.A.) Psychology and Business; J.D.	2022	N/A	Tanzanian
8	Ms. Brenda Msangi	Chief Executive Officer; Board of Directors Secretary, ex officio.	Master of Business Administration (MBA) in Healthcare, Master of Pharmacy (MPharm).	Management since 2009 / CEO & Board since 2018	N/A	Tanzanian
9	Mr. Robin Ernest Kimambo	Member FRA-Active	Bachelor of Commerce Hons. – Accounting Major, University of Dar es Salaam (Tanzania).  MSc in Finance, Leadership and Management with the York Management School, University of York (UK).	2023	N/A	Tanzania
10	Mr. Anael Samuel	Committee Chair FRA-Active	BSc. Computer Science, University of Dar es Salaam, Tanzania 1999- 2002.  MBA (Finance), University of Dar es Salaam, Tanzania 2004-2006.	2023	N/A	Tanzania

GNR - Governance, Nomination & Remuneration; CQR - Clinical Quality & Research; FRA - Finance, Risk and Audit.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 21. CORPORATE GOVERNANCE (CONTINUED)

During the year, the Board conducted four (4) ordinary meetings and one (1) extra ordinary meeting. The attendance of each Board member during the period under review is as shown in Table 2 below:

During the year, the Board deliberated on the following matters:

- (i) Approve 2025 budget;
- (ii) Approval of COO as bank Signatory;
- (iii) Approval of the HMIS Project Budget;
- (iv) Re-appointment of auditors for the 2024 audit;
- (v) Recruitment of the Board Secretary;
- (vi) Recruitment of new board members with resource mobilisation skills;
- (vii) Strategic scorecard;
- (viii) Organisational board retreat
- (ix) Organisation Policy Framework; and
- (x) Establishment of Medical College.

**Table 2: Attendance of Board Members**

SN	Name	Board Meetings			
		23/02/2024	31/05/2024	30/08/2024	29/11/2024
1	Dr. Willibrod P. Slaa	Present	Present	Present	Present
2	Ms. Miranda Naiman	Present	Present	Present	Apologies
3	Mrs. Esther Kileo Kitoka	Present	Apologies	Present	Present
4	Dr. Sabina Mugusi	Present	Present	Present	Present
5	Dr. Redempta Mbatia	Apologies	Apologies	Apologies	Apologies
6	Dr. Nelly Iteba	Present	Apologies	Apologies	Apologies
7	Ms. Shemane Amin	Present	Present	Present	Apologies
8	Mr. Anael Samuel	Present	Present	Present	Present
9	Mr. Robin Kimambo	Present	Present	Apologies	Present
10	Ms. Brenda Msangi	Present	Present	Present	Present

#### Committees of the Board

CCBRT has three (3) Board Committees that aim to enhance proper governance and management of public resources. These committees are Governance, Nomination & Remuneration, Finance, Risk and Audit, and Clinical Quality & Research Committee.

#### Governance, Nomination & Remuneration Committee

The Organization's Governance, Nomination, and Remuneration Committee consists of two (2) members, as shown in Table three (3) below. The Committee assists the Board in fulfilling its oversight responsibilities on governance matters.

**Table 3: Members of Governance, Nomination and Remuneration Committee**

Name	Position
Ms. Esther Kileo Kitoka	Committee chair - Active
Ms. Miranda Naiman Mpogolo	Committee chair - Retired
Ms. Shemane Amin	Member

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 21. CORPORATE GOVERNANCE (CONTINUED)

##### Governance, Remuneration & Nomination Committee (Continued)

During the year four (4) meetings were held, and several decisions and deliberations were prepared concerning governance including;

- (i) Constitution review;
- (ii) Finalisation of recruitment board members;
- (iii) Recruitment of Board Secretary;
- (iv) Organisation Policy Framework; and
- (v) Organisational Board Retreat.

##### Finance, Risk & Audit Committee

The Organization's Finance, Risk & Audit Committee is comprised of three (3) members as shown in Table 4 below. The Audit Committee assists the Board in fulfilling its oversight responsibilities regarding risk management, the financial reporting process, the system of internal control, the audit process, and the Organization's process for monitoring compliance with laws and regulations.

**Table 4: The members of the Finance, Risk & Audit Committee**

Name	Position
Mr. Anael Samuel	Committee chair – Active
Mrs. Esther Kileo Kitoka	Committee Chairperson – Transferred to GNRC committee
Mr. Robin Ernest Kimambo	Member
Mr. Anael Samuel	Member

During the year, the committee held four (4) meetings, and several recommendations were made by the committee to the board including:

- (i) Recommending Approval of the 2025 budget;
- (ii) Recommending Approval of Audited Financial Statement; and
- (iii) Re-appointment of External Auditor.

##### Clinical Quality & Research Committee

The Organization's Clinical Quality and Research Committee consists of three (3) members, as shown in Table 5 below. The CQR Committee assists the Board in fulfilling its oversight responsibilities on the organisation's clinical quality and research matters.

**Table 5: Members of Clinical Quality & Research Committee**

Name	Position
Dr. Nelly Iteba	Committee chair
Dr. Sabina Ferdinand Mugusi	Member
Dr. Redempta John Mbatia	Member*

\*Dr Redempta is no longer a member in the committee after her appointment as Chair of the Board in April 2025.

During the year, the committee held four (4) meetings. The committee analysed the organisation's clinical performance and made recommendations for improvement to the Board. It also deliberated the establishment of a Medical College to address the shortage of human resource challenges in hospitals.

## **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

### **GOVERNING BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

#### **22. RELATED PARTIES**

Details of transactions and balances with related parties are included in Note 22 of these financial statements.

#### **23. GOING CONCERN**

During the year, the Organization incurred a deficit of TZS 4,881 million (2023: TZS 5,864, million). As at the year end, the Organization had a net current liability position of TZS 2.2 billion (2023: Net current asset of TZS 1.4 billion).

The Organisation is currently focusing on other revenue sources to be able to generate sustainable own revenue. To improve its own revenue generation, management has established evening clinics, improved patient process to give more room for cash premium patient, re-negotiate contract with visiting consultants, Open operating general ward because it is affordable, it will increase number of surgeries, conduct system improvements and acquiring new Hospital Management System (HMIS) started in April 2025 and strengthening billing function.

Management has also increased its fundraising activities aimed at increasing revenues from donors and other stakeholders. These activities include increased marketing services, increase seeking CSR/CSI support, continued fundraising activities, strengthening of resource mobilization function with focus to increase flexible funds, proactive business opportunities initiatives.

CCBRT Management and CCBRT Board continue to lobby with the government to increase the current contribution from the Government. Discussion is going on for CCBRT to become Centre for excellency for Rehabilitation services at national level.

The Governing Board Members are satisfied that the organization has the resources to continue in operation for foreseeable future. Furthermore, the directors confirm that they are not aware of any material uncertainties that may cast significant doubt upon the organisations ability to continue as a going concern. Therefore, the financial statements have been prepared on the going concern basis.

#### **24. ENVIRONMENTAL CONTROL PROGRAMME (ENVIRONMENT, SOCIAL, GOVERNANCE-ESG)**

The Organisation monitors the impact of its operations on the environment, considering power and water usage and waste generation. Its policies provide guidelines and mitigation measures for managing all waste produced from the daily routine activities at office premises.

The Tanzanian government wants at least 80% of cooking in the country to be powered by clean energy sources by 2032. About 97% of households are exposed to high levels of smoke from indoor cooking.

CCBRT continues implementing measures to enhance overall waste management through recycling and reusing paper in our operations. A partnership with a local Non-Governmental Organisation promoting waste recycling.

CCBRT aims to ensure compliance with NEMC to enhance business performance and reduce risks.

#### **25. AUDITOR**

KPMG was appointed as auditor of CCBRT for the year ended 31 December 2024 and is eligible for re-appointment. The resolution to re-appoint KPMG for the next accounting year ending 31 December 2025 will be in the forthcoming Board of Directors meeting.


**COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

**GOVERNING BOARD MEMBERS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**26. STATEMENT OF COMPLIANCE**

The report by those charged with governance and financial statements of Comprehensive Community Based Rehabilitation in Tanzania has been prepared in compliance with Tanzania Financial Reporting Standards No. 1 (TFRS 1).

**BY ORDER OF THE GOVERNING BOARD**

  
\_\_\_\_\_  
**Dr Redempta John Mbatia**  
President of the Board of CCBRT

30 July 2025  
Date

  
\_\_\_\_\_  
**Ms. Brenda Msangi**  
Secretary/ Chief Executive Officer

30 July 2025  
Date

## **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)**

### **WORD FROM THE PRESIDENT OF THE GOVERNING BOARD FOR THE YEAR ENDED 31 DECEMBER 2024**

**Dear Esteemed Partners and Supporters,**

As we reflect on 2024, I am deeply proud of the remarkable progress we have made at Comprehensive Community-Based Rehabilitation in Tanzania (CCBRT). This year, we remained steadfast in our commitment to providing accessible, high-quality rehabilitative healthcare to individuals living with or at risk of disabilities. Our success is built on the strong foundation of collaboration, and it is only with the unwavering support of our partners, donors, and stakeholders we can continue to make a real difference.

This year's achievements are a testament to the dedication of every person involved—our patients who trust us with their care, the hardworking management and clinical teams, and every support staff member who ensures our services remain available to those who need them most. On behalf of the Board of CCBRT, I express my immense pride in all of you.

We are also deeply grateful to our government, particularly the Ministry of Health, and our donors and partners for their generous contributions and expertise. Your continued belief in our vision and mission has been invaluable. We look forward to continuing this journey together, working to improve lives and create a lasting impact in the years ahead.



Dr. Redempta John Mbatia  
**President of the Governing Board of CCBRT**

Date: 30 July 2025

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### WORD FROM THE CHIEF EXECUTIVE DIRECTOR (CEO) FOR THE YEAR ENDED 31 DECEMBER 2024

Dear Readers,

Warm greetings from Comprehensive Community-Based Rehabilitation in Tanzania (CCBRT).

Every year brings fresh opportunities, ambitious goals, and the promise of progress. At CCBRT, we embrace this spirit while remaining committed to tracking our achievements, learning from challenges, and upholding accountability through our organisational reports, including audited reports.

2024 was a historic milestone for CCBRT as we proudly celebrated 30 years of dedicated service—transforming lives through high-quality healthcare and rehabilitation. This year alone, 112,254 individuals received respectful, quality services from CCBRT.

Beyond healthcare, we have continued investing in sustainable development programs, empowering women through the Mabinti Centre, advocating for the inclusion of people with disabilities, and promoting healthcare education through the CCBRT Academy. These efforts create a ripple effect of positive change that extends far beyond our immediate reach.

This audited report is a reflection of the resilience, commitment, and impact that define CCBRT.

With gratitude and commitment,



Ms. Brenda Msangi  
Chief Executive Officer

Date: 30 July 2025

## COMPREHENSIVE COMMUNITY-BASED REHABILITATION IN TANZANIA (CCBRT)

### STATEMENT OF THE GOVERNING BOARD MEMBERS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024

The Governing Board Members are responsible for the preparation of financial statements that give a true and fair view of Comprehensive Community Based Rehabilitation in Tanzania ("CCBRT" or "the Organisation") comprising the statement of financial position as of 31 December 2024, the statement of financial performance and, statement of changes in net assets and statement of cash flows for the year then ended, and notes to the financial statements, which includes a summary of significant accounting policies, in accordance with the Accrual Basis International Public Sector Accounting Standards (IPSASs).

The Governing Board Members are also responsible for such internal control as the Board determines necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error, and for maintaining adequate accounting records and an effective system of risk management.

The Governing Board Members have assessed the organization's ability to continue as a going concern and have no reason to believe that the business will not be a going concern at least for the next twelve months from the date these financial statements were approved.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with the applicable financial reporting framework.

#### Approval of financial statements

The annual report and financial statements of the Comprehensive Community Based Rehabilitation in Tanzania, as identified in the first paragraph, were approved by the Governing Board Members on 30 July 2025 and signed by:

  
\_\_\_\_\_  
Dr. Redempta John Mbatia  
President of the Board of CCBRT

  
\_\_\_\_\_  
Ms. Brenda Msangi  
Secretary / Chief Executive Officer

30 July 2025  
Date

30 July 2025  
Date

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA (CCBRT)

### DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 31 DECEMBER 2024

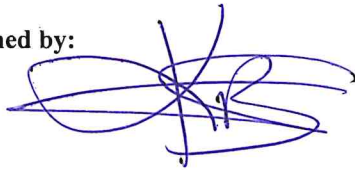
The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance responsible for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

It is the duty of a Professional Accountant to assist the Governing Board Members to discharge the responsibility of preparing financial statements of an Organisation showing true and fair view of the Organisation 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 Governing Board Members as under Statement of the Governing Board Members' Responsibilities on an earlier page.

I **Elly Festo**, being the Head of Finance for Comprehensive Community Based Rehabilitation in Tanzania (CCBRT) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 31 December 2024 have been prepared in accordance with the Accrual Basis International Public Sector Accounting Standards (IPSAS)

I thus confirm that the financial statements of Comprehensive Community Based Rehabilitation in Tanzania (CCBRT) comply with applicable accounting standards as of that date and that they have been prepared based on properly maintained financial records.

Signed by:



Mr. Elly Festo  
Chief Finance Officer  
NBAA Membership No. ACPA 1969

Date: 30 July 2025



**KPMG**  
**Certified Public Accountants**  
2<sup>nd</sup> Floor, The Luminary  
Haile Selassie Road, Masaki  
P.O. Box 1160  
Dar es Salaam, Tanzania

Telephone +255 22 2600330  
Fax +255 22 2600490  
Email info@kpmg.co.tz  
Internet www.kpmg.com/eastafrica

## **INDEPENDENT AUDITOR'S REPORT TO THE GOVERNING BOARD OF THE COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA**

### **Report on the audit of the financial statements**

#### **Opinion**

We have audited the financial statements of Comprehensive Community Based Rehabilitation in Tanzania ("CCBRT or the Organisation") set out on pages 30 to 67, which comprise the statement of financial position as at 31 December 2024, the statement of financial performance, the statement of changes in net assets 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, the accompanying financial statements give a true and fair view of the financial position of the Organization as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the Accrual Basis International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board.

#### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISA). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Organization in accordance with International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (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.

#### *Other Information*

The Governing Board Members are responsible for the other information. The other information comprises the information included in the *Comprehensive Community Based Rehabilitation in Tanzania (CCBRT) Annual Report and Financial Statements for the year ended 31 December 2024*, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of the Governing Board Members for the Financial Statements*

The Governing Board Members are responsible for the preparation of financial statements that give a true and fair view in accordance with IPSASs and for such internal control as the Governing Board Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Board Members are responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governing Board Members either intend to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.



**INDEPENDENT AUDITOR'S REPORT  
TO THE GOVERNING BOARD OF THE COMPREHENSIVE COMMUNITY BASED  
REHABILITATION IN TANZANIA (CONTINUED)**

**Report on the audit of the financial statements (Continued)**

*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 based on these financial statements.

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

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

We communicate with the Governing Board Members 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.

**KPMG**  
**Certified Public Accountants (T)**

Signed by: CPA Alexander Njombe (ACPA 2714)  
Dar es Salaam

Date: 30 July 2025

# **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA**

## **STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 TZS '000	2023 TZS '000
<b>Revenue</b>			
Revenue from non-exchange transactions	6	7,824,731	11,227,514
Revenue from exchange transactions	7	<u>17,773,155</u>	<u>19,204,499</u>
		<b>25,597,886</b>	<b>30,432,013</b>
Other income	8	-	130,653
Finance income	10(b)	<u>1,469,545</u>	<u>1,452,558</u>
		<b>27,067,431</b>	<b>32,015,224</b>
<b>Expenses</b>			
Employee benefits expenses	11	(18,220,854)	(19,296,773)
Depreciation and amortisation	12&13	(3,688,039)	(5,639,773)
Operating costs	9	(8,356,369)	(10,186,385)
Finance cost	10(a)	(1,489,513)	(1,931,232)
Net impairment on trade and other receivables	15	<u>(193,607)</u>	<u>(825,518)</u>
		<b>(31,948,382)</b>	<b>(37,879,681)</b>
<b>Deficit for the year before tax</b>		<u><b>(4,880,951)</b></u>	<u><b>(5,864,457)</b></u>
Tax expense		-	-
<b>Net deficit for the year</b>		<u><b>(4,880,951)</b></u>	<u><b>(5,864,457)</b></u>

Notes and related statements forming part of these financial statements appear on pages 34 to 67.

Report of the auditor – Pages 28 to 29.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Notes	2024 TZS'000	2023 TZS'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	12	78,395,657	80,624,482
Intangible assets	13	85,459	143,535
		<u>78,481,116</u>	<u>80,768,017</u>
<b>Current assets</b>			
Inventories	14	2,139,362	2,327,479
Trade and other receivables	15	1,837,299	3,009,441
Grants receivables	16	92,180	153,324
Cash and cash equivalents	17	2,729,915	7,160,322
		<u>6,798,756</u>	<u>12,650,566</u>
<b>TOTAL ASSETS</b>		<u><b>85,279,872</b></u>	<u><b>93,418,583</b></u>
<b>RESERVES AND LIABILITIES</b>			
<b>RESERVES</b>			
Accumulated surplus		68,320,080	73,071,148
Revaluation reserve		3,126,485	3,256,368
<b>Total reserve</b>		<u><b>71,446,565</b></u>	<u><b>76,327,516</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	18	4,834,949	5,800,170
		<u><b>4,834,949</b></u>	<u><b>5,800,170</b></u>
<b>Current liabilities</b>			
Borrowings	18	748,749	734,920
Deferred grant income	19	1,767,623	3,422,207
Trade and other payable	20	6,481,986	7,133,770
		<u><b>8,998,358</b></u>	<u><b>11,290,897</b></u>
<b>TOTAL LIABILITIES</b>		<u><b>13,833,307</b></u>	<u><b>17,091,067</b></u>
<b>TOTAL RESERVE AND LIABILITIES</b>		<u><b>85,279,872</b></u>	<u><b>93,418,583</b></u>

The financial statements on pages 30 to 67 were approved by the Governing Board on 30 July 2025 and signed by:

  
Dr Redempta John Mbatia  
President of the Board of CCBRT

  
Ms. Brenda Msangi  
Secretary / Chief Executive Officer

Notes and related statements forming part of these financial statements appear on pages 34 to 67.

Report of the auditor – Pages 28 to 29.

# **COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA**

## **STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 31 DECEMBER 2024**

	<b>Accumulated surplus TZS'000</b>	<b>Revaluation reserve TZS'000</b>	<b>Total TZS'000</b>
<b>2024</b>			
Balance at 1 January 2024	73,071,148	3,256,368	76,327,516
Deficit for the year	(4,880,951)	-	(4,880,951)
Transfer of revaluation reserve	129,883	(129,883)	-
<b>Balance at 31 December 2024</b>	<b><u>68,320,080</u></b>	<b><u>3,126,485</u></b>	<b><u>71,446,565</u></b>
<b>2023</b>			
Balance at 1 January 2023	78,805,722	3,386,251	82,191,973
Deficit for the year	(5,864,457)	-	(5,864,457)
Transfer of revaluation reserve	129,883	(129,883)	-
<b>Balance at 31 December 2023</b>	<b><u>73,071,148</u></b>	<b><u>3,256,368</u></b>	<b><u>76,327,516</u></b>

Notes and related statements forming part of these financial statements appear on pages 34 to 67.

Report of the auditor – Pages 28 to 29.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

		2024 TZS '000	2023 TZS '000
	Notes		
<b>Cash flows from operating activities</b>			
Deficit for the year		(4,880,951)	(5,864,457)
<i>Adjustments for:</i>			
Depreciation	12	3,633,519	5,531,886
Amortisation of intangible asset	13	54,520	107,887
Impairment of trade receivables	15	193,607	825,518
Revenue rejections	15	959,563	954,557
Finance income	10(b)	-	(407)
Finance cost	10(a)	488,720	468,768
Unrealised foreign exchange gains and loss		268,932	310,238
Write offs (Intangibles and work in progress)	12&13	-	795,237
		<b>717,910</b>	<b>3,129,227</b>
<b>Changes in:</b>			
Inventories		188,117	(343,911)
Trade and other receivables	15	18,972	(1,113,578)
Grant receivables		61,144	(131,803)
Deferred grant income		(1,654,584)	(4,887,569)
Trade and other payables		(651,783)	2,130,579
<b>Cash used in operating activities</b>		<b>(1,320,224)</b>	<b>(1,217,055)</b>
Interest received		-	407
<b>Net cash used in operating activities</b>		<b>(1,320,224)</b>	<b>(1,216,648)</b>
<b>Cash flows from investing activities</b>			
Purchase of property and equipment	12	(1,401,138)	(1,221,797)
Purchase of intangibles	13	-	(47,026)
<b>Net cash used in investing activities</b>		<b>(1,401,138)</b>	<b>(1,268,823)</b>
<b>Cash flows from financing activities</b>			
Borrowings received during the year	18	154,700	152,588
Repayment of borrowings – principal	18	(712,989)	(612,729)
Repayment of borrowings – Interest	18	(612,891)	(615,538)
<b>Net cash used in financing activities</b>		<b>(1,171,180)</b>	<b>(1,075,679)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(3,892,542)</b>	<b>(3,561,150)</b>
Cash and cash equivalents at 1 January		7,160,322	9,851,706
Effect of movements in exchange rates on cash held		(537,865)	869,766
<b>Cash and cash equivalents at 31 December</b>	17	<b>2,729,915</b>	<b>7,160,322</b>

Notes and related statements forming part of these financial statements appear on pages 34 to 67.

Report of the auditor – Pages 28 to 29.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

### 1. REPORTING ORGANISATION

Comprehensive Community Based Rehabilitation in Tanzania (“CCBRT” or “the Organisation”) is a locally registered non-governmental organization established in 1994 as a Society under the Societies Ordinance, 1954, CAP 337 R.E 2002. Subsequently, on 22 May 2018, CCBRT was issued with a Certificate of Compliance Number 00002071, which certifies that CCBRT has duly complied with the terms and conditions of NGO under the Non-Governmental Organisation Act, 2002. On 2<sup>nd</sup> August 2023, CCBRT was issued a new Certificate with Registration 00NG/R1/00221, under terms and conditions of NGO Act, 2002. CCBRT is the ultimate holding organisation.

The address of its registered office and principal place of business are disclosed on page 1 under Organisation Information section.

These financial statements relate only to the Organisation as identified in the first paragraph. The principal activities of the Organisation are provision of accessible, specialised health services.

### 2. BASIS OF ACCOUNTING

#### (a) Statement of compliance

The Organisation’s financial statements have been prepared in accordance with the Accrual Basis International Public Sector Accounting Standards (IPSAS) as issued by International Public Sector Accounting Standards Board (IPSASB).

#### (b) Basis of measurement

The financial statements are prepared on the historical cost basis, except where fair value measurements have been applied and specified as such in the accounting policies.

#### (c) Functional and presentation currency

These financial statements are presented in Tanzanian Shillings (TZS), which is the Organisation’s functional currency and presentation currency. All financial information presented in Tanzanian Shillings has been rounded to the nearest thousand (TZS ‘000), unless otherwise indicated.

#### (d) Use of estimates and judgements

The preparation of financial statements in conformity with IPSAS which requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Significant estimates are made for:

##### i) Allowance for doubtful debts

The Organisation makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from the receivables. The Organisation applies a simplified approach in calculating Expected Credit Losses (ECLs). Therefore, the Organisation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Organisation has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Organisation analysed historical sales, receivables aging, and loss data for the past 12 months to determine the appropriate basis for developing its expected lifetime credit loss on the trade receivables portfolio.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 2. BASIS OF ACCOUNTING (CONTINUED)

#### (d) Use of estimates and judgements (Continued)

##### ii) Useful lives and residual values of property and equipment

The Organisation tests annually whether the useful life and residual value estimates were appropriate and in accordance with its accounting policy. Useful lives and residual values of property and equipment have been determined based on previous experience and anticipated disposal values when the assets are disposed.

In addition, management uses judgement in the determination of revalued amounts for buildings as described in Note 12.

##### iii) Going concern

Governing Board Members have assessed the going concern and are of the opinion that there are no material uncertainties that may cast significant doubt on the Organisations' ability to continue as a going concern.

Details relating to going concern are included in Note 25.

Further information about the critical judgements is included in the respective notes.

### 3. STANDARD ISSUED BUT NOT YET EFFECTIVE

#### (i) *Relevant standards, amendments and interpretations issued but not yet effective and not early adopted*

Approved Standard	Changes	Effective Date
IPSAS 44: <i>Non-current Assets Held for Sale and Discontinued Operations</i> .	This standard specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. IPSAS 44 includes additional public sector requirements, in particular the disclosure of the fair value of assets held for sale that are measured at their carrying amounts, when the carrying amount is materially lower than their fair value.	Annual periods beginning on or after 1 January 2025.
IPSAS 45: <i>Property, Plant and Equipment</i>	International Public Sector Accounting Standard (IPSAS) 45 replaces IPSAS 17, Property, Plant, and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets, and adding new guidance on how these important types of public sector assets should be recognized and measured.	Annual periods beginning on or after 1 January 2025.
IPSAS 46: <i>Measurement</i>	International Public Sector Accounting Standard (IPSAS) 46 provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. It brings in generic guidance on fair value for the first time, and introduces current operational value, a public sector specific current value measurement basis addressing constituents' views that an alternative current value measurement basis to fair value is needed for certain public sector assets.	Annual periods beginning on or after 1 January 2025.
IPSAS 47: <i>Revenue</i>	IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions.	Annual periods beginning on or after 1 January 2026.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 3. STANDARD ISSUED BUT NOT YET EFFECTIVE (CONTINUED)

(i) *Relevant standards, amendments and interpretations issued but not yet effective and not early adopted (Continued)*

Approved Standard	Changes	Effective Date
IPSAS 48: <i>Transfer Expenses</i>	IPSAS 48 provides accounting guidance for transfer expenses, which account for a significant portion of expenditures for many public sector entities. This new Standard fills a significant gap in the IPSASB's literature and guides to help entities account for public sector transfer expense transactions. Under IPSAS 48, the accounting for transfer expenses is driven by whether the transaction results in an enforceable right to have the transfer recipient satisfy their obligation.	Annual periods beginning on or after 1 January 2026.
IPSAS 49: <i>Retirement Benefit Plans</i>	IPSAS 49, Retirement Benefit Plans establishes comprehensive accounting and reporting requirements for the financial statements of retirement benefit plans, with participants comprising current and former public sector employees and other eligible members. It requires pension assets and liabilities be presented on a gross basis, including movements during the period which is different from net – liability position in IPSAS 39.	Annual periods beginning on or after 1 January 2026.

(ii) *Relevant standards, amendments and interpretations issued but not yet effective and early adopted*

Management has decided to early adopt IPSAS 43 Leases which are effective from the period beginning 1 January 2025. The early adoption of the two standards do not have significant impact on the financial statements.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### a) Revenue

##### i) Revenue from exchange transactions

Exchange transactions are transactions in which one entity receives assets or services, or has liability extinguished, or directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in the exchange.

CCBRT's revenue from exchange transactions include mainly patient service revenue. It is measured at the fair value of the consideration received or receivable and is recognized only when it is probable that the economic benefit or service potential associated with the transaction will flow to the entity.

##### ii) Revenue from non-exchange transactions

The main source of revenue from non-exchange transactions for the Organisation comes from donors' grants, donations in-kind and other donations, and contributions from various stakeholders, can be in form of cash or non-cash. Transfers are inflows of future economic benefits or service potential from non-exchange transactions, other than taxes.

##### *Recognition*

An inflow of resources from a non-exchange transaction recognized as an asset shall be recognized as revenue, except to the extent that a liability is also recognized in respect of the same inflow.

As the Organization satisfies a present obligation recognized as a liability in respect of an inflow of resources from a non-exchange transaction recognized as an asset, it shall reduce the carrying amount of the liability recognized and recognize an amount of revenue equal to that reduction.

When the Organization recognizes an increase in net assets as a result of a non-exchange transaction, it recognizes revenue. If it has recognized a liability in respect of the inflow of resources arising from the non-exchange transaction, when the liability is subsequently reduced, because a condition is satisfied, it recognizes revenue.

For contribution in kind, revenue is recognised when all the following criteria are met:

- a. The asset or service has been received or consumed by the entity.
- b. The asset or service can be measured reliably.
- c. It is probable that the entity will receive the future economic benefits associated with the asset or service.
- d. The fair value of the asset or service can be reasonably determined.

##### *Measurement*

Revenue from non-exchange transactions is measured at the amount of the increase in net assets recognized by the Organization.

When, as a result of a non-exchange transaction, the Organization recognizes an asset, it also recognizes revenue equivalent to the amount of the asset unless it is also required to recognize a liability. Where a liability is required to be recognized it will be measured at the best estimate of the amount required to settle the present obligation at the reporting date, and the amount of the increase in net assets, if any, recognized as revenue.

Contributions in kind is initially recognised at fair value.

Revenue from non-exchange transactions for the Organization during the year comprised of conditional and restricted grants, donations, and contributions in kind.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### b) Finance income and cost

Interest income and expense for all interest-bearing financial instruments are recognised within 'Finance income' or 'Finance cost' respectively in the statement of financial performance using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. The calculation includes all fees paid or received between parties to the contract that are an integral part of the effective interest rate, transaction costs and all other premiums or discounts.

Once a financial asset or a group of similar financial assets has been written down as a result of an impairment loss, interest income is recognized using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

However, general, and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, in respect of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

##### c) Other income

Other income comprises of gain on disposal of property and equipment.

##### d) Employee benefits

###### (i) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Short term benefits include salaries and allowances paid to the employees as per the Organisation remuneration policy.

###### (ii) Defined contribution plan

The Organisation makes statutory Contributions to the National Social Security Fund (NSSF). The Organisation's obligations in respect of contributions to such funds are 10% of the employees' gross emoluments. Contributions to these pension funds are recognised as an expense in the period the employees render the related services. The Organisation has neither a legal nor constructive obligations to pay further contributions if NSSF does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Organisation has no further payment obligations once the contributions have been remitted to the NSSF.

###### (iii) Termination benefits

Termination benefits are recognised as an expense in the year when it becomes payable. Termination benefits are determined in accordance with the local labour laws.

##### e) Operating costs

Operating costs in respect of goods and services is generally recognized in the statement of financial performance at the time it is incurred.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### f) Foreign currencies

Transactions in foreign currencies are translated to the functional currency, Tanzania shillings (TZS) at exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in statement of financial performance under finance cost and income.

##### g) Financial instruments

###### (i) Recognition and initial measurement

The Organisation recognizes a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument.

At initial recognition, the Organisation classifies and measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

###### (ii) Classification and subsequent measurement

The Organisation classifies financial assets as subsequently measured at amortized cost, fair value through net assets/equity or fair value through surplus or deficit on the basis of both:

- The entity's management model for financial assets; and
- The contractual cash flow characteristics of the financial asset.

Financial assets are not reclassified subsequent to their initial recognition unless the Organisation changes its management model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the management model.

A financial asset is measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through net assets/equity if both of the following conditions are met:

- The financial asset is held within a management model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Organisation may, at initial recognition, irrevocably designate a financial asset as measured at fair value through surplus or deficit if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### g) Financial instruments (Continued)

##### (iii) Classification and subsequent measurement

After initial recognition, the Organisation measure a financial asset at:

- Amortized cost;
- Fair value through net assets/equity; or
- Fair value through surplus or deficit.

The Organisation classifies all financial liabilities as subsequently measured at amortized cost, except for:

- Financial liabilities at fair value through surplus or deficit. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value;
- Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies; and
- Financial guarantee contracts.

A gain or loss on a financial asset or financial liability that is measured at fair value shall be recognized in surplus or deficit unless:

- It is part of hedging relationship;
- It is an investment in an equity instrument and the organisation has elected to present gains and losses on that investment in net assets;
- It is financial liability designated as at fair value through surplus or deficit and the entity is required to present the effects of changes in liability's credit risk in net assets; and
- It is financial asset measured at fair value through net assets and the entity is required to recognise some changes in fair value in net assets.

##### (iv) Derecognition

##### *Financial assets*

The Organisation derecognises a financial asset when:

- the contractual rights to receive the cash flows from the financial asset expire or are waived, or
- it transfers the rights to receive the cash flows of the financial assets or retain the contractual rights to receive the cash flows of the financial assets but assumes the contractual obligation to pay the cash flows to one or more entities ("the eventual recipient" in an arrangement it shall evaluate the extent to which it retains the risks and rewards of ownership of the financial asset. In this case:
  - i) If the entity transfers substantially all the risks and rewards of ownership of the financial asset, the entity shall derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer;
  - ii) If the entity retains substantially all the risks and rewards of ownership of the financial asset, the entity shall continue to recognize the financial asset; and
  - iii) If the entity neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset, the entity shall determine whether it has retained control of the financial asset. In this case:
    - a. If the entity has not retained control, it shall derecognize the financial asset and recognize separately as assets or liabilities any rights and obligations created or retained in the transfer; and
    - b. If the entity has retained control, it shall continue to recognize the financial asset to the extent of its continuing involvement in the financial asset.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### g) Financial instruments (Continued)

##### (iv) Derecognition (Continued)

###### *Financial liabilities*

The Organisation removes a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished-i.e., when the obligation specified in the contract is discharged, waived, cancelled, or expires.

An exchange between an existing borrower and lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or a part of it (whether attributable to the financial difficulty of the debtor or not) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognized in surplus or deficit.

##### (v) Offsetting

A financial asset and a financial liability are offset, and the net amount presented in the statement of financial position when, and only when, an entity: Currently has a legally enforceable right to set off the recognized amounts; and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### h) Impairment

##### i) Non-derivative financial assets

###### **Financial instruments and contract assets**

The Organisation recognises loss allowances for ECLs on financial assets measured at amortised cost (Cash and cash equivalents and trade receivables).

The Organisation measures loss allowances at an amount equal to lifetime ECLs. Loss allowances for trade receivables and cash and cash equivalents are measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Organisation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Organisation's historical experience and informed credit assessment and including forward-looking information.

The Organisation assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Organisation considers a financial asset to be in default when:

- the borrower/customer is unlikely to pay its credit obligations to the Organisation in full, without recourse by the Organisation to actions such as realising security (if any is held) or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### h) Impairment (Continued)

##### i) Non-derivative financial assets (Continued)

##### Financial instruments and contract assets (Continued)

The maximum period considered when estimating ECLs is the maximum contractual period over which the Organisation is exposed to credit risk.

##### Measurement of ECL's

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the Organisation in accordance with the contract and the cash flows that the Organisation expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

##### Credit-impaired financial assets

At each reporting date, the Organisation assesses whether financial assets carried at amortised cost and debt securities at FV through Net Assets are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the customer or borrower;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Organisation on terms that the Organisation would not consider otherwise;
- it is probable that the customer/borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Organisation measures loss allowances at an amount equal to lifetime ECLs. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Organisation considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Organisation's historical experience and informed credit assessment and including forward-looking information.

##### Write-off

The Organisation directly reduce the gross carrying amount of a financial asset when it has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For trade and other receivables, the Organisation individually makes an assessment with respect to timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Organisation expects no significant recovery from the amounts written off. However, the financial assets that are written off could still subject to enforcement activities to comply with the Organisation's procedures for recovery of the amounts due.

##### ii) Non-financial assets

At each reporting date, the Organisation reviews the carrying amounts of its non-financial assets (other than inventories) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash Generating Units (GCUs).

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### h) Impairment (Continued)

###### ii) Non-financial assets (Continued)

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

##### i) Property and equipment

Property and equipment are initially recognised at cost. Buildings are subsequently measured at revalued amount, based on valuations by external independent valuer, less depreciation. All other property and equipment are stated at historical cost less depreciation.

Increases in the carrying amount arising on revaluation are credited to a revaluation reserve. Decreases that offset previous increases of the same asset are charged against the revaluation reserve; all other decreases are charged in the statement of profit or loss. Each year the difference between depreciation based on the revalued carrying amount of the asset (the depreciation charged in the statement of profit or loss) and depreciation based on the asset's original cost is transferred from the revaluation reserve to accumulated surplus. The relevant amount of the revaluation reserve is also released on the disposal of re-valued assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of surplus or deficit during the financial period in which they are incurred.

Assets are depreciated starting in the month they are put into use. Depreciation on assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Rate (%)</b>
Buildings	2
Tools and Machinery	12.5
Motor vehicles	25
Motorcycles and bicycles	25
Equipment	12.5
Furniture and Fittings	12.5
Computers	33.33

##### *Capital Work in Progress*

Construction on progress is initially recorded at historical cost at the date of a report which includes expenditure that is directly attributable to the construction of the Property and equipment. These are not depreciated until they become available for use/ ready for use.

##### j) Intangible assets

Cost incurred on computer software is initially accounted for as an intangible asset and subsequently measured at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is calculated on straight line basis over the estimated useful life of four years. Costs incurred in maintaining computer software programmes are expensed as incurred.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### k) Leases

At inception of a contract, the Organisation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Organisation uses the definition of a lease in IPSAS 43.

##### *Organisation as a lessee*

At commencement or on modification of a contract that contains a lease component, the Organisation allocates consideration in the contract to each lease component on the basis of its relative stand-alone price.

The Organisation recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to office premise.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Organisation's incremental borrowing rate. The Organisation uses its incremental borrowing rate as the discount rate.

The Organisation determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Organisation is reasonably certain to exercise, lease payments in an optional renewal period if the Organisation is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Organisation is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Organisation's estimate of the amount expected to be payable under a residual value guarantee, if the Organisation changes its assessment of whether it will exercise a purchase, extension, or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Organisation presents right-of-use assets and its related lease liabilities in the statement of financial position.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### k) Leases (Continued)

###### *Short term leases and leases of low value assets*

The Organisation has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Organisation recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

##### l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the price at which inventories can be sold in the normal course of business after allowing for the costs of realisation. Inventory value is stated net of provision for obsolescence. Obsolete, redundant, and slow-moving inventories are identified on a regular basis and are written down to their estimated net realisable value. A provision is made for slow moving stocks and the related expense is recorded under operating costs.

##### m) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and bank balances. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in bank.

##### n) Taxation

The Governing Board Members have determined that the Organization qualifies for an additional deduction of 25% from its income, as per the criteria outlined in the Income Tax Regulations. This deduction is granted to organizations engaged in charitable activities, provided their profits fall within the prescribed limits or are intended to be utilized for future charitable activities. To obtain the status of a charitable organization, the Income Tax Regulations necessitate obtaining approval from the Commissioner of Income Tax. The Organization applied for this status, which was approved by the Commissioner for Domestic Revenue on November 7, 2007.

Tax expense comprises current tax and deferred tax. Current tax is the amount of income tax payable on the taxable profit for the year determined in accordance with the Income Tax Act, 2004.

Deferred tax is provided using the liability method on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax is calculated based on the tax currently enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

##### o) Grant receivable

Grant receivable is an increase in net assets as a result of a non-exchange transaction when revenue is recognised. It represents excess of expenditure over receipts for specific grant from donors and development partners, with a binding arrangement in place.

##### p) Trade and other receivables

Trade receivables are amounts due from customers for services rendered and medicine sold to patients in the ordinary course of business. Other receivables comprise of cash advances made to suppliers in the normal course of business. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

##### q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any differences between proceeds (net of transaction costs) and the redemption value are recognised in the Statement of Financial performance over the period of the borrowings, using the effective interest method. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset should be capitalized as part of the cost of that asset.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Organisation has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

##### r) Accumulated surplus

The accumulated surplus records the total of all annual surplus or deficits achieved by the Organisation since its inception.

At the end of each reporting period, all amounts recognized in the statement of financial performance contributing to the surplus or deficit for that period are transferred into net assets and become part of the Organisation's accumulated surplus.

##### s) Provisions

Provisions are recognised when: the Organisation has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

##### t) Related party transactions

The Organisation discloses the nature, volume and amounts outstanding at the end of each financial period from transactions with related parties, which include transactions with the Key Management Personnel.

##### u) Contingencies and commitments

Contingent liabilities are disclosed in the financial statements where there is a possible obligation, but payment is not probable, or the amount cannot be measured reliably. Contingent assets are disclosed where an inflow of economic benefits is probable. When the realization of income is virtually certain, then the related asset is recognized as appropriate. Commitments are disclosed in respect to the obligation of the Organisation to external entities that arises in connection with the legal contracts executed by the Organisation.

##### v) Subsequent events

An event that occurs after a reporting period, but before the financial statements have been issued or are available to be issued that provides new information about a condition that did not exist on the balance sheet date are disclosed in the financial statements. However, events that provides additional information about pre-existing conditions that existed on the balance sheet date are adjusted in the financial statements.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 5. FINANCIAL RISK MANAGEMENT

The Organisation's activities expose it to a variety of financial risks, namely market risk, credit risk and liquidity risk. The Organisation's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Organisation does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under policies approved by the Governing Board Members. The Governing Board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk and capital management risk.

#### Market risk

##### (i) *Foreign exchange risk*

The Organisation entity enters contracts denominated in foreign currencies especially in United States Dollar (USD) and Euro (EUR) mainly for purchases of hospital equipment, supplies and medicine. In addition, the Entity has assets denominated in foreign currencies. As a result, the Entity is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. Exposure to foreign currency risk is mitigated by the fact that most of the income and capital grants are negotiated and contracted in foreign currencies and foreign currency assets and liabilities are normally settled within a short period of time.

Management's policy to manage foreign exchange risk is to maintain foreign currency bank accounts which act as a natural hedge for payment.

Exposure to currency risk for foreign denominated amounts in the following classes of financial instruments is as depicted in the schedule below.

	USD TZS '000	EUR TZS '000	Total TZS '000
<b>2024</b>			
Trade payables	(465,525)	(1,201,862)	(1,667,387)
Borrowings	(5,583,698)	-	(5,583,698)
Cash and cash equivalents	980,204	908,786	1,888,990
<b>Net exposure</b>	<b>(5,069,019)</b>	<b>(293,076)</b>	<b>(5,362,095)</b>
<b>2023</b>			
Trade payables	(184,267)	-	(184,267)
Borrowings	(6,535,090)	-	(6,535,090)
Cash and cash equivalents	2,509,201	3,128,134	5,637,335
<b>Net exposure</b>	<b>(4,210,156)</b>	<b>3,128,134</b>	<b>(1,082,022)</b>

Disclosure around market risk also relates to sensitivity analysis of the type of market risk – currency risk, showing how the financial performance and net assets would have been affected by reasonably possible changes in the relevant risk variable at the year-end date. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast incomes and expenditures.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 5. FINANCIAL RISK MANAGEMENT (CONTINUED)

A sensitivity analysis in relation to net exposure for 5% strengthening of the USD and EUR against TZS is provided below:

	USD TZS '000	EUR TZS '000	Total TZS '000
<b>2024</b>			
Increase/(decrease) in surplus or deficit	(253,451)	(14,654)	(268,105)
Increase/(decrease) in net assets	(253,451)	(14,654)	(268,105)
<b>2023</b>			
Increase/(decrease) in surplus or deficit	(210,508)	156,407	(54,101)
Increase/(decrease) in net assets	(210,508)	156,407	(54,101)

The following significant exchange rates have been applied.

	Year-end spot rate		Average rate	
	2024	2023	2024	2023
USD/ TZS	2,395	2,506	2,598	2,383
EUR/TZS	2,502	2,785	2,813	2,577

#### (i) Interest rate risk

The interest rate risk exposure arises mainly from interest rate movements on the Organisation's borrowings. The Organisation is not exposed to interest rate risk as at year end due to fixed rate of interest on borrowings.

#### Credit risk

Credit risk is the risk of financial loss to the Organisation if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Organisation's trade and other receivables and cash at bank balances. The Organisation's exposure to credit risk is influenced mainly by the individual characteristics of a particular Party to the financial instruments. The exposure to credit risk is monitored on an on-going basis.

The Organisation has established a credit policy under which each new customer is analysed individually for creditworthiness before the Organisation's standard payment terms and conditions and service delivery mode are offered. Other debtors are not having standard credit characteristics; they differ depending on whether they are normal debtors, "governed by specific debtor terms" or the creditworthiness of Organisation from which they are receivable.

Credit risk is managed by the Chief Finance Officer, except for credit risk relating to trade receivables. The Billing Manager assesses the credit quality of each customer, considering its financial position, experience and other factors.

The amount that best represents the Organisation's maximum exposure to credit risk is the carrying value of its financial assets in the statement of financial position.

No collateral is held for any of the above assets. The Organisation grade the credit quality of the receivables based on internal ratings in accordance with limits set by Board. Trade receivables are within the approved credit limits and no receivables have had their terms renegotiated.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 5. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Credit risk (Continued)

#### Expected credit losses (ECLs):

The Organisation applies a simplified approach in calculating ECLs. The Organisation has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Organisation considers reasonable and supportable information that is relevant and available without undue cost or effort applicable for the Organisation.

This includes both quantitative and qualitative information analysis, based on the Organisation's historical experience and informed credit assessment and including forward-looking information where applicable.

	Gross amount TZS'000	Impaired TZS'000	Net amount TZS'000
<b>2024</b>			
Trade receivables (Note 15) – gross*	4,175,995	2,573,480	1,602,515
Grant receivable	92,180	-	92,180
Amount due from Kupona Foundation	2,770,171	2,770,171	-
Other receivables**	632,225	511,741	120,484
Cash at bank	2,727,378	-	2,727,378
	<u>10,397,949</u>	<u>5,855,392</u>	<u>4,542,557</u>
<b>2023</b>			
Trade receivables (Note 15) – gross*	5,336,817	2,387,078	2,949,739
Grant receivable	153,324	-	153,324
Amount due from Kupona Foundation	2,770,171	2,770,171	-
Other receivables**	511,741	504,535	7,206
Cash at bank	7,160,046	-	7,160,046
	<u>15,932,099</u>	<u>5,661,784</u>	<u>10,270,315</u>

\*Excludes insurance rejections

\*\*Excludes advances and prepayments

The management is actively following up on past due debts that are not impaired. For impaired debts that have been fully provided for, management is also pursuing recovery efforts.

See Note 15 for movement in impairment provision.

#### Cash at bank balances:

There is no independent credit rating for banks operating in Tanzania. However, the Organisation banks with reputable multinational and local banks. In the view of the members, risk of non-performance by the counterparties is not significant. At 31 December 2024, the held at banks by type of counterparty was as follows:

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 5. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### Credit risk (continued)

#### Cash at bank balances: (continued)

	2024 TZS '000	2023 TZS '000
<i>Cash at bank and Mobile Network Operators (MNOs) analysis:</i>		
Bank of Africa	869,044	1,889,615
NMB Bank Plc	26,955	7,876
NBC Bank Limited	66,795	598,239
Absa Bank Tanzania Limited	450	750
CRDB Bank	1,757,144	4,656,999
MIC Tigo PESA	961	961
Vodacom M PESA	6,029	5,606
<b>Total</b>	<b>2,727,378</b>	<b>7,160,046</b>

#### Trade receivables:

The Organisation's trade receivables mainly relate to receivables from medical insurance companies. The Organisation mainly accepts medical insurance from NHIF, Assemble insurance, Jubilee, Strategies, and other insurance companies in Tanzania. Management carries out an individual impairment assessment for these receivables due to small numbers of counterparties. The factors that are considered in assessing impairment for each customer's balance individually include:

- Financial difficulties of the counterparty.
- Consistent failure by the counterparty to settle the amount due on time.
- Adverse market conditions affecting the counterparty.
- Historical experience in dealing with the insurance organisation including change in the purchase behaviour.
- The impact of the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle their balances. The Organisation considers factors such as GDP and the inflation rate in Tanzania to be the most relevant factors, and accordingly adjusts expected credit losses based on expected changes in these factors.

The below table provides an analysis of receivable balance as at the year-end by counterparty.

	Outstanding balance	
	2024 TZS '000	2023 TZS '000
<b>Counter party</b>		
National Health Insurance Fund	3,164,174	4,318,451
AAR Insurance Tanzania	9,197	9,197
Strategies Insurance Tanzania	292,048	382,117
The Jubilee Insurance Company Tanzania	189,297	136,831
Other Health Insurance Providers	521,279	490,221
Kupona Foundation	2,770,171	2,770,171
	<b>6,946,166</b>	<b>8,106,988</b>

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 5. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

#### Credit risk (continued)

#### Trade receivables (continued)

Below is the ageing profile of trade receivables indicating past due and current receivables:

	Gross carrying amount	Loss allowance TZS '000	Net carrying amount TZS '000
<b>2024</b>			
Current	679,196	(140,232)	538,964
Past due 0 – 30 days	147,110	(61,932)	85,178
Past due 31 – 60 days	56,977	(45,833)	11,144
Past due 61 – 90 days	32,944	(27,387)	5,557
Past due 91 – 120 days	42,471	(36,596)	5,875
Past due > 120 days	5,987,468	(5,031,671)	955,797
	<b>6,946,166</b>	<b>(5,343,651)</b>	<b>1,602,515</b>
<b>2023</b>			
Current	870,711	(184,500)	686,211
Past due 0 – 30 days	2,031,618	(305,489)	1,726,129
Past due 31 – 60 days	19,912	(8,161)	11,751
Past due 61 – 90 days	200,416	(150,227)	50,189
Past due 91 – 120 days	92,323	(75,246)	17,077
Past due > 120 days	4,892,008	(4,433,626)	458,382
	<b>8,106,988</b>	<b>(5,157,249)</b>	<b>2,949,739</b>

The above classification reflects the timing at which the respective customers in the database made payments. This does not necessarily imply consistency of payments from the respective customers based on the contractual terms.

#### Other receivables:

Other receivables include the amounts due from NSSF, NHIF, staff imprest, salary advances and suppliers down payments.

Management performed an impairment assessment on these balances by considering historical experience and concluded that there is no additional impairment loss need to be recognised.

#### Liquidity risk

Liquidity risk is the risk that the Organisation will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from various development partners.

The table below analyses the Organisation's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date.

The amounts disclosed in the table below are the contractual undiscounted cash flows:

	Less than 1 year TZS '000	Between 2 and 5 years TZS '000	Over 5 years TZS '000	Total TZS '000
<b>At 31 December 2024:</b>				
Trade and other payables*	1,992,873	1,743,887	-	3,736,760
Bank borrowings	748,749	4,404,516	430,434	5,583,699
	<b>2,741,622</b>	<b>6,148,403</b>	<b>430,434</b>	<b>9,320,459</b>
<b>At 31 December 2023:</b>				
Trade and other payables*	3,824,755	-	-	3,824,755
Bank borrowings	734,920	3,329,705	2,470,465	6,535,090
	<b>4,559,675</b>	<b>3,329,705</b>	<b>2,470,465</b>	<b>10,359,845</b>

\*Trade and other payables do not include accruals, advance payments by customers, NSSF penalty and December statutory liabilities amounting to TZS 2,651,369,945 (2023: TZS 3,309,010,000).

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 5. FINANCIAL RISK MANAGEMENT POLICIES (CONTINUED)

#### *Capital risk management*

The Organisation's objectives when managing capital is to safeguard its ability to continue as a going concern to;

- ensure a continued support and reinvestment into the business operations in case of either shortage of funding or any expansion of the business activities; and
- to maintain an optimal capital structure to reduce the cost of capital.

The Organisation monitors capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total liabilities less Organisation's own cash and cash equivalents. Total capital is calculated as reserves plus net debt. The gearing ratios at 31 December 2024 and 2023 were as follows:

	2024 TZS'000	2023 TZS'000
Total borrowings (Note 18)	5,583,698	6,535,090
Less: Cash and cash equivalents	<u>(971,330)</u>	<u>(3,738,115)</u>
Net debt	4,612,368	2,796,975
Total reserves	71,618,976	76,327,516
Total capital	<u>76,231,344</u>	<u>79,124,491</u>
Gearing ratio	6.05%	3.53%

### 6. REVENUE FROM NON – EXCHANGE TRANSACTIONS

	2024 TZS'000	2023 TZS'000
Grants (Note 6(a))	6,609,920	10,034,079
In-kind donations (Note 6(b))	828,060	533,564
Other donations and contributions	154,452	500,010
Transfers from other Government Entities	<u>232,299</u>	<u>159,861</u>
	<u>7,824,731</u>	<u>11,227,514</u>

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 6. REVENUE FROM NON – EXCHANGE TRANSACTIONS (CONTINUED)

	2024 TZS'000	2023 TZS'000
<b>(a) Grants</b>		
Danish International Development Agency (DANIDA)	-	3,458,917
DANIDA FC	4,224	-
Global Affairs Canada (GAC)	-	49,200
Christian Blind Mission (CBM)	114,455	108,573
Irish Aid	759,756	1,171,602
Light for the World	204,418	138,376
Johnson & Johnson (J & J)	143,432	916,625
Kupona Foundation	78,740	137,966
Miracle feet	78,352	-
Smile Train	322,180	-
Fistula Foundation	1,664,899	1,936,404
KFW	1,772,574	506,436
Engender Health	238,925	191,057
Community Action for People with Disabilities in Africa (CAPDA)	14,727	35,897
International Committee of the Red Cross (SFD - ICRC)	-	42,512
Equinor	205,610	198,576
Management and Development for Health (MDH)	32,855	-
TIGO (Currently known as Yas)	100,000	-
J&J	185,684	-
Hope & Healing TZCC	629,845	833,447
The Charitable Foundation (TCF)	-	144,289
CBM Switzerland	-	95,851
Faraja Fund Foundation	59,244	68,351
	<b>6,609,920</b>	<b>10,034,079</b>
<b>(b) In-Kind Donations</b>		
Other donors – Medicines and other consumable materials	573,808	147,599
Government – Medicines and other consumable materials	254,252	385,965
	<b>828,060</b>	<b>533,564</b>

### 7. REVENUE FROM EXCHANGE TRANSACTIONS

	2024 TZS '000	2023 TZS '000
Revenue from hospital services	17,787,128	19,417,302
Revenue from advocacy consultation	48,070	30,518
Revenue from handcraft sales	272,187	327,371
Revenue from rehabilitation services – Moshi	211,941	118,182
Revenue from training fees – CCBRT Academy	223,059	265,683
Revenue from non-patient revenue	190,333	-
Insurance rejections*	(959,563)	(954,557)
	<b>17,773,155</b>	<b>19,204,499</b>

\*During the year, CCBRT modified the classification of impairment charge relating to revenue rejection from 'impairment charge on trade receivables' line item within expenses to 'provision for rejection' line item presented within revenue. The change was made to reflect more appropriately the effect of revenue rejections on organisation revenue. Comparative amounts in the statement of profit or loss and OCI were reclassified for consistency. As a result, TZS 954 million was reclassified from 'impairment charge on trade receivables expenses' to 'revenue from non-exchange transactions'.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 8. OTHER INCOME

	2024	2023
	TZS '000	TZS '000
Refunds	-	12,068
Other programme income	-	118,585
	<u>-</u>	<u>130,653</u>

### 9. OPERATING COSTS

	2024	2023
	TZS '000	TZS '000
Cost of consumables	3,828,660	3,701,975
Patients' subsidies and individual aid	902,158	824,957
Clearing and forwarding costs	181,675	155,740
Training costs	178,713	445,131
Consultancy	423,493	17,173
Premises and utility costs	1,089,343	915,081
Repairs and maintenance	487,679	806,664
Security charges	104,733	139,498
Audit fee	102,615	247,919
Legal fee	54,546	40,406
Communication and advertisement	62,579	299,452
General and administration expenses	694,943	1,406,470
Transport and motor vehicles expenses	49,281	82,792
Bank charges	195,951	149,742
NHIF refund	-	373,527
Intangible write off	-	123,948
Work in progress write off	-	439,559
Stock revaluation account	-	16,351
	<u>8,356,369</u>	<u>10,186,385</u>

### 10. FINANCE INCOME AND COST

	2024	2023
	TZS '000	TZS '000
<b>a) Finance costs</b>		
Interest expense on bank loan	(473,166)	(459,906)
Interest expense on insurance	(15,554)	(8,862)
Net foreign exchange loss	<u>(1,000,793)</u>	<u>(1,462,464)</u>
	<u>(1,489,513)</u>	<u>(1,931,232)</u>
<b>b) Finance income</b>		
Interest income on call deposits	-	407
Other programme income	19,370	205,552
Net exchange gains	<u>1,450,175</u>	<u>1,246,599</u>
	<u>1,469,545</u>	<u>1,452,558</u>

**COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**11. EMPLOYMENT BENEFIT EXPENSES**

	<b>2024</b>	<b>2023</b>
	<b>TZS '000</b>	<b>TZS '000</b>
Salaries and wages	15,341,476	16,407,510
Social security funds contributions	<u>2,879,378</u>	<u>2,889,263</u>
	<u><b>18,220,854</b></u>	<u><b>19,296,773</b></u>

**COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**12. PROPERTY AND EQUIPMENT**

	Buildings TZS'000	Motor vehicles TZS'000	Motorcycles & bicycles TZS'000	Equipment TZS'000	Computers TZS'000	Furniture & fittings TZS'000	Tools and machinery TZS'000	Capital work in-progress TZS'000	Total TZS'000
<b>2024</b>									
Balance as at 1 Jan 2024	71,486,650	-	14,657	5,188,942	326,175	1,782,095	1,825,963	-	80,624,482
Additions	25,032	181,876	-	52,685	976,797	36,863	14,150	113,735	1,401,138
Transfers	-	-	-	-	3,556	-	-	-	3,556
Depreciation charge*	(1,552,822)	(30,313)	(6,065)	(950,197)	(264,810)	(289,818)	(539,494)	-	(3,633,519)
<b>Balance as at 31 Dec 2024</b>	<b>69,958,860</b>	<b>151,563</b>	<b>8,592</b>	<b>4,291,430</b>	<b>1,041,718</b>	<b>1,529,140</b>	<b>1,300,619</b>	<b>113,735</b>	<b>78,395,657</b>
Cost/valuation	83,346,198	384,921	24,260	11,826,160	3,155,591	3,315,723	5,121,568	113,735	107,288,156
Accumulated depreciation	(13,387,338)	(233,358)	(15,668)	(7,534,730)	(2,113,873)	(1,786,583)	(3,820,949)	-	(28,892,499)
<b>Net book value</b>	<b>69,958,860</b>	<b>151,563</b>	<b>8,592</b>	<b>4,291,430</b>	<b>1,041,718</b>	<b>1,529,140</b>	<b>1,300,619</b>	<b>113,735</b>	<b>78,395,657</b>

\*In 2024, CCBRT reassessed useful lives for its assets. As a result, there was a change in useful lives estimated for buildings from 25 years to 50 years. The change in useful lives has been considered as a change in estimate and has been applied prospectively. The change in useful lives resulted to a reduction in depreciation charge during the year by TZS 1.9 billion when compared to previous year.

In 1997, the members of CCBRT set up a Trusteeship – the registered Trustees of Comprehensive Community Based Rehabilitation in Tanzania – to be the legal holder to the land title deed on which the Organisation's hospital facilities have been constructed. The Trustees have granted the Organisation the rights over the use of the land under the registered plot number 1490/1 – Mvasani, Dar es Salaam and plot number 145-H-VII – Kaloleni, Moshi for their hospital activities which are charitable in nature. Currently, the Organisation is finalising the process of transferring the land from the Trusteeship.

COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

12 PROPERTY AND EQUIPMENT (CONTINUED)

	Buildings TZS'000	Motor vehicles TZS'000	Motorcycles & bicycles TZS'000	Equipment TZS'000	Computers TZS'000	Furniture & fittings TZS'000	Tools and machinery TZS'000	Capital work in-progress TZS'000	Total TZS'000
<b>2023</b>									
Balance as at 1 Jan 2023	74,767,323	-	20,722	5,471,503	288,525	1,717,814	2,403,551	936,422	85,605,860
Additions	172,243	-	-	464,247	200,425	348,637	36,245	-	1,221,797
Transfers	42,804	-	-	222,329	-	-	-	(265,133)	-
Write offs	-	-	-	-	-	-	-	(671,289)	(671,289)
Depreciation charge	(3,495,720)	-	(6,065)	(969,137)	(162,775)	(284,356)	(613,833)	-	(5,531,886)
<b>Balance as at 31 Dec 2023</b>	<b>71,486,650</b>	<b>-</b>	<b>14,657</b>	<b>5,188,942</b>	<b>326,175</b>	<b>1,782,095</b>	<b>1,825,963</b>	<b>-</b>	<b>80,624,482</b>
Cost/valuation	83,321,166	258,442	24,260	11,773,475	2,175,238	3,278,861	5,107,417	-	105,938,859
Accumulated depreciation	(11,834,516)	(258,442)	(9,603)	(6,584,533)	(1,849,063)	(1,496,766)	(3,281,454)	-	(25,314,377)
<b>Net book value</b>	<b>71,486,650</b>	<b>-</b>	<b>14,657</b>	<b>5,188,942</b>	<b>326,175</b>	<b>1,782,095</b>	<b>1,825,963</b>	<b>-</b>	<b>80,624,482</b>

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 12. PROPERTY AND EQUIPMENT (CONTINUED)

The Organisation's buildings were revalued in 2019 by independent professional valuers, J&B property Management Consultants (T) limited. Level 3 fair values for buildings were derived using depreciated replacement cost method. The revaluation surplus was credited to the revaluation reserve account. The most significant input into this valuation approach is the market rate per square metre.

#### Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of the buildings class as well as the significant unobservable inputs.

Valuation technique	Significant unobservable conditions
The organization has opted to utilize the Current Replacement Cost (CRC) method for assessing the value of its land and buildings for accounting and financial reporting purposes.	(i) Selling price of similar pieces of land as subject plots reviewed.
The Organisation employed the Depreciated Replacement Cost (DRC) approach for land and buildings when market data were not readily accessible, as an alternative to the open market approach.	(ii) Depreciation (usually ranging from 5%, to 100% depending on the observed conditions of the building.
The Current Replacement Cost (CRC) method determines the value of a property based on its original purchase price as new. Under this approach, the property's value is calculated by considering its replacement cost or the cost of acquiring a new property or a suitable substitute at the valuation date. If the property being appraised is not new or is considered obsolete, the established Replacement Cost is then adjusted for depreciation to derive the property's "Depreciated Replacement Cost" or market value.	
Depreciated Replacement Cost (DRC) refers to the current Replacement Cost of an item less an allowance for its physical depreciation, i.e., wear and tear, economic and functional obsolescence.	

#### Fully depreciated assets

The below are fully depreciated assets.

	2024 TZS '000	2023 TZS '000
Motor vehicles	102,042	258,442
Furniture and fittings	987,968	920,409
Equipment	4,306,959	4,057,908
Tools and machinery	1,553,559	521,161
Intangible assets	866,126	866,126
Computer & accessories	1,617,448	1,613,802
	<u>9,434,102</u>	<u>8,237,848</u>

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 13. INTANGIBLE ASSETS

	2024 TZS '000	2023 TZS '000
Opening net book value	143,535	328,344
Additions	-	47,026
Transfers	(3,556)	-
Write off	-	(123,948)
Amortization charge	(54,520)	(107,887)
	<u>85,459</u>	<u>143,535</u>
<b>At 31 December</b>		
Cost	1,093,360	1,096,916
Accumulated depreciation	(1,007,901)	(829,433)
Write off	-	(123,948)
<b>Net book value</b>	<u>85,459</u>	<u>143,535</u>

### 14. INVENTORIES

	2024 TZS '000	2023 TZS '000
Medical consumables	541,398	1,103,736
Non-medical consumable	81,241	147,653
Medicine	372,984	2,703
Optical devices and consumables	747,318	719,362
ICT stocked items	6,772	2,504
Handcraft items	3,870	6,485
Office stationery and consumables	30,250	28,985
Assistive devices materials	196,082	147,653
Mabinti - Raw materials	34,830	44,332
Mabinti - Work in Progress	7,718	8,768
Biomedical materials	116,899	115,298
	<u>2,139,362</u>	<u>2,327,479</u>

The amount of inventories recognised as expense and charged to the cost of consumables during the year is TZS 3,828,660,000 (2023: TZS 3,701,975,000).

*Movement on the provision for inventory impairment:*

	2024 TZS '000	2023 TZS '000
At 1 January	-	-
Writing off provision for expired drugs	-	-
<b>At 31 December</b>	<u>-</u>	<u>-</u>

During the period there were no additional impairment made on the inventories.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 15. TRADE AND OTHER RECEIVABLES

	2024 TZS '000	2023 TZS '000
Trade receivables (See Note 15(a))	1,602,515	2,949,738
Other receivables (See Note 15(b))	234,784	59,703
	<u>1,837,299</u>	<u>3,009,441</u>

#### (a) Trade receivables

Recoverable from insurance companies	5,135,558	6,291,374
Less: Insurance rejections	<u>(959,563)</u>	<u>(954,557)</u>
<b>Recoverable from insurance companies net of rejections</b>	<b>4,175,995</b>	<b>5,336,817</b>
Due from Kupona Foundation	<u>2,770,171</u>	<u>2,770,171</u>
<b>Total recoverable from trade receivable</b>	<b>6,946,166</b>	<b>8,106,988</b>
Less: Provision for impairment losses	<u>(5,343,651)</u>	<u>(5,157,250)</u>
	<u>1,602,515</u>	<u>2,949,738</u>

*The movement in provision for trade receivables is summarised below:*

At 1 January	5,157,250	4,116,378
Charged to surplus or deficit	<u>186,401</u>	<u>1,040,871</u>
<b>At 31 December</b>	<b><u>5,343,651</u></b>	<b><u>5,157,250</u></b>

#### (b) Other receivables

Prepayments	53,971	40,295
Advances and imprest balances	14,551	12,202
Accrued revenue	45,778	-
Other receivables	632,225	511,741
Less: provision for impairment losses	<u>(511,741)</u>	<u>(504,535)</u>
	<u>234,784</u>	<u>59,703</u>

*The movement in provision for other receivables is summarised below:*

At 1 January	504,535	719,888
Charged to surplus or deficit	<u>7,206</u>	<u>(215,353)</u>
<b>At 31 December</b>	<b><u>511,741</u></b>	<b><u>504,535</u></b>

#### (c) Net impairment on trade and other receivables

Impairment charge on trade receivables (Note 15 (a))	186,401	1,040,871
Impairment charge/(release) on other receivables (Note 15(b))	<u>7,206</u>	<u>(215,353)</u>
	<u>193,607</u>	<u>825,518</u>

### 16. GRANT RECEIVABLES

	2024 TZS '000	2023 TZS '000
Light for the World	50,677	-
EngenderHealth	41,503	-
Fistula Foundation	<u>-</u>	<u>153,324</u>
	<u>92,180</u>	<u>153,324</u>

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 17. CASH AND CASH EQUIVALENTS

	2024 TZS '000	2023 TZS '000
Cash at bank	2,727,378	7,160,046
Cash on-hand	2,537	276
	<u>2,729,915</u>	<u>7,160,322</u>
Provision for loss allowance	-	-
<b>Net cash and cash equivalents</b>	<u><b>2,729,915</b></u>	<u><b>7,160,322</b></u>

Expected loss on bank balances has been assessed as low as cash has been deposited in reputable bank and thus management is confident that the amount held with the bank is not exposed to losses.

### 18. BORROWINGS

	2024 TZS '000	2023 TZS '000
<b>Non-Current</b>		
Bank borrowings	4,834,949	5,800,170
	<u>4,834,949</u>	<u>5,800,170</u>
<b>Current</b>		
Bank borrowings	748,749	734,920
	<u>748,749</u>	<u>734,920</u>
<b>Total borrowings</b>	<u><b>5,583,698</b></u>	<u><b>6,535,090</b></u>

#### Reconciliation of movements of borrowings to cash flows arising from financing activities

	2024 TZS '000	2023 TZS '000
At 1 January	6,535,090	6,614,512
Additional loan	154,700	152,588
Interest expenses	488,720	468,768
Repayment of interest	(612,891)	(615,538)
Repayment of principal	(712,989)	(612,729)
Unrealised exchange loss	(268,932)	527,489
<b>At 31 December</b>	<u><b>5,583,698</b></u>	<u><b>6,535,090</b></u>

Bank borrowings comprise of a secured USD 3 million long-term bank loan taken to finance the construction of the new CCBRT Private Clinic. The loan is secured by a legal mortgage over a portion of landed property described under Certificate of Title No. DSMT 1007324, Plot No. P21170 and DSMT 1007325, Plot P21171, Msasani Area in Kinondoni Municipality, Dar es Salaam and a mortgage guarantee valued at TZS 4,097 million.

The property is in the name of the Registered Trustees of Comprehensive Community-Based Rehabilitation in Tanzania. The Trustees have granted the Organisation the right over the use of the land for its charitable activities.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 18. BORROWINGS (CONTINUED)

**Amount of loan:** USD 3,000,000

**Repayment period:** 120 months from take-over date including 12-month's grace period for repayment of principal.

**Interest:** Fixed interest rate of 7% per annum.

**Collateral:** First ranking legal mortgage over a landed property described under Certificate of Title No. DSMT 1007324, Plot No. P21170 and DSMT 1007325, Plot P21171, Msasani, Dar es Salaam.

**Financial covenants:** None

On March 2024, the Organisation secured an insurance loan from CRDB bank to finance the insurance premium payment covering Motor and Non-Motor properties as indicated below;

**Amount of insurance loan:** TZS 154,700,242

**Repayment period:** 12 months

**Maturity date:** 2025/03/25

**Interest:** Fixed interest rate of 7% per annum.

**Collateral:** A lien over a fixed deposit/current account number with an amount which is equivalent or not less than two monthly instalments of the facility.

COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

19. DEFERRED GRANTS INCOME

Donor	Currency	Opening balance TZS '000	Receipts during the year TZS '000	Utilised during the year TZS '000	Transfers TZS '000	Unrealised foreign exchange TZS '000	Year-end balance TZS '000
Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)	EUR	59,467	-	-	(67,991)	8,524	-
CBM 4225	TZS	6,955	169,974	(114,455)	-	-	62,474
IRISH AID	EUR	759,757	-	(759,757)	-	-	-
TIGO	TZS	-	100,000	(100,000)	-	-	-
Equinor Tanzania 23-25	USD	-	217,945	(205,610)	-	(2,229)	10,106
Hope and Healing - 205.7	TZS	29,896	280,869	(307,206)	-	-	3,559
Hope and Healing - 205.8	TZS	-	25,533	(25,032)	-	(501)	-
Hope and Healing - 205.9	TZS	-	294,076	(294,173)	-	97	-
Hope and Healing - 205.9.1	TZS	-	3,535	(3,435)	-	-	100
Light for the World	EUR	78,012	69,157	(204,418)	56,972	277	-
DANIDA	DKK	-	8,948	(4,224)	-	(1,189)	3,535
Kupona Foundation - 408.1	USD	(0)	71,968	(73,315)	-	1,347	-
Kupona Foundation - 408.2	USD	5,392	-	(5,425)	-	33	-
KfW	EUR	1,865,858	263,721	(1,021,394)	-	(77,088)	1,031,097
EHFK	EUR	190,119	-	-	-	(19,352)	170,767
DFATD/GAC	CAD	23,867	-	-	-	(2,903)	20,964
J&J	USD	180,405	-	(185,684)	-	5,279	-
Fistula Foundation 2024	USD	-	1,638,692	(1,639,424)	-	732	-
J&J Fistula 24/25	USD	-	465,510	-	-	(10,092)	455,418
J&J Fistula	USD	134,059	-	(143,432)	-	9,373	-
EngenderHealth - 514	USD	9,592	187,035	(193,901)	-	(2,726)	-
EngenderHealth - 514.1	USD	-	-	(45,024)	45,024	-	-
Faraja Fund Foundation	TZS	64,725	-	(59,244)	-	(5,481)	-
MDH	TZS	-	43,345	(32,490)	(1,252)	-	9,603
CAPDA	USD	14,103	-	(14,727)	-	624	-
<b>TOTAL</b>		<b>3,422,207</b>	<b>3,840,308</b>	<b>(5,432,370)</b>	<b>32,753</b>	<b>(95,275)</b>	<b>1,767,623</b>

Deferred revenue grant relates to funds received in advance for implementation of project activities. The balance is classified as current since most of the activities are to be implemented just after the year end.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 20. TRADE AND OTHER PAYABLES

	2024 TZS '000	2023 TZS '000
Trade payables	3,736,760	3,661,720
Staff related liabilities	99,734	758,008
Accruals	671,985	629,970
Mabinti Shop	1,561	7,187
Statutory liabilities	574,659	15,556
Advance payments-costs sharing from patients	280,374	386,620
Due to Kupona Foundation	-	184,267
NSSF penalty	1,116,913	1,116,915
NHIF refunds	-	373,527
	<u>6,481,986</u>	<u>7,133,770</u>

### 21. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

#### Commitments

As at the year end, there were no committed capital expenditures.

#### Contingent liability

There are no any contingent liabilities that were outstanding as at the year end.

### 22. RELATED PARTY TRANSACTION AND BALANCES

#### Key personnel remuneration

Key management personnel are described as those persons having authority and responsibility for planning, directing, and controlling the activities of the Organisation, directly or indirectly, including any director of the Organisation as well as Hospital Executive Committee.

The following table summarises remuneration paid to the Hospital Executive Committee:

	2024 TZS '000	2023 TZS '000
Salaries	<u>981,413</u>	<u>1,151,902</u>
	<u>981,413</u>	<u>1,151,902</u>

#### Governing Board members' remuneration

No remuneration was paid to members of the Governing Board.

#### Material related party balances and transactions

Kupona Foundation (Kupona) was founded by CCBRT in 2009 in the USA with the primary objective of fundraising. Kupona was operating independently, managing its own operations and decision-making processes., and CCBRT did not exert control over the foundation.

However, in April 2025, CCBRT ended the relationship with Kupona Foundation.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 22. RELATED PARTY TRANSACTION AND BALANCES (CONTINUED)

#### Material related party balances and transactions (Continued)

##### a) Related party transaction during the period

	2024 TZS '000	2023 TZS '000
Grant revenue from Kupona Foundation	<u>78,740</u>	<u>137,966</u>

##### b) Related party balances as at year ended

	2024 TZS '000	2023 TZS '000
Due from Kupona foundation	<u>2,770,171</u>	<u>2,770,171</u>
Due to Kupona foundation	<u>-</u>	<u>(184,267)</u>

### 23. TAXATION

#### Income tax

The Organization is subject to Income Tax Laws of Tanzania under the Income Tax Act, 2004 and was granted a charitable status as described in Note 4 (n).

During the year, there were no tax charges or payments made by the Organization to the Tanzania Revenue Authority with respect to corporate income tax (2023: Nil).

#### Deferred tax

At 31 December 2024, the Organization has deferred tax asset of TZS 21.9 billion (2023: TZS 20.1 billion). The movement in the deferred tax account is as follows:

	2024 TZS '000	2023 TZS '000
1 January	20,142,884	17,541,484
Deferred tax credit for the year	<u>1,816,266</u>	<u>2,601,400</u>
<b>31 December</b>	<b><u>21,959,150</u></b>	<b><u>20,142,884</u></b>

The composition of the deferred tax assets at 31 December 2024 is as shown in the table below:

	2024 TZS '000	2023 TZS '000
Temporary difference from property and equipment	5,858,446	3,525,914
Revaluation gain	3,126,486	3,256,369
Unrealised foreign exchange losses	817,010	-
Trade receivables impairment	(5,855,392)	(6,616,341)
Losses carried forward	<u>(74,093,289)</u>	<u>(67,308,890)</u>
<b>Total giving rise to deferred tax asset</b>	<b><u>(70,146,739)</u></b>	<b><u>(67,142,948)</u></b>
<b>Provision for deferred tax asset at 30%</b>	<b><u>(21,044,022)</u></b>	<b><u>(20,142,884)</u></b>

A deferred tax asset for unused tax losses and deductible temporary differences has not been recognised as it is not probable that future taxable profits will be available against which they can be utilised.

# COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 24. FAIR VALUE MEASUREMENTS

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy (see note below the second table).

	Carrying amount TZS'000	Amortized cost financial assets TZS'000	Amortized cost financial liabilities TZS'000
<b>2024</b>			
<b>Financial assets not measured at fair value</b>			
Trade receivables (Note 15)	1,602,515	1,602,515	-
Grant receivable	92,180	92,180	-
Cash and cash equivalents	2,729,915	2,729,915	-
	<u>4,424,610</u>	<u>4,424,610</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables*	3,736,760	-	3,736,760
Borrowings	5,583,698	-	5,583,698
	<u>9,320,458</u>	<u>-</u>	<u>9,320,458</u>
<b>2023</b>			
<b>Financial assets not measured at fair value</b>			
Trade receivables (Note 15)	2,949,738	2,949,738	-
Grant receivable	153,324	153,324	-
Cash and cash equivalents	7,160,322	7,160,322	-
	<u>10,263,384</u>	<u>10,263,384</u>	<u>-</u>
<b>Financial liabilities not measured at fair value</b>			
Trade and other payables *	3,824,755	-	3,824,755
Borrowings	6,535,090	-	6,535,090
	<u>10,359,845</u>	<u>-</u>	<u>10,359,845</u>

\*Trade and other payables do not include accruals, advance payments by customers, NSSF penalty and statutory liabilities amounting to TZS 2,651,369,945 (2023: TZS 3,309,015,000).

When measuring the fair value of an asset or liability, the Organisation uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the input used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observed for the assets or liabilities, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobserved inputs).

If the input used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

## COMPREHENSIVE COMMUNITY BASED REHABILITATION IN TANZANIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

#### 24. FAIR VALUE MEASUREMENTS (CONTINUED)

The Organisation has not disclosed the fair values of financial instruments such as borrowings, short-term receivables, and payables, because their carrying amounts are a reasonable approximation of the fair values due to their short-term nature, loans have interest rate approximate to the market rate hence they are presented under "Financial assets/liabilities not measured at fair value".

#### 25. GOING CONCERN

During the year, the Organization incurred a loss of TZS 4,881 million (2023: TZS 5,864 million). As at the year end, the Organization had a net current liability position of TZS 2.2 billion (2023: Net current asset of TZS 1.4 billion).

The Organization is currently focusing on diversifying its revenue sources to generate sustainable income. To improve its own revenue generation, management has established evening clinics, improved patient processes to accommodate more cash-paying premium patients, renegotiated contracts with visiting consultants, opened a general operating ward (as it is more affordable and expected to increase the number of surgeries), implemented system improvements, and the acquisition of a new Hospital Management Information System (HMIS) which was operational from April 2025, to strengthen the billing function.

Management has also intensified its fundraising efforts to increase revenues from donors and other stakeholders. These activities include enhanced marketing of services, greater pursuit of CSR/CSI support, ongoing fundraising campaigns, and strengthening of the resource mobilization function with a focus on increasing flexible funds and proactively identifying new business opportunities.

CCBRT Management and the CCBRT Board continue to engage the Government to increase its financial contribution. Discussions are ongoing for CCBRT to be recognized as a national Centre of Excellence for Rehabilitation Services.

The Governing Board Members are satisfied that the Organization has the resources to continue its operations for the foreseeable future. Furthermore, the directors confirm that they are not aware of any material uncertainties that may cast significant doubt on the Organization's ability to continue as a going concern. Therefore, the financial statements have been prepared on a going concern basis.

#### 26. SUBSEQUENT EVENTS

The Governing Board Members are not aware of any events after the reporting period which require adjustment or disclosure in the financial statements other than those already disclosed in these financial statements.