



# ANNUAL REPORT 2020





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# ANNUAL REPORT FROM THE CEO

**In 2020 i+solutions celebrated its 15 years anniversary. During its 15 years' existence i+solutions has evolved from a small spin-off from IDA to an independent and recognized player in the world of health commodities procurement and as an implementer of health supply chain programs in many Low and Middle Income Countries (LMICs). We are proud to have achieved this position and would like to thank our partners and staff for their commitment and drive to make this possible.**

Of course, 2020 was not a normal year with the COVID-19 pandemic influencing many of our activities. At the beginning of the pandemic, it was hard to keep our shipments going, but international transportation was restored to a reasonable level within a couple of weeks, although some destinations remained hard to reach. Our in-country projects in Africa were impacted more.

Travel and training were difficult, and some of our local staff were infected by Corona. Last but not least, we had to arrange working from home for all our employees in a short period of time. I would like to thank them for their flexibility and commitment to go the extra mile to keep our performance at the desired high levels.

The state-of-the-art procurement and supply platform as implemented in 2019, in combination with our agile processes allowed i+solutions to scale its activities rapidly and continue its delivery performance above industry standards.

The Global Fund recognized i+solutions by awarding the COVID-19 Personal Protective Equipment (PPE) project as well as the COVID Therapeutic product categories project to i+solutions in June 2020. Besides our work for the Global Fund, i+solutions received contracts in 2020 from Cordaid for the procurement and supply of PPE and Reproductive Health products, from Medicines for Malaria Venture for the management of a Chloroquine donation, from Clinton Health Access Initiative (CHAI) for the procurement and supply of Dolutegravir 10mg and from multiple Ministries of Health to support with the procurement of pharmaceuticals and COVID-19 related health products. A description of these projects can be found in the chapter about Direct Procurement Support.

We would like to thank the Global Fund for putting trust in our organization last year and we look forward to continue this relationship in the years to come.

**impact by  
innovation**



## Procurement Services

2020 marked the first full year for i+solutions as main procurement services agent for the Global Fund's Pooled Procurement Mechanism. With a total procurement volume of USD 698 million, the i+solutions team executed over 40% more orders than forecasted in probably the most complex year for supply

chain ever. The team managed to continue supply to 70 countries despite lockdowns at origin (China, Europe and India) and in many destination countries during the year. This was all achieved at an annual on-time and in-full delivery performance of 93%.

## Consulting

Our consulting activities continued in the countries in which we have a longer presence such as Burundi, Nigeria, Mali and the DRC. We worked in close cooperation with our partners: Palladium in Mali, Abt Associates and Cordaid in the DRC and the Women's Refugee Committee in Nigeria. In Burundi, we were able to extend our current imple-

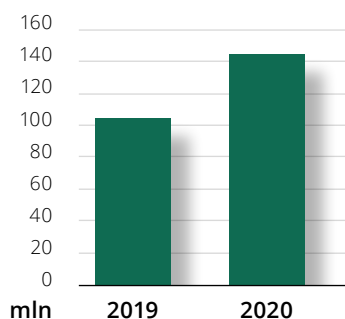
mentation of Medexis for Unicef. The emphasis in all projects goes more and more in the direction of creating end-to-end visibility, including the last mile. In that respect, we would also like to mention our strategic partnership with DHIS2 for integrating patient data with health supply chain systems..

## Outputs, Outcomes, Impact

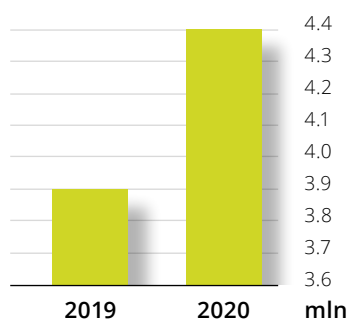
Our new motto is Impact by Innovation. Measuring impact is, however, not so easy. Many organizations active in our field report outputs and sometimes outcomes, but hardly anyone publishes about impact. We are not able to report on impact

yet, but we would like to do this in the future. We are preparing a methodology to convert outputs to outcomes and make an estimate of the impact created. Our outputs did increase substantially:

**HIV patients reached**



**Antimalarial treatments procured**



## Staff

In 2020 we hired 18 new employees, growing to an organization of 57 people. We are pleased to see our staff retention being at good levels at 81%. The result of our employee engagement survey supports our staff is well motivated and mission driven. Illness rates were below industry standards at 3,24%. With

about 20 different nationalities, we have a very diverse team, which is even more diverse if we include our contractors in Africa. We work with many local freelance experts on our main projects, and they are a valuable part of our workforce.

## Financials

We have posted a positive net result of EUR 121.266. A large contributor to this result was the first full year of the Pooled Procurement Mechanism project for which we have been able to process more volume than anticipated. This enables us to fully benefit from the IT platform that was developed to service this. Our consultancy business continued with servicing our existing projects, of which a few have ended during the year. A large new project in Mali has started towards the end of the year. During 2020, we continued developing our organization to accommodate our growth plans. We optimized our IT platforms and further invested in our staff. We have also made some changes to

reduce our overhead costs. These investments were necessary to build the foundation for the future and to reach our ambitious goals. Our results were further positively impacted by a substantial redemption of our subordinated loan of EUR 851.809, and partially negatively impacted by adverse Exchange differences of EUR -242.611.

Our revenues have steeply increased as a direct result of our increased PSA activities: for certain categories of commodities and services that we purchase on behalf of our clients, we are recognizing the values as revenue. Also, our Balance Sheet is growing as a result of the increased PSA volumes processed.

# impact by innovation

## Business Continuity

Given the negative working capital position as per balance sheet date and the poor result/development of cash flow there could rise doubt about the ability to continue as a going concern. However as per completion date of this annual report, we are of the opinion that there is no doubt on business continuity. This is based on the positive forecast and the year to date business performance in 2021 in which we are currently outperforming our budget.

i+solutions has invested a large amount, in prior years, in developing an automated platform to efficiently handle procurement orders. This investment was justified by winning the lion share of

the Pooled Procurement Project of the Global Fund. i+solutions has been awarded as PSA for 3 years for the main pharma categories HIV/AIDS, Anti Malaria and Essential Medicines with a possible extension for another 3 years, if the performance is good. The i+solutions IT platform allows for straight through processing and reduces our labor costs. These procurement orders are pre-financed by the donor, so the cash flow for these orders is not an issue. Given the long-term nature of this contract and the now proven upside of winning more similar long-term procurement contracts, the outlook for the continuity of these PSA activities is good

## Financial Outlook

For 2021, we expect a substantially higher revenue and a positive EBITDA. This is due to the PPM project getting fully up to speed and to new business we expect to win in the procurement area. In the consulting area, we expect to generate a small operational result

based on continuing our current projects in Nigeria, Mali, DRC and Burundi and some new projects starting in 2021. However, the COVID-19 pandemic has caused serious delays in starting new projects for global health supply chains by the global donors.

## Strategy

i+solutions' strength lies in its experience in procurement and strengthening health supply chains. We have set ourselves high targets to use this knowledge to the benefit of patients and to create Impact by Innovation. Key to this systemic approach is:

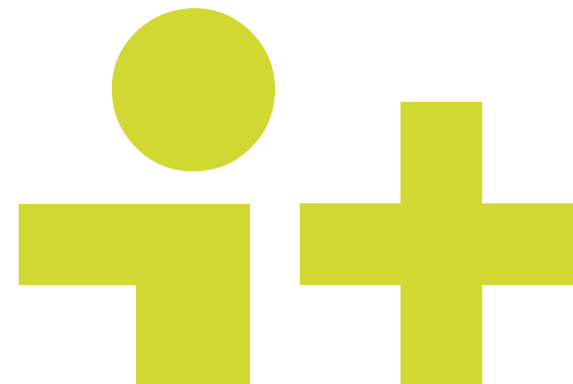
- + Creating end-to-end visibility to generate reliable and timely supply chain data
- + This data can be analyzed and modelled into more efficient supply chains, including clear segmentation strategies
- + Stakeholder engagement is crucial to get buy-in for these changes
- + Change management is key to ensure that transformation is sustainable
- + Clear governance is needed to create clear roles and responsibilities
- + Finally, innovative approaches will create more impact for less money

We aim to achieve this strategy together with our strategic partners, which include Cordaid, MSH, Palladium, Abt Associates, Globis, FP2030, Reproductive Health Supplies Coalition, The Dutch Ministry of Foreign

Affairs and many more. We like to thank them for their cooperation and look forward to continue our relationship with them in the future.

I would like to thank our staff, board members and all our partners for working closely together with us to achieve our mission: improving and saving lives by creating well-functioning health supply chains. Without the dedication to this mission, we would not be able deliver life-saving medicines at the doorsteps of the millions of patients relying on it. This is what makes us tick and where we know we can make a difference! Impact by Innovation!

**Ed Monchen**  
CEO



# WHO WE ARE, WHAT WE DO, HOW WE DO IT

## Who we are

**i+solutions** is a Dutch not-for-profit organization providing access to best-priced, internationally recognized, quality health products and supply chain management solutions to low- and middle income countries (LMICs). Our innovative approach, expertise in training, procurement and delivery, consultancy and project management contribute to saving lives every day.

## Vision and mission

**Our vision** is a world where no medical need goes unmet. To achieve our vision, we partner with governmental, private sector, public and charitable organizations to develop health infrastructures to help low- and middle income countries become resilient societies.

**Our mission** is to save and improve lives by creating well-functioning health supply chains.

## Our core values

- INNOVATIVE** We believe the big challenges in low- and middle income countries can be solved with innovative solutions
- COMMITTED** We are committed to go the extra mile to achieve our mission
- IMPACTFUL** Our mission is to save and improve lives by creating well-functioning supply chains

## Our history

**i+solutions** was founded in 2005 as a training and consultancy department within the International Dispensary Association Foundation (IDA Foundation). We later became an independent organization. Over the last 15 years, we have provided services that support the procurement and distribution of essential medicines, supporting governments and organizations in their quest to create sustainable access to medicines and health products. Our portfolio has continuously expanded and our services have been adapted to meet local and contemporary needs.

## Procurement Agent

We are the **largest procurement service agent** for the Global Fund's Pooled Procurement Mechanism. We are responsible for the procurement and logistics of Anti-retroviral, Anti-Malaria and Essential Medicines for over 70 countries. We supply constantly at an on-time and in-full delivery performance above 90%. We contribute to the delivery of HIV treatment to over 4.4 million patients and malaria treatments to over 100 million patients.

## Systems strengthening

We help countries to strengthen their health systems and become sustainable **i+solutions** is active in several projects that aim to solve bottlenecks in the access to medicines in low- and middle income countries. Not only do we procure essential medicines and health products, we also strengthen public health systems by conducting training and consultancy activities so that countries can improve their internal capacity and eventually take full control of their pharmaceutical supply chain. With our consultancy and projects, we aim to structurally improve the supply chain in low- and middle income countries by using innovative tools. We are active in various health programs such as HIV, TB, Malaria, vaccines, family planning, maternal health.

## impact by innovation

While implementing projects for 15 years in the global health supply chain across Africa, we have developed an **innovation agenda**. This ranges from a block chain pilot in the north of Nigeria to creating end-to-end visibility for optimizing supply chains with modelling and modern techniques such as machine learning. Our senior leadership has worked for many years in the private sector and has gained experience in how to improve logistical supply chains. We are now applying this private sector knowledge and network to the benefit of global health supply chains.



# COMMUNICATION ON ENGAGEMENT



**i+solutions recently joined UN Global Compact and we would like to share with you our commitment to the Sustainable Development Goals (SDG) and UN Global Compact mission.**

**i+solutions**, located in Woerden (The Netherlands), is the largest procurement service agent for the Global Fund's Pooled Procurement Mechanism. We are responsible for the procurement and logistics of Anti-retroviral, Anti-Malaria and Essential Medicines for over 70 countries. We are also active in several projects that aim to solve bottlenecks in the access to medicines in low- and middle income countries (LMICs). We strengthen public health systems by conducting training and consultancy activities and by using innovative tools, so that countries can improve their internal capacity and eventually take full control of their pharmaceutical supply chain.

Our vision is a world where no medical need goes unmet. To achieve our vision, we partner with governmental, private sector, public and charitable organizations to develop health infrastructures to help LMICs become resilient societies. Our mission is to save and improve lives by creating well-functioning health supply chains.

Our mission and core activities are 100% aligned with SDG 3, to ensure healthy lives and promote wellbeing for all at all ages.

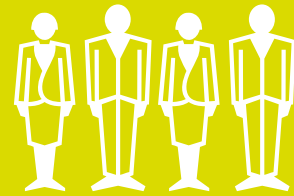
In line with SDG 17, focusing on revitalizing global partnerships for sustainable development, we aim to partner with other Global Compact members in the following areas: Implementing new innovative concepts for improving supply chains in low- and middle income countries LMICs in order to improve the availability of quality medicines for the people who lack access to medicines. We are active in Nigeria, DRC, Mali, Burundi, Morocco and Uganda and we would like to expand our activities to other countries in the African continent.

Engaging with the private sector in LMICs to build resilient health supply chains. Implementing programs for COVID response (Personal Protective Equipment and materials, Vaccination programs).

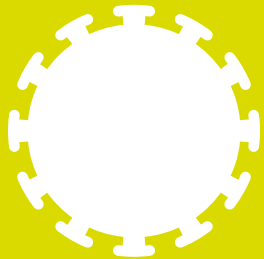
**Ed Monchen**  
CEO

# HIGHLIGHTS AND RESULTS 2020

Contributed to  
**144.8 mln**  
antimalarial  
treatments  
procured

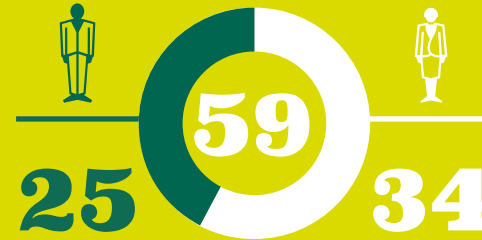


Trained healthcare  
staff in 2020:  
**1058**

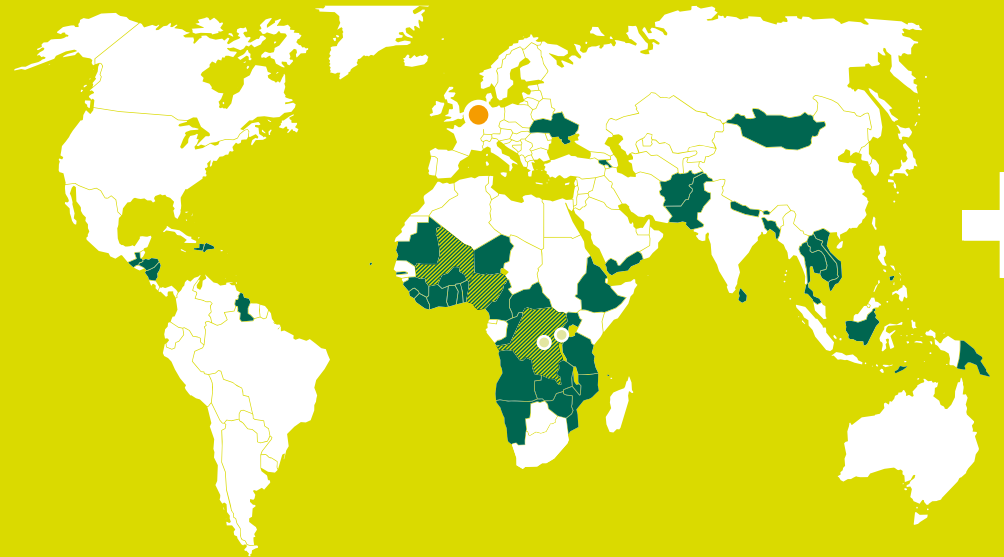


Contributed to  
**4.4 mln**  
people receiving  
ARV treatments

Employees



**19** Nationalities



PSA projects TCP projects i+solutions head office our other offices

[www.iplusacademy.org](http://www.iplusacademy.org)



growth e-learning platform

to **4390** users

with **53** courses in **4** languages



# DIRECT PROCUREMENT SUPPORT

As an independent organization, i+solutions supports Ministries of Health and other parties in several countries with procurement of medicines and related commodities through our direct procurement program. i+solutions is offering its procurement and logistics services for standard supplies as well as to answer out-of-stock/emergency situations. Our activities include supplier selection, sourcing, negotiating, helping coordinate freight forwarding of commodities to the final consignee, and ensuring that procurements comply with donor rules and regulations.

## Highlights 2020

### COVID-19 procurement portal

In June 2020, we opened a COVID-19 commodities procurement portal, offering countries and large NGOs the possibility to procure large quantities of high quality PPE products (personal protection equipment) at affordable prices via our online catalogue. Drawing on our extensive experience as a procurement organization for global donors, we expanded our service to other customers. The portal also provides quantification help, to establish the amount of PPE products needed to protect health workers and patients for a certain period of time.

## Cordaid

### Procuring PPE and RH commodities

In spring 2020, Cordaid approached i+solutions seeking assistance for the procurement of Personal Protective Equipment (PPE) and Reproductive Health commodities for their programs in Ethiopia, Congo-Democratic Republic (DRC), Central African Republic and Burundi. At that time, global supply for PPE was scarce, as a result of the outbreak of the COVID-19 virus.

i+solutions was able to deliver the required PPE to Cordaid using its pre-negotiated long-term agreements with PPE suppliers in both China and the EU. With Reproductive Health commodities sourced in the Netherlands and Belgium, the required goods really came from all angles.

For the deliveries to Ethiopia, Cordaid was able to secure services from Ethiopian Airlines, with whom i+solutions and its suppliers collaborated closely in order to arrange the export clearances. Furthermore, i+solutions ensured that the delivered goods adhered to the Ethiopian standards for Personal Protective Equipment, and that the necessary documentation to proof this was available. The shipments to the Central African Republic (CAR) were undertaken by World Food Program

(WFP). This organization operated flights to the country-in-crisis from hubs in China and Belgium, as commercial operators had severely limited operations following the unstable security situation in CAR. i+solutions managed the pick-up of the cargo at the suppliers and facilitated the hand-over of cargo to WFP at the hubs in China, Dubai and Belgium, as well as the submission of documentation required for importation.

Supplies to DRC were delivered to Goma, and with a part of the consignment being a cold-chain shipment, significant planning and alignment was required to ensure a safe and steady delivery.

### PPE procured for Cordaid in 2020

surgical masks	235.000
coveralls	2.620
safety goggles	4.900
face shields	2.400
pairs of surgical gloves	144.250
boxes of 100 examination gloves	34.700
isolation gowns	3.000
pairs of boots	1.000
respirators	151.200
digital infrared forehead thermometers	150
head caps	900
bottles of alcohol based hand sanitizer	3.000

## Medicines for Malaria Venture (MMV)

### Chloroquine Phosphate

In June 2020, i+solutions signed a contract with MMV to become its procurement agent for the distribution of an antimalarial: chloroquine phosphate, 250mg tablets. MMV – with funding from Bill and Melinda Gates Foundation – has secured 120 million tablets from product supplier Ipca and has contracted i+solutions to collect and distribute tablets to eligible recipients. Potential recipients are antimalaria

programs which can use the product in the treatment of the disease. By the end of 2020, i+solutions had shipped a quantity of around 43M tablets to the Ministry of Health in Ethiopia to support their fight against the disease. i+solutions is also providing warehouse services to store the product (in Dubai) whilst further eligible recipients are identified.

## Clinton Health Access Initiative (CHAI)

### Dolutegravir Dispersible 10mg Tablets

In November 2020, i+solutions successfully tendered to become CHAI's procurement agent for the pre-shipment testing and distribution of 100k bottles of Dolutegravir 10mg tablets to 6 recipient countries: Benin, Kenya, Malawi, Nigeria and Uganda and Zimbabwe.

This breakthrough pediatric, first-line HIV treatment will help treat the 1.7 million children around the world living with HIV. In 2021, i+solutions executed the project which involved sending product samples to a quality control lab to ensure the product met the standards as per the tentative US Food and Drug Administration (FDA) approval. For the delivery, i+solutions used our normal portfolio of pre-qualified logistic service providers to transport the product to the 6 countries.



## IMPAACT4TB

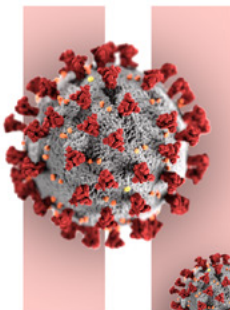
### 3HP TB preventive treatment

i+solutions is very proud to have been contracted in 2020 by the Aurum Institute under the IMPAACT4TB project to take care of all the procurement and logistics of a new fixed-dose combination (FDC) of "3HP", a short-course tuberculosis (TB) preventive treatment. Thanks to funding from Unitaid, PEPFAR and the Global Fund to Fight AIDS, Tuberculosis and Malaria, this new preventive TB treatment was rolled out in February and March 2021 in five of total 12 TB high burden countries in Africa: Ethiopia, Ghana, Kenya, Mozambique, and Zimbabwe. Previously, preventive TB therapy took 6 to 36 months. A fixed-dose treatment of Rifapentine in combination with Isoniazid, shortens treatment to 12 weekly doses and reduces the pill burden from nine to three pills a week. The IMPAACT4TB project is funded by Unitaid and led by the Aurum

Institute. As the result of a volume-based agreement concluded by Unitaid, the Clinton Health Access Initiative (CHAI) and the manufacturer of the FDC, Macleods, the treatment is made available at a 70% discounted rate. This price discount will enable a scale-up in 138 low- and middle income countries, saving thousands of lives, and realize millions of dollars in savings. With this more convenient product in hand that is easier to dispense, take and adhere to, the IMPAACT4TB consortium members are now working to accelerate the delivery of 3HP in all 12 high TB burden countries in Africa, Asia, and South America. Enough treatments for up to 3 million patients are expected to be made available for eligible countries in 2021. This also has important implications for the HIV response, as TB remains the leading cause of death for people with HIV around the world.

>>>

Even as we battle COVID-19, we must not ease up the fight against TB: hard won gains are now under threat.



We need to Find.Treat.All to save lives and end preventable TB deaths. TEST FOR BOTH COVID AND TB!

In 2020, i+ solutions already placed purchase orders for over 117 thousand treatments of the above mentioned fixed dose combination (Isoniazid/Rifapentine) and over 29 thousand treatments of the single Rifapentine treatments for the IMPAACT4TB project. To date i+ solutions continues to play a key role in the demand and supply management of

both Sanofi's Rifapentine single treatments and Macleods FDC at global level across all TB partners i.e. PEPFAR, UNITAID, Global Fund, GDF, NGOs, CSOs and governments. We manage and coordinate global demand of these two key TB treatments through the ARV Procurement Working Group (APWG) ensuring equitable supply across all partners.

## Ministries of Health in Morocco and Georgia

In 2020, we have continued our support to the purchase and delivery of HIV/AIDS medicines and HIV kit test for the Ministries of Health

in Morocco and Georgia. For Morocco, the total procurement value was USD 805,514 USD, for Georgia 248,407 USD.

## Drugs for Neglected Diseases

i+solutions procured laboratory materials and other supplies for the clinical trial sites of DNDi's, Drugs for Neglected Diseases, local partners. In 2020, we also procured

surgical devices (disposable bone biopsy needles for adults and children) for DNDi's local agents in Ethiopia and Kenya.



## SANRU and HCMLS

Two new clients, SANRU in Congo Democratic Republic and HCMLS in Mali, asked i+solutions to help them procure COVID-19 related products as Personal Protective Equipment (masks, goggles, gloves and protective gowns), PCR machines and tubes to perform polymerase chain reaction (PCR) tests, laboratory

equipment related to COVID-19 virus measurement (centrifuge and thermomixer machines, viral and swabs kits, pipette tips). For SANRU DRC, in 2020 a total value of USD 4,094,041 was procured and for HCMLS in Mali the total value amounted to USD 941,630.





# CONSULTING PROJECTS

## USAID

### Integrated Health Program (IHP)

**Duration:** May 2018 – January 2022 + 3 years option to extend

**Donor:** USAID

**Country:**

Democratic Republic of Congo

**Partner organizations:**

Abt Associates, Pathfinder, IRC

#### Objectives

Strengthen the capacity of Congolese institutions and communities to provide integrated and quality health services to sustainably improve the health of the Congolese population.

#### i+solutions role

Increase last mile continuous availability of essential drugs and family planning products as from the health zone level up to health facilities and the community base, by strengthening health systems, governance and leadership at the targeted provincial, health zone and health facility levels.

#### Key 2020 activities and results

The Congolese government put in place restrictive measures on the movement of people aimed at

limiting the spread of Covid-19 as from April 2020. Some supply chain activities planned for 2020 were impacted and had to be postponed into 2021, including training on supply chain management and the implementation of an informed push distribution pilot. Nevertheless, key activities have been carried out jointly with the government to improve the process of logistic data reporting and analysis and availability of products at the point of service. The following activities have contributed to an average reduction in stock-outs of 21% in the health facilities of 9 partner provinces:

- + Organize and participate in **quarterly coordination meetings** with other partners in the field. This made it possible to pool resources, in particular information on stock status, technical and financial assistance to the 9 provincial ministries to enable them to play their role in supporting health zones and their health facilities in terms of supply chain management and optimizing stock of drugs at all levels.

- + Print and distribute **supply chain management tools** that not only enable collection and reporting of stock and consumption data, but also the order and supply processes between more than 4.000 health facilities and their 179 health zone offices.
- + Support the national medical purchasing program (PNAM) with the implementation of the national INFOMED logistic management information system. INFOMED provides decision support in inventory management thanks to parameterized dashboards. During the year, USAID IHP assisted PNAM to correct system setup errors, improve the INFOMED user interface, and **train health zone inventory managers and managers** to use the INFOMED setup and tools. In total 433 staff from 179 health zones were trained. The timely completeness of reports increased from 29% at the end of December 2019 to 80% at the end of December 2020.

## impact by innovation



- + USAID IHP designed 3 product distribution approaches adapted to the **last mile transport** of supported provinces, using distance, road condition, geographic obstacles and security situation as criteria. Health facilities to be served by the 179 health zones were categorized. This allowed technical and financial support to the specific context of each health facility by focusing primarily on difficult-to-access health areas. In the last 2 quarters, 286 hard-to-reach areas from 23 districts were supported for the transport of products to the last mile.

## Jeune S3

(Santé Sexuelle et Sécurité)

### Duration:

January 2016 – December 2020

### Donor:

Dutch Ministry of Foreign Affairs

### Country:

Democratic Republic of Congo - North and South Kivu

### Partner organizations:

Cordaid, Swiss TPH, PSI

### Objectives:

Ensure that young people (especially girls between the ages of 10 and 14) are able and motivated and can make informed choices on Sexual and Reproductive Health and Rights, and that that their choices are respected.

### i+solutions role

Ensure last mile permanent availability in Jeune S3 health facilities of a range of affordable quality family planning commodities, HIV prevention commodities and medicines used in the areas of maternal health and STI (sexually transmitted infections).

### Key 2020 activities and results

The 2020 action plan was essentially focused on consolidating the achievements of the past years by accompanying health zone and health facility staff to take full ownership of their supply chain management. Following the restrictive measures that Congolese gov-

ernment put in place in April 2020 on the movement of people aimed at limiting the spread of Covid-19 and the Ebola virus outbreak in the extreme north, staff was requested to work from home. Some supply chain activities that were planned for 2020, had to be cancelled, such as the quarterly HZ pharmacist meetings and supportive supervisions with DPS and health zones. Instead, support in supply chain and coordination between supply chain stakeholders had to be done remotely with online discussions on indicators, stock outs and remedial actions.

The Jeune-S3 program interventions ended at the end of the second semester of 2020. Over the project period, the percentage of partner health facilities that have at least 3 of the most frequently used contraceptives available improved significantly, particularly in North Kivu. In addition to supply chain system strengthening activities, the support and coordination of the provincial departments and its partners like UNFPA contributed as well. The end line for South Kivu showed a minor deterioration, because of sporadic stock outs in some health facilities of one of the eight contraceptive methods. The end line results were realized despite the challenging COVID-19

### Indicator

Number of partner Health facilities that have at least 3

most used contraceptives available the day of the visit

### Province

North Kiv

2017

65%

2018

87%

2019

98%

June 2020

96%

South Kiv.

100%

100%

100%

95%

dominated external environment and thanks to:

- + **Continued use of the Informed Push Model** for physical distribution from the health zones to the health facilities and the innovative Comité d'Axe de Distribution (CAD), an informed push-based delivery model.
- + **Improved visibility in the supply chain:** accompany technically and capacitate health zone and health facility staff

in improving stock management and timely reporting and processing of accurate stock and consumption data, leading to informed decisions from the last mile upward to health zone, provincial and national levels.

- + **Redeploy excess stock** from one health facility, health zone and province to another, in this way eliminating out of stock situations and preventing expired goods.



## Mali Health Systems Strengthening (HSS)

### Governance and Finance

**Duration:** August 2020 – July 2025

**Donor:** USAID

**Country:** Mali

**Partner organizations:**

Palladium, FHI 360, Groupe Pivot Santé Population (GPSP)

### Objectives

Strengthen Malinese health systems in support of communities in the regions of Mopti, Ségou and Sikasso (accounting for approximately half of the country's population) with the long-term goal to improve health outcomes and establish a health sector that's resilient to shocks such as economic downturn and global pandemic. The focus will be to improve governance of local health facilities, financial management of health facilities, health insurance coverage, quality of health services, commodity distribution, and health data collection and use.

There have been significant improvements in some health outcomes over the past two decades in Mali, including a broad national decentralization strategy that puts health services and health facilities under the "ownership" of local and district leadership. Nevertheless, challenges remain in how to plan, manage, and finance high-quality healthcare at a decen-

tralized level. Local government, the private sector, and civil society are increasingly important to the collaborative solving of problems across systems, data use, quality of care, and supply chains.

### i+solutions role

Provide innovative solutions to supply chain management to rationalize the information flow and improve the distribution of essential medicines, vaccines and reproductive health commodities to health facilities and the communities they serve.

### Key 2020 activities

- + **Recruitment local consultants** for the team: the in-country team consists of one project manager, one central advisor and three regional advisors
- + **Setting up a Logistic Management Information System** (LMIS) to map present supply chains in all three regions and individuating short term improvements
- + **Collection of data and tools** from all three regions

## Introduction of Medexis, an eLMIS tool, in Burundi

**Duration:** July 2019 – September 2020

**Donor:** UNICEF

**Country:** BURUNDI

### Objectives

Strengthen the availability and access to nutritional products for vulnerable populations through the implementation of an integrated stock management tool to monitor and manage stocks in real time in 91 public health structures.

### i+solutions role

Improve visibility of nutritional products in the health supply chain by implementing an e-LMIS and training and coaching staff to use it and to ensure last mile availability within the 91 health facilities enrolled in the project. The Medexis platform was configured, tested, and is up and running. It has increased the global visibility of logistics data across the entire supply chain from central level throughout to the last mile. The full functionality of eLMIS Medexis has increased the availability of the range of nutrition commodities (4) down to the last mile from 83% to 98%. The percentage of health facilities experiencing stock-outs has reduced from 12% to 8% and average requisition approval time has reduced from 17 to 2 days.

# MEDEXIS

### Key 2020 activities and results

- + Assessment of indicators and expected results through an **initial baseline survey**
- + **Training of six Master Trainers and 125 users** in the use of eLMIS Medexis. A user guide and training modules were developed
- + **Distribution of 91 modems** across the facilities in order to improve internet access
- + Development of a **monitoring and supervision framework** to more effectively monitor the nutrition products management performance of health facilities
- + Coaching visits and **joint supervisions with MoH** to improve performance of districts and health facilities
- + Development of **inventory and stock management** reporting tools and dashboards in eLMIS Medexis to improve inventory visibility, analyze LMIS data for resupply decision-making and evaluating the performance of health facilities
- + Assistance and **technical support for district and health facilities** involved in supply chain management of nutrition products
- + **Final survey** to measure the project's impact





## RMNCAHN Borno State

### Increasing Access to Reproductive, Maternal, Newborn, Child and Adolescent Health and Nutrition Services

**Duration:** September, 2019 – December, 2020

**Donor:** Bill and Melinda Gates Foundation (BMGF)

**Country:** Nigeria

**Partner organizations:** Women Refugee Commission (WRC), Borno State Primary Healthcare Development Agency (BSPHCDA), Mwada Gana Foundation and M-SPACE Consulting.

#### Objectives

Institute a high-standard and efficient procurement and supply chain management system required to achieve timely availability of a range of high-quality Reproductive, Maternal, Newborn, Child and Adolescent Health and Nutrition (RMNCAHN) commodities at service delivery points (primary health facilities and community level) to prevent maternal and infant mortality, malnutrition, and increase access to prompt RMNCAHN services.

#### i+solutions role

i+solutions is a partner to Women's Refugee Commission (WRC), the lead partner in the Borno State RMNCAHN project, alongside other consortium members which include the Bauchi state Primary health care Dev. Agency (BSPHCDA), Borno state Ministry of Health, Mwada

Gana Foundation and M-SPACE Consulting. The project seeks to develop and implement an integrated package of community and primary health interventions designed to increase access to RMNCAHN services in Borno State. The Village Health Worker (VHW) scheme is one of the approaches designed to address the barriers to RMNCAHN services by the consortium and was implemented in three pilot locations.

i+solutions is the supply chain partner providing supply chain system strengthening for the project to ensure uninterrupted supply of commodities at the last mile. As a first step, i+solutions assessed the existing supply chain structures in the state. The assessment identified gaps in the supply chain and strategies were recommended to improve RMNCAHN supply chain processes and ensure availability of commodities at the health facility and community levels (Village Health Worker level).



#### Key 2020 activities and results

- + **Logistics System Design** to ensure uninterrupted supply of commodities, focusing primarily on inventory control system and reporting & distribution mechanisms. VHW Direct Review and Resupply System was designed to ensure constant supply of commodities to health facilities while the VHW Review & Resupply Meeting was designed for re-supply of commodities to VHWs.
- + **Development of simplified LMIS Tools & Reporting Templates** for data collection, stock reporting and requisition across the supply chain, reporting of key supply chain activities to ensure standardization of reports, according to the "keep-it-simple" principle. The tools were, tailored to meet the data requirements of the program, and the competence of the supply chain staff at the community and primary health facility levels.
- + **Design of Monitoring & Supervision (M&S) Framework** to track and improve supply chain performance thus ensuring availability of commodities at the community level. The document complements the existing state LMCU framework which was also developed by i+solutions during the Nigeria Supply Chain Integration Project (NSCIP).
- + **Forecasting and Quantification of Commodities** in collaboration with BSPHCDA, ensuring that the correct methodology and tools are used.
- + **Procurement of Program Commodities** in collaboration with BSPHCDA, assuming a supervisory role during the activity.
- + **Capacity Building** of relevant health workers in the state on key supply chain operations using a combination of face-to-face training and on-line training via its e-learning platform i+academy. These trainings include forecasting and quantification of health commodities, procurement, warehousing and storage, monitoring and supportive supervision, and logistics management of health commodities.
- + **SOP Development** for procurement, forecasting and quantification of RMNCAHN commodities in support of BSPHCDA.
- + **Change Management Strategy** with a focus on creating ownership over the transformation process among managers and key staff of BSPHCDA, compliance to supply chain processes and acceptance of the recently designed VHW logistics system and LMIS tools.

## PBF Liberia

### Performance Based Financing

#### Duration:

From Jan 2019 to April 2020

**Donor:** World Bank

**Country:** Liberia

#### Partner organizations:

Royal Tropical Institute (KIT), Liberia Ministry of Health, Liberia Health Systems Strengthening Project (HSSP)

#### Objectives

The objective is to expand the scope of the existing Liberia Health Systems Strengthening Project (HSSP) by strengthening existing capacity at the central level for Performance Based Financing (PBF) coordination and management and developing capacity of County Health Teams (CHTs) to deliver and implement the Essential Package of Health Services (EPHS) under a contracting-in PBF mechanism in three additional counties (Gbarpolu, Sinoe and Rivercess). The intervention seeks to improve the coverage of quality Reproductive, Maternal, Neonatal, Child and Adolescent Health (RMNCAH) services at the primary healthcare level in the selected counties.

#### i+solutions role

Further develop central Ministry of Health (MoH) and CHT level capacity to improve the long-term ability of the respective health system levels to manage PBF and the EPHS, resulting in improved functionality, well beyond the intervention period.

i+solutions developed, in collaboration with relevant stakeholders at the CHT and Central MoH level, electronic and non-electronic tools and operational systems which were adapted to support the implementation of existing MoH policies and procedures. The main purpose of the engagement of stakeholders at all levels including change agents was to ensure their full cooperation in terms of implementation and ownership of the project. In providing the much-needed Technical Assistance (TA), i+solutions effectively incorporated learning and organizational change methods, focusing on workplace capacity building through on-the-job training, mentorship, and participatory needs assessment and learning.

#### Key 2020 activities and results Central Level

- + Continued support to the PBF unit to **build an implementation-oriented coordination mechanism** between various regulatory actors within the MoH
- + Continuously **improve mechanisms** for assessing performance and results and systematically document lessons learned through the PBF implementation process
- + Support to the PBF unit at the central level to **finalize the harmonized national PBF manual** for all levels of care and performance indicators for CHTs
- + Routine meetings with MoH/ World Bank Project Technical Committee (PTC) to **provide updates on operation** of primary care contract-in PBF
- + Address implementation and performance issues and document lessons learned
- + **Continuous capacity development** of the CHT staff, program supervisors and development partners to undertake basic routine functions in line with the provisions of the relevant manuals across the following thematic areas: Planning, Financial Management, Data Management, Human Resource Management, Monitoring and Supportive Supervision, PBF Concepts, Principles and Implementation Support, Procurement Management, Supply Chain and Logistics Managements, Fleet Management, Operational Research and Learning



# TRAINING

## Capacity building through mobile platform i+academy

**i+academy** ([www.iplusacademy.org](http://www.iplusacademy.org)) is i+solutions' innovative e-learning platform, offering 35 courses spanning the entire supply chain cycle in 4 different languages: English, French, Portuguese and Spanish. i+academy offers general and specialist Supply Chain Management (SCM) courses, competence-based training trajectories, as well as options to turn content into courses to support health systems in scaling up interventions in the most cost-effective manner. Courses can be accessed

via mobile devices and computers and the learning environment is optimized for low bandwidth. We also provide technical assistance with the training of online facilitators, course development, and scale-up of e-learning solutions.

We trained over 1000 people in 2020. i+solutions is committed to the training needs of health staff who need it: in 2020 we ran a scholarship program with 12 spots to access online courses free of charge. 440 people applied.



i+academy also develops bespoke trainings for projects, like for example a workshop with the PNAM in IHP and a training on fleet management in Liberia. We also delivered three trainings on quantification, procurement, and warehousing in Borno State, Nigeria with the Women Refugee Council. We developed a course on the quantification of pediatric ARVs for pharmacists with the Elisabeth Glazer Pediatric AIDS Foundation and a course on Hygiene and GMP with the German cooperation organisation PTB. To meet the huge need, during the start of the pandemic, for knowledge about the quantification of Covid-19 protective materials, i+academy launched a free course about this in May 2020. Over 850 people took the training.

For more information on what we can do, please contact us at [training@iplusolutions.org](mailto:training@iplusolutions.org)





# OUR PARTNERS AND DONORS



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# REPORT FROM THE SUPERVISORY BOARD

**The year 2020 turned out to be dominated by the global outbreak of the corona virus. Besides discussing the regular topics, the Supervisory Board paid particular attention to the way i+solutions was dealing with the effects of the pandemic on its business.**

Consulting projects in-country were delayed, causing a decrease in consulting revenue. The procurement part of the business, on the other hand, benefitted of the rise in demand for personal protective equipment (PPE), realizing new sources of income for the organisation and thus balancing out the results. Particular attention was also paid to the effects of the lockdown on staff and the way management approached the crisis internally.

Finding strategic partnerships was also still on the agenda of the Supervisory Board in 2020, and i+solutions decided to change its positioning and focus on becoming a preferred subcontractor to a few preferred parties. This led to the winning of a project with Palladium in Mali and the continuation of the project in DRC where Abt Associates is the prime contractor.

## Meetings

The main topics discussed in the 4 quarterly Supervisory Board meetings comprised of:

- ✚ The budget and annual report
- ✚ The approval of the revised positioning strategy
- ✚ The policies and choices for geographical presence
- ✚ The main enterprise risks including mitigation and contingency plans, especially in view of the corona crisis

The status and progress of main projects like The Integrated Health Project in DRC, The WRC project in Nigeria and the start of the Palladium project in Mali

Ensuring the codes of conduct and good governance were followed  
Changes in the board's composition  
The Supervisory Board chair also

spoke to the Works Council during two yearly review meetings to keep abreast of their views and the interests of staff. The Supervisory Board was particularly interested to hear how staff was coping with the lockdown and working from home under sometimes difficult circumstances.

## Committees

The Supervisory Board has changed composition twice during 2020. Mr. Andre van de Sande (former chair) resigned his position in March and was succeeded by Mr. Co Berendsen. We would like to thank Andre van de Sande for his contribution to the board. At the end of 2020, Mr. Kees Ruijgrok stepped down after a full 8-year assignment. With his logistics background, Kees Ruijgrok has been a driving force in setting the new course of i+solutions. We would like to thank him for his commitment and dedication to ensure i+solutions strategy was developed and executed to the global player it is today.

The Supervisory Board installed two committees: an Audit and a

Remuneration committee. As in 2019, the Audit Committee consisted of Ms. Martine Kok and Mr. Michel Jacobs. They gathered in three meetings, discussing:

- ✚ The budget 2020 and annual report 2019 (with the external accountant)
- ✚ The audit committees' own regulations
- ✚ The internal risk and control systems and procedures
- ✚ The internal finance organisation
- ✚ The budget 2021

The remuneration committee consisted initially of Mr. Andre vd Sande and Mr. Kees Ruijgrok. They were replaced at the beginning of 2020 by Mr. Co Berendsen and Mr. Harry van Schooten, who joined the Supervisory Board in 2019. The main activities were:

- ✚ The annual review and remuneration of the CEO
- ✚ The overall remuneration policy

Sincerely,

**Co Berendsen**

Chairman of the Supervisory Board





# FINANCIAL STATEMENTS 2020

Stichting  
Iplussolutions

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# Balance Sheet

as at December 31, 2020 (in euros),  
before appropriation of result

ASSETS	note	2020	2019
<b>Fixed assets</b>			
Intangible fixed assets	1	1,722,041	2,002,104
Tangible fixed assets	2	42,171	67,186
Financial fixed asset	3	<u>187,506</u>	<u>268,372</u>
Total fixed assets		1,951,718	2,337,662
<b>Current assets</b>	4		
Work in progress		-	-
Debtors		31,239,488	3,597,165
Related Parties		-	-
Taxes and social securities		-	18,884
Other receivables and prepaid expenses		<u>6,386,457</u>	<u>17,704,589</u>
		37,625,945	21,320,638
Cash at banks and in hand	5	28,323,331	23,764,070
Total current assets		<u>65,949,276</u>	<u>45,084,708</u>
<b>Total assets</b>		<u><b>67,900,994</b></u>	<u><b>47,422,369</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>	6		
General reserve		-97,441	538,844
Result current year		<u>121,266</u>	<u>-636,285</u>
		23,825	-97,441
<b>Long term liabilities</b>	7		
Subordinated loans		<u>650,000</u>	<u>1,501,809</u>
Guaranteed capital		673,825	1,404,368
<b>Provisions</b>	8		
Other Provisions		-	<u>65,000</u>
		-	65,000
<b>Current liabilities</b>	9		
Creditors		56,331,960	38,446,902
Taxes and social securities liability		13,137	271,167
Accruals		608,572	380,590
Prepayments		<u>10,273,500</u>	<u>6,854,343</u>
Total current liabilities		<u>67,227,169</u>	<u>45,953,002</u>
<b>Total equity and liabilities</b>		<u><b>67,900,994</b></u>	<u><b>47,422,369</b></u>

# Profit and Loss

for the year ended  
December 31, 2020 (in euros)

	note	2020 Actuals	2020 Budget	2019 Actuals
Turnover	11	50.230.078	8.267.715	6.235.592
Changes in work in progress		-		-
Project expenses	12	<u>-44.719.439</u>	<u>-5.520.559</u>	<u>-2.244.377</u>
<b>Gross Margin</b>		5.510.639	2.747.156	3.991.215
<b>Expenses</b>				
Personnel expenses	13	4.549.348	1.857.110	4.008.860
Depreciation		440.729	367.333	156.049
Other operating expenses	15	<u>911.578</u>	<u>652.376</u>	<u>991.140</u>
<b>Total operating expenses</b>		<u>5.901.655</u>	<u>2.876.819</u>	<u>5.156.049</u>
<b>Operating Result</b>		-391.016	-129.663	-1.164.834
Financial income and expenses	16	<u>582.143</u>	<u>-55.000</u>	<u>316.679</u>
<b>Result before taxation</b>		191.127	-184.663	-848.155
Corporate income tax	17	<u>-69.861</u>	<u>30.470</u>	<u>211.870</u>
<b>Net result</b>		<u><b>121.266</b></u>	<u><b>-154.193</b></u>	<u><b>-636.285</b></u>

The 2020 Budget does not include the Pooled Procurement Mechanism revenues related to commodities and freight.

# Cash flow statement

for the year ended  
December 31, 2020 (in euros)

	2020	2019
<b>Cash flow from operating activities</b>		
(Operating) result	-391,016	-1,164,834
Adjusted for:		
Depreciation	440,729	156,049
Movement in (corporate) tax	-228,142	15,830
Movements in working capital	<u>5,143,009</u>	<u>25,472,219</u>
Cash flow operating result	4,964,580	24,479,264
Financial income and expenses	-269,666	316,679
	-269,666	316,679
<b>Cash flow from operating activities</b>	<u>4,694,914</u>	<u>24,795,943</u>
<b>Cash flow used in investment activities</b>		
Investments in fixed assets	-135,652	-2,111,715
<b>Movement in cash at banks</b>	<u><b>4,559,262</b></u>	<u><b>22,684,228</b></u>
<b>Cash at banks</b>		
As at January 1	23,764,070	1,079,842
As at December 31	<u>28,323,331</u>	<u>23,764,070</u>
<b>Movement in cash at banks</b>	<u><b>4,559,262</b></u>	<u><b>22,684,228</b></u>

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# Notes to the accounts

## Entity information

The registered address of Stichting Iplussolutions is Polanerbaan 11, 3447 GN in Woerden. Stichting Iplussolutions (i+solutions) is registered at the Chamber of Commerce 34236288.

## Historic background

I+solutions is an independent, international, not-for-profit organization specializing in global health supply chain management for low and middle income countries. i+solutions started its activities in 2005 as a spin-off of IDA Foundation.

## Accounting principles for balance sheet, profit and loss account and cash flow statement

### Basis for preparation

The financial statements are prepared in accordance with Dutch Generally Accepted Accounting Principles and are not intended to be statutory financial statements prescribed by Dutch Legislation. They have been prepared to provide information about the financial position performance and changes in the financial position of Stichting Iplussolutions to users who have been authorized by Iplussolutions to receive them.

### General accounting principles of valuation and determination of the result

The financial statements are prepared in conformity with accounting principles generally accepted by the Dutch Accounting Standards Board; (Title 9, Chapter 2, Dutch Civil code). Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless stated otherwise, assets and liabilities are valued according to the cost model. Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses and risks originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

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### Foreign currency

Assets and liabilities denominated in foreign currency are translated at the exchange rates prevailing on the balance sheet date. Transactions in foreign currency during the financial year are included in the financial statements at transaction rate. Exchange differences are taken to the profit and loss account.

### Intangible fixed assets

Intangible fixed assets are presented at cost less accumulated amortization and less impairments in value if applicable. Amortization is charged as a fixed percentage of cost. Intangible assets comprise of external development costs for a general financial administration software package, the costs for the development of an LMIS software system, the costs for the development of and SQL database and for the external development of an end-to-end supply chain system. The development costs are capitalized upon completion and upon determination that it is likely from both, a technical and commercial perspective, that the project will be successful and that the costs can be determined reliably.

The investment in the general financial administration (ICT Software) is depreciated, from the date an asset comes into use, over its expected economic lifetime of five years. The investment in the end-to-end supply chain system (Datawarehouse, Globis, Master data and Process reengineering) is done to facilitate the Pooled Procurement

Mechanisms project and other projects gained as a result of this. Since the contract for the Pooled Procurement Mechanism project is three years, with an extension of another three years based on performance, the expected economic lifetime and depreciation for this system is estimated at six years. The investment for the SQL database is estimated to have an economical life expectancy of three years. The investment for the LMIS software is estimated to have an economical life expectancy of three years.

### Tangible fixed assets

Tangible fixed assets are presented at cost less accumulated amortization and less impairments in value if applicable. Amortization is charged as a fixed percentage of cost. Depreciation is provided from the date an asset comes into use and continued for its useful life with a maximum of 5 years.

### Financial fixed assets

Financial fixed assets include other receivables at nominal value. A deferred tax asset or liability will be constituted in case of temporary differences between fiscal and economic valuation.

### Impairment of assets

At the end of each financial year the organization will review whether its fixed assets are subject to impairment. Impairment losses are deducted from amortized costs and expensed in the profit and loss statement.

### Receivables

Upon initial recognition the receivables are included at fair value and then valued at amortized cost. The fair value and amortized cost equal the face value. Any provision for doubtful accounts deemed necessary is deducted. These provisions are determined by individual assessment of the receivables.

### Foreign offices

For the implementation of several projects, i+solutions had established offices in Burundi, Democratic Republic of Congo, Nigeria, South

Africa and USA. The costs have been included, at transaction rate, in these annual statements as far as these are invoiced by and paid to i+solutions NL. The remainder of the foreign operations are reported and funded, at cost.

The prepaid balance to foreign offices in US Dollar, funded through i+solutions NL, at balance date are included in the report undervalued against the exchange rate prevailing at balance date. The prepaid balances are included under other receivables and prepaid expenses.

Country	Name of the Entity
<b>Nigeria</b>	Stichting Iplussolutions Nigeria LTD
<b>Nigeria</b>	Stichting Sustainable Global Health Initiative
<b>Democratic Republic of Congo</b>	DRC i+solutions (NGO)
<b>Burundi</b>	I+solutions Burundi (NGO)
<b>South Africa</b>	iplusSolutions NPC (Not for profit organization)

All the foreign entities are fully controlled by Stichting Iplussolutions. Stichting Iplussolutions Nigeria LTD has been dissolved per 6 May 2021. iplusSolutions NPC South Africa is in process to be dissolved.

### Net turnover

Net turnover represents the amounts invoiced or to be invoiced to third parties in respect of goods provided, where i+solutions acts as a principal, and services rendered in the financial year net of discounts and turnover taxes. For services rendered as an agent, the corresponding fees are recognized as revenue in the period during which the services were performed.

### Corporate tax

Taxation on profits is calculated on the reported pre-tax profit or loss, taking into account any losses carried forward from previous financial years and tax-exempt items and non-deductible expenses, and using current tax rates.

Principles of the cash flow summary  
The cash flow statement has been prepared using the indirect method. The funds in the cash flow statement consist of cash at bank and in hand and the current account debt at the



bank. Cash flows denominated in foreign currencies have been translated at an estimated average rate.

Exchange differences, income and expenditure owing to interest and tax on profits have been included under the cash flow from operating activities.

### Continuity

In the four years preceding 2020 the organization has had a negative net result which has led to negative equity as per end of 2019.

Fiscal year 2020 generated a positive result. It was the first year of the Pooled Procurement Mechanism project in full maturity, processing more volume than anticipated under compelling circumstances. This resulted in extraordinary additional compensation for the year 2020 and the successful win of substantial additional volumes which are materializing in 2021. The yearly results were partly impacted by one-off reorganization costs and third parties to support the implementation of the new project.

The assumption underlying this annual report and the day-to-day operations is the continuity of the organization. The reason for this is that the investments made in 2018-2019 to win the Pooled Procurement Mechanism project are paying off. Winning this project does not only mean a secure income stream for the coming two years (and likely the extension for another three years) but also positioned the organization as a solid partner for Procurement Service Agent services

which led to the acquisition of material new projects during 2020, and more is foreseen.

Besides the additional revenues and gross margins from these new projects, there are a number of synergies that will reduce the costs further, such as the reduction in the number of non-billable hours, the efficiency-gains from the investments made in the IT infrastructure and developments and the synergies to be created across the two Business Units.

### Assumptions underlying the annual report

As with any annual report, several estimations and assumptions were made when preparing the annual report.

A first assumption relates to the continuity of the organization. Taking the above into consideration, the projections are such that it can be fairly assumed that the organization will be in operation for the near future. A second, important, assumption is that the Global Fund will use its option to extend the current contract for another 3 years. Based on that assumption the outlook for the future five years shows positive results substantial enough to justify both, the activation of the Pooled Procurement Mechanism investments and addition to the Deferred tax asset. Finally, there is no reason to assume that the current balance of accounts receivable will not be received, and the balance of accounts payable will not be paid within the agreed period.

# Specific notes to the balance sheet items

	ICT Software	Data warehouse	Globis	Master data	Process Reengi- neering	SQL	Medexis software	Total
As at January 1, 2020								
At cost	17,450	157,097	721,099	171,040	830,558	212,268	-	2,109,512
Accumulated depreciation	<u>3,116</u>	<u>8,237</u>	<u>9,612</u>	<u>11,700</u>	<u>51,542</u>	<u>23,201</u>	-	<u>107,408</u>
<b>Book value as at January 1, 2020</b>	14,334	148,860	711,487	159,340	779,016	189,067	-	2,002,104
Movements								
Additions	-	-	27,796	-	-	-	100,462	128,258
Disposals	-	-	-	-	-	-	-	-
Depreciation	<u>3,490</u>	<u>26,183</u>	<u>124,215</u>	<u>28,507</u>	<u>138,426</u>	<u>70,756</u>	<u>16,744</u>	<u>408,321</u>
Total	-3,490	-26,183	-96,419	-28,507	-138,426	-70,756	83,718	-280,063
As at December 31, 2020								
At cost	17,450	157,097	748,895	171,040	830,558	212,268	100,462	2,237,770
Accumulated depreciation	<u>6,606</u>	<u>34,420</u>	<u>133,827</u>	<u>40,207</u>	<u>189,968</u>	<u>93,957</u>	<u>16,744</u>	<u>515,729</u>
<b>Book value as at December 31, 2020</b>	<b><u>10,844</u></b>	<b><u>122,677</u></b>	<b><u>615,068</u></b>	<b><u>130,833</u></b>	<b><u>640,590</u></b>	<b><u>118,311</u></b>	<b><u>83,718</u></b>	<b><u>1,722,041</u></b>
<b>Depreciation %</b>	<b>20%</b>	<b>16,70%</b>	<b>16,70%</b>	<b>16,70%</b>	<b>16,70%</b>	<b>33,30%</b>	<b>33,30%</b>	

## 2. TANGIBLE FIXED ASSETS

The movements in tangible fixed assets can be specified as follows.

	Office equipment	ICT	Total
<b>As at January 1, 2020</b>			
At cost	297,305	408,151	705,456
Accumulated depreciation	<u>291,161</u>	<u>347,109</u>	<u>638,270</u>
<b>Book value as at January 1, 2020</b>	6,144	61,042	67,186
<b>Movements</b>			
Additions	7,394	-	7,394
Disposals	-	-	-
<b>Depreciation</b>	<u>4,139</u>	<u>28,270</u>	<u>32,409</u>
Total	3,255	-28,270	-25,015

48	As at December 31, 2020			
	At cost	304,699	408,151	712,850
	Accumulated depreciation	<u>295,300</u>	<u>375,379</u>	<u>670,679</u>
	<b>Book value as at December 31, 2020</b>	<u><b>9,399</b></u>	<u><b>32,772</b></u>	<u><b>42,171</b></u>

<b>Depreciation %</b>	<b>20%</b>	<b>20%</b>
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## 3. FINANCIAL FIXED ASSETS

Deferred tax asset	2020	2019
Addition 2018	114,744	114,744
Addition 2019	153,628	153,628
Addition 2020	<u>-80,866</u>	<u>-</u>
	<u><b>187,506</b></u>	<u><b>268,372</b></u>

## 4. CURRENT ASSETS

All receivables are due within one year.

### Debtors

In 2019, a provision was included to cater for the uncertainty of receiving funds EUR 15,977. In 2020, no provision was deemed necessary.

	2020	2019
<b>Debtors</b>		
Debtors	31,239,488	3,613,142
Doubtful debtors	<u>-</u>	<u>-15,977</u>
	<u><b>31,239,488</b></u>	<u><b>3,597,165</b></u>

The increase in 2020 is mainly caused by outstanding payments related to the Pooled Procurement Mechanisms Project

Current Assets	2020	2019
Taxes and social securities	<u>-</u>	<u>18,884</u>
	<u><b>-</b></u>	<u><b>18,884</b></u>

### Other receivables and prepaid expenses

	2020	2019
Value added tax	80,474	283,203
Prepaid expenses foreign offices	9,519	36,864
Sales to be invoiced	6,163,449	17,032,274
<b>Other receivables and prepaid expenses</b>		
	<u>133,015</u>	<u>352,248</u>
	<u><b>6,386,457</b></u>	<u><b>17,704,589</b></u>

The decrease in other receivables and prepaid expenses is largely due to sales to be invoiced in 2019 for the Pooled Procurement Mechanism Project which has been invoiced in 2020.

## 5. CASH AT BANK AND IN HAND

From cash at bank EUR 51,530 is not freely disposable due to a guarantee given for rent. The balance as per 31st December 2020 includes a further EUR 27,870,955 which has been received as prepayment for Direct Procurement and Pooled Procurement Mechanism activities and expenses.

## 6. EQUITY

General reserve	2020	2019
As at January 1	-97,441	538,844
Appropriated profit for the financial year	121,266	-636,285
Appropriated reserve	-	-
As at December 31	<u>23,825</u>	<u>-97,441</u>

## 7. LONG TERM LIABILITIES

### Subordinated loans

The interest rate for this loan has been fixed on 0% as per 1 January 2016. Repayment of the loan is due on 31 December 2034. Repayment of the loan in between is due in the circumstance that the guaranteed capital of i+solutions, excluding the subordinated loan is, in two successive years, more than 50% of the total equity and liabilities of i+solutions. At the end of 2020 this percentage is 0,02% (2019: -0.21%). During 2020 the loan was renegotiated which resulted in a redemption, conditional upon full repayment of the remnant amount per 31/12/2021 latest.

In the case of reorganization due to loss of specific contracts/engagements the loan can be used to finance the cost with approval of the lender.

Subordinated loans	2020	2019
As at January 1	1,501,809	1,501,809
Loan redemption	-851,809	-
As at December 31	<u>650,000</u>	<u>1,501,809</u>

## 8. PROVISIONS

Other Provisions	2020	2019
Other Provisions	-	65,000
	<u>-</u>	<u>65,000</u>

Other Provisions in 2019 related to the cost of early termination of projects

## 9. CURRENT LIABILITIES

Creditors	2020	2019
Creditors	56,331,960	38,446,902
	<u>56,331,960</u>	<u>38,446,902</u>

The significant increase in Creditors is related to the Pooled Procurement Mechanisms Project. Supplier invoices are included in Creditors upon receipt but only paid out upon delivery of goods and services.

Taxes and social securities	2020	2019
Wages taxes and social security charges	109,872	281,742
Pension premium	-16,909	-10,575
VAT	-79,826	-
	<u>13,137</u>	<u>271,167</u>

### Accruals

	2020	2019
Holiday allowance and days	341,059	269,275
Accrued expenses	267,513	111,315
	<u>608,572</u>	<u>380,590</u>

### Prepayments

	2020	2019
Prepayment Pooled Procurement Mechanism procurement	10,273,500	5,090,978
Other prepayments	-	1,763,365
	<u>10,273,500</u>	<u>6,854,343</u>

The prepayments are advance payments received for procurement of health commodities for other parties, and in part advance payments for Project management and Consultancy projects.



## 10. CONTINGENT LIABILITIES

### Office lease

The office lease has been renewed as per December 2018 for an additional five years until November 2023 with a notice period of 4 months. Rent expenses in the Netherlands amount to EUR 137,290 excluding VAT per year for 2020.

### Car lease

In October 2019 the organization entered into a new contract with a car leasing company for five years. Of which an amount of EUR 11,600 is due within one year.

### Subordinated loan

During 2020 the loan was renegotiated which resulted in a redemption, conditional upon full repayment of the remnant amount per 31/12/2021 latest. In case of failure to repay remnant amount the original loan will revive for its original amount of EUR 1,501,809.

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# Specific notes to the profit and loss account

## 11. NET TURNOVER

As of 2020 the organization has organized its internal activities differently which has led to a reclassification of turnover over the different categories. These changes have also been applied retrospectively to 2019 to make a like-for-like comparison.

	2020	2019
Procurement services	5,860,214	2,530,660
Consultancy & projects	1,631,350	3,200,513
Training	4,042	14,936
Freight revenue	20,708,507	260,408
Commodity revenue	22,006,713	247,758
Others	19,252	-18,683
	<b>50,230,078</b>	<b>6,235,592</b>

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During 2020 the turnover was much higher than in 2019 due to higher Pooled Procurement Mechanism revenues; the project is now fully mature. Also turnover for Direct Procurement was slightly higher. Revenue on Consultancy & projects was lower due to the completion of both the Health System Strengthening Project in Liberia and SCS Borno project. The Health Program for DRC continued and the Mali HSS was started in Q4 among others.

The Procurement services revenue includes the fees earned for services provided under the Pooled Procurement Mechanisms project. As part of those services the procured commodities amount to EUR 472,2 mln as per below

	2020	2019
EM	14,340,696	-
ANTM	70,201,321	8,085,487
ARV	372,275,831	37,150,492
Freight & Logistics	19,498,913	260,408
	<b>476,316,761</b>	<b>45,496,387</b>

## 12. PROJECT EXPENSES

	2020	2019
Project expenses	44,719,439	2,244,377
	<b>44,719,439</b>	<b>2,244,377</b>

## 13. PERSONNEL EXPENSES

	2020	2019
Salaries and wages	3,583,497	2,801,171
Social security premiums	636,490	533,210
Other personnel expenses	329,361	674,480
	<b>4,549,348</b>	<b>4,008,860</b>

Included in the social security premiums is EUR 201,639 for pension premiums (2019: EUR 166,469).

### Employees

During the year 2020 the Foundation had an average number of employees (FTE) of 43.

## 14. REMUNERATION OF DIRECTORS

The Executive Board of Stichting Iplussolutions consisted of one person in 2020. In accordance with the exemption of Section 383-1, Book 2 of the Dutch Civil Code no disclosure regarding payments to the Executive Board is required.

## 15. OTHER OPERATING EXPENSES

	2020	2019
Housing expenses	159,430	180,324
Acquisition expenses	71,119	209,605
Audit costs	57,308	43,555
Supervisory Board remuneration	24,082	21,456
Office expenses	599,639	536,200
	<b>911,578</b>	<b>991,140</b>

## 16. FINANCIAL INCOME AND EXPENSES

	2020	2019
Exchange differences	-242,611	336,174
Interest income and expenses	-27,055	-19,495
Other income - Loan redemption	851,809	-
Net Financial Income	<b>582,143</b>	<b>316,679</b>

The exchange differences are mostly due to the revaluation of bank balances, accounts receivables and accounts payables, all held in USD as per year end.

## 17. CORPORATE TAX

	2020	2019
Corporate tax for the year	33,901	-
Loss compensation previous year	-11,005	-
Additional Assessment 2014 - 2016	-	58,242
Deferred tax asset	46,965	153,628
Corporate tax, Gain / (Loss)	<b>69,861</b>	<b>211,870</b>

# Appropriation of profit

The result for the year 2020 amounting to EUR 121,266 (2019: EUR -636,285) will be added to the general reserve



# Post Balance Sheet Events

The Coronavirus is still around and having an impact on public life and our daily work also given the government measures taken. We continue to operate a Corona Crisis Committee which is gathering on a frequent basis. We have made a contingency plan with clear measures how to best cope with the challenges resulting from this outbreak. Per the beginning of the year our staff in the Netherlands was working from home. This was possible due to our highly automated infrastructure and reduced the risk of our staff infecting each other. We have business continuity plans in place. For instance we have documented most of our processes and have appointed back-ups for our critical staff in case they get ill. With the relaxation of measures as advised by our government we have started to allow a limited number of employees to return to office under strict measures. Also our in-country operations in Africa are impacted.

Although Africa is less impacted by the corona virus, restrictions are in place. At the moment we expect that most of our projects in Africa can still continue, except physical training of people. We do have an e-learning platform and are able continue training for most projects via e-learning. If the situation gets worse in Africa it might of course be possible our projects will face delays. We continue monitoring this on a daily basis. Since we are active in the distribution of essential medicines our activities are earmarked as vital for society and therefore we will be allowed to continue working on them by governments.

In late 2020 we have successfully won a project in addition to the Pooled Procurement Mechanism, which concerns Covid related materials. This has generated very substantial additional volumes in the first half of 2021.



# Approval of the annual report

Approved by:

## SUPERVISORY BOARD

C.J. Berendsen	residing at Geldermalsen - The Netherlands (Chair)
M.A. Jacobs	residing at Oegstgeest -The Netherlands
M.J. Kok	residing at The Hague-The Netherlands
H.E. van Schooten	residing at Delft-The Netherlands

Adopted by:

## EXECUTIVE BOARD

**E.A. Monchen**  
Chief Executive Officer  
Woerden, July 23<sup>st</sup>, 2021

# Auditors Report

To the Supervisory Board of  
Stichting Iplussolutions



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## INDEPENDENT AUDITOR'S REPORT

### A. Report on the audit of the financial statements 2020 included in the annual report

#### Our opinion

We have audited the financial statements 2020 of Stichting Iplussolutions based in Woerden.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Stichting Iplussolutions as at 31 December 2020, and of its result for 2020 in accordance with Dutch Accounting Standards Board guidelines 650.

The financial statements comprise:

- 1 the balance sheet as at 31 December 2020;
- 2 the profit and loss account for 2020; and
- 3 the notes comprising a summary of the accounting policies and other explanatory information.

#### Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Stichting Iplussolutions in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the annual report from the CEO;
- other information as required by Dutch Accounting Standards Board guidelines 650.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Dutch Accounting Standards Board guidelines 650.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Dutch Accounting Standards Board guidelines 650 and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management report in accordance with Dutch Accounting Standards Board guidelines 650 and other information as required by Dutch Accounting Standards Board guidelines 650.

## C. Description of responsibilities regarding the financial statements

### Responsibilities of management and the supervisory board for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Dutch Accounting Standards Board guidelines 650. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

### Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company'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 a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Amsterdam, July 30, 2021

Baker Tilly (Netherlands) N.V.

L. den Boer RA  
Director Audit







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