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ACRONYMS

BDBL	Bhutan Development Bank Ltd.
BHTF	Bhutan Health Trust Fund
BNB	Bhutan National Bank Ltd.
BOB	Bank of Bhutan
DPNB	Druk Punjab National Bank
GAVI	Global Alliance for Vaccines and Immunization
MoH	Ministry of Health
RAA	Royal Audit Authority
RGoB	Royal Government of Bhutan
RICBL	Royal Insurance Corporation of Bhutan Ltd
RMA	Royal Monetary Authority
WHO	World Health Organization



Lyonpo Tandin Wangchuk, Minister of Health & Chairman,
Bhutan Health Trust Fund

MESSAGE FROM THE CHAIRMAN

I am extremely happy to take over as the Chairman of the Bhutan Health Trust Fund. It gives immense pleasure to bring out the Annual Progress Report of the Bhutan Health Trust Fund 2012- 2013. It is gratifying to note that the Trust Fund is growing slowly but steadily. I am confident that a time will come, sooner or later, whereby the Royal Government's cherished dream of sustaining the Primary Health Care of the people of Bhutan will be fulfilled.

Firstly, I would like to congratulate the Secretariat for constant effort and hard work, who over the past years, have worked hard in the interest of the health of the people of Bhutan. Secondly, I would like to thank all our donors of the past and the present contributors of the Move for health Walk 2013, who have supported the Trust fund either directly or indirectly to bring it to its present status of **Nu. 1,241,001,079.36**. I am confident that they will continue to extend their valuable support. It is through the exhibition of communal effort and sense of belonging of like-minded individuals like you all that BHTF was able to affirm Move for Health Walk 2013 a great triumph.

The support of our valued donors including individuals, families, communities, organizations and well wishers of Bhutan will play a crucial role in taking the Fund to its new height in the years ahead.

The Fund will go up a long way to keep the people of Bhutan HEALTHY and HAPPY. It will also ensure uninterrupted supply of critical vaccines and essential drugs for generations to come, as enshrined in Royal Charter 2000.

Tashi Delek!

Lyonpo Tandin Wangchuk
Chairman
Management Board
Bhutan Health Trust Fund

1. VISION

To promote the quality of life of the people through provision of primary health care services

2. OBJECTIVE

To help sustain primary health care through the assurance of continued and uninterrupted supply of critical vaccines and essential drugs

- Eliminate financing uncertainties for priority health care services out of income generated from investment of the Fund

3. TARGET

To mobilize US\$ 24.00 million based on the principle of one-to-one partnership.

4. BENEFICIARIES

- All the citizens of the country irrespective of their gender

5. OPERATIONALIZATION OF THE FUND

The operationalization of the Fund began from 2003-2004 Financial Year. Since then, it has supported Vaccine Programs and it continues to support these Programs. Since operationalization of the Fund, the Fund has supported the procurement of essential vaccines as per the details provided hereunder:

The above annual expenditures are depicted below in the chart:

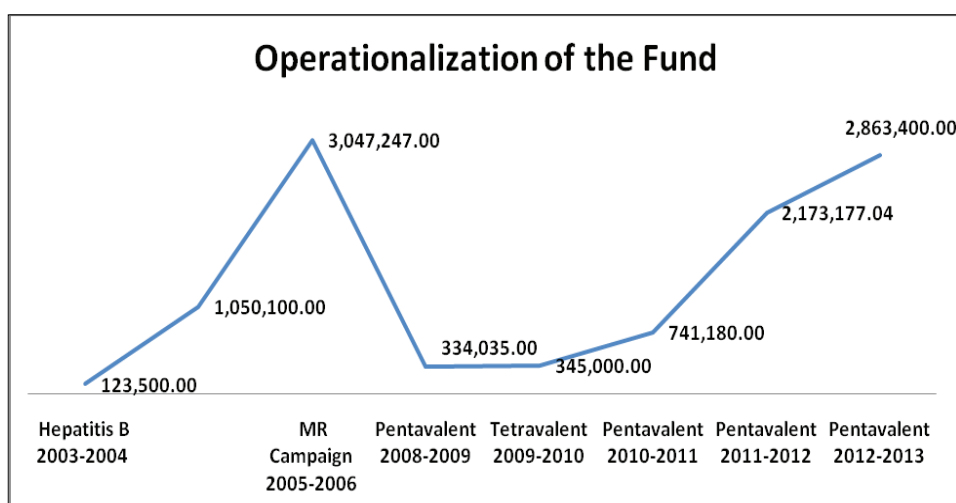


Fig 1.0 Expenditure of BHTF in (Nu)

A sum of **Nu 2,863,400.00** (Ngultrum Two Million Eight Hundred Eighty Sixty Three Thousand Four Hundred) only had been released to the concerned implementing agencies in support of the procurement of Pentavalent vaccines, syringes and safety boxes, by way of co-financing with GAVI. These vaccines had been utilized throughout the country in the year 2012-2013.

6. MAJOR DONORS

The following are the major donors to the Fund:

- ✓ Royal Govt. of Bhutan
- ✓ 2002 Move for Health Walk Sponsorship ***
- ✓ Royal Norwegian Govt.
- ✓ The Summit Foundation
- ✓ Bill & Melinda Gates Foundation
- ✓ Dr. Frederick Paulsen Foundation Inc.
- ✓ Govt. of Australia
- ✓ Govt. of New Zealand
- ✓ Mr. Andrew Evans
- ✓ Mr. Madanjeet Sing
- ✓ Dr. Franz Rhomberg
- ✓ Private Sector of Bhutan
- ✓ Schools

*** Includes contributions from various Ministries, Corporations, Private Sector, 20 Dzongkhags, Bhutanese Embassies, friends/well-wishers from abroad, etc.

As may be seen from the above, the Royal Government of Bhutan topped the list with US\$ 11.801 million followed by 2002 Move for Health Walk Sponsorship with more than US\$ 1.5 million while the Royal Norwegian Government topped the list amongst external donors with more than US\$ 1.3 million.

7. STATUS OF THE FUND

As of 30 June 2013, the fund stands at **Nu. 1,241,001,079.36**

Safe and sound investments play a key role in strengthening the capitalization of the Fund. Management cannot afford to invest money in risky avenues as the management is solely accountable to each and every contribution, whether small, medium or large, received from various donors throughout the country and beyond.

More than Nu 994.14 million was invested within the country in Local currencies as of 30 June 2012. The investments included fixed deposits, short term deposits, bonds in Druk Air, Royal Insurance Corporation of Bhutan Ltd., etc. Details on the various investments are as per the details provided here under:

S/NO	Particulars	2013 (Nu)	2012 (Nu)
1	Investment in Fixed Deposit	801,977,289.00	663,050,670.00
2	Investment in S/B Deposit	718,914.30	13,592.60
3	Investment in Druk Air Bond	25,062,000.00	25,062,000.00
4	Investment in RGoB Loan	207,000,000.00	276,000,000.00
5	Investment RICBL Bond	10,000,000.00	10,000,000.00
6	Other Investments (DPNB)	9,950.00	9,950.00
7	Investment in DPNB Bond	20,000,000.00	20,000,000.00
8	Other Investment (BDBL)	8,407,882.44	5,000.00
	Total Investment	1,073,176,035.74	994,141,212.60

Investment in Foreign currencies for the year ended 30 June 2013			
S/NO	Particulars	2013 (Nu)	2012 (Nu)
1	USD Investment (Equiv. Nu)	103,859,003.96	96,924,552.02

2012-2013 saw a return of more than Nu.58.41 million from various investments as against Nu.60.42 Million in 2011-2012; thus decrease of about 3.32%. The decrease is due to premature termination of FDR at DPNB, as the interest was offered at a minimal rate of 4% p.a. However, as the same is reinvested with BNBL at 8.75% p.a. it would mean long term gain.

8. FUND MOBILIZATION

The Move for Health Walk 2013 was held on 19-20 October 2013. It was able to mobilize a sum of **Nu. 9,547,043.50/-** Please visit our website www.bhtf.bt for the list of contributors and other details.

9. ACHIEVEMENTS

By way of co-financing with GAVI in the procurement of Pentavalent Vaccines, AD Syringes and Safety boxes. A total of **13,122** children across the country had been immunized during the year 2012-2013.

10. AUDITORS AND AUDIT OF THE FUND

During its first meeting held on 10 May 2001, the Board appointed the Royal Audit Authority of Bhutan (RAA) as the Auditor of the Fund.

Since then the Royal Audit Authority has audited the Fund for the following periods:

- ✓ Inception to June 2005
- ✓ July 2005 to June 2006
- ✓ July 2006 to June 2007
- ✓ July 2007 to June 2008
- ✓ July 2008 to June 2009
- ✓ July 2009 to June 2010
- ✓ July 2010 to June 2011
- ✓ July 2011 to June 2012
- ✓ July 2012 to June 2013

As of 30 June 2013, 9 audits have been conducted and 8 Audit Certification Reports have been shared with major donors.

The Fund for 2012-2013 was audited from 5 February 2014 to 14 February 2014. This is the Ninth audit of the Fund since its launching on 12 May 1998.

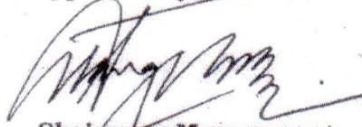
The Income and Expenditure Statement and the Statement of Affairs (Balance Sheet) of the Report is given below:

Exhibit-I

BHUTAN HEALTH TRUST FUND
Income and Expenditure Statement for the year ended 30th June 2013

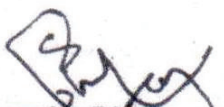
Particulars	Schedule	30.06.2013 (Nu)	30.06.2012 (Nu)
Income			
Interest Income from investment	I	58,408,582.98	60,421,596.68
Miscellaneous Income	II	45,650.00	60,760.00
Gain in Exchange Rate		5,251,623.25	18,972,379.67
Total Income		63,705,856.23	79,454,736.35
Expenditure			
Bank Commissions and Charges		50.00	3,068.91
Vaccine		2,863,400.00	1,996,467.00
Honorarium		30,000.00	30,000.00
Loss in Exchange Rate		-	-
Total Expenditures		2,893,450.00	2,029,535.91
Surplus (Deficit) for the year		60,812,406.23	77,425,200.44

Approved By:



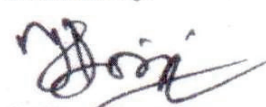
Chairman, Management
 BHTF, MoH
 Chairman
 Management Board
 Bhutan Health Trust Fund
 Thimphu : Bhutan

Prepared By:



Executive Director
 BHTF Secretariate, Thimphu

Certified By:



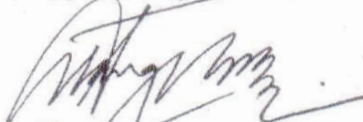
Auditor, Royal Audit
 Authority Thimphu

Exhibit-II

BHUTAN HEALTH TRUST FUND
Statement of Affairs (Balance sheet) as at 30th June 2013

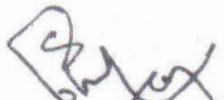
Particulars	Schedule	30.06.2013 (Nu)	30.06.2012 (Nu)
Assets			
Investment in Local Currencies	III (A)	1,073,176,035.74	994,141,212.60
Investment abroad	III (B)	103,859,033.96	96,924,552.02
Interest Accrued	IV	60,694,605.02	86,132,943.12
Current Assets			
Closing Bank Balance		3,271,404.64	2,989,965.39
Total Assets		1,241,001,079.36	1,180,188,673.13
Financed By:			
Capital Contributions	V	709,518,001.04	709,518,001.04
General Fund	VI	531,483,078.32	470,670,672.09
Total Capital & Reserves		1,241,001,079.36	1,180,188,673.13

Approved By:



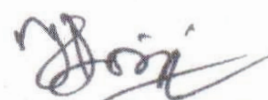
Chairman, Management
 BHTF, MoH
 Chairman
 Management Board
 Bhutan Health Trust Fund
 Thimphu : Bhutan

Prepared By:



Executive Director
 BHTF Secretariate , Thimphu

Certified By:



Auditor, Royal Audit
 Authority Thimphu

Schedule I					
Interest Income earned from Local currencies for the year ended 30 June 2013					
Sl. No	Particulars	2013	(Nu)	2012	(Nu)
1	Interest Income from Fixed Deposit	41,026,287.85		40,969,288.55	
	Interest Income from S/B Deposit	161,179.59		47,095.71	
2	Interest Income from Druk Air Bond	1,879,650.00		1,879,650.00	
3	Interest Income from RGoB Loan	11,457,780.82		15,252,780.82	
4	Interest Income from RICB Ltd. Bond	700,000.00		700,000.00	
5	Interest Income from Druk PNB Bank Bond	1,500,000.00		-	
6	Interest Income from USD Investment abroad	1,683,684.72		1,572,781.60	
	Total Interest Income	58,408,582.98		60,421,596.68	

Schedule II			
Miscellaneous Income for the year ended 30 June 2013			
Sl. No		Receipt No and Date.	Amount (Nu)
1	Rental income from S/jongkhar Hospital Canteen	2408 dt.07/07/2012	3,500.00
2	-Do-	2409 dt.23/08/2012	4,215.00
3	-Do-	2410 dt.08/10/2012	4,215.00
4	-Do-	2411 dt.19/11/2012	4,215.00
5	-Do-	2412 dt.12/12/2012	4,215.00
6	-Do-	2413 dt.25/01/2013	4,215.00
7	-Do-	2415 dt.01/03/2013	4,215.00
8	-Do-	2416 dt.11/04/2013	4,215.00
9	-Do-	2417 dt.22/05/2013	4,215.00
10	-Do-	2418 dt.22/05/2013	4,215.00
11	-Do-	2419 dt.21/06/2013	4,215.00
			45,650.00

Schudule III			
Schedule III (A)			
Investment in Local currencies for the year ended 30 June 2013			
Sl. No	Particulars	2013 (Nu)	2012 (Nu)
1	Investment in Fixed Deposit	801,977,289.00	663,050,670.00
2	Investment in S/B Deposit	718,914.30	13,592.60
3	Investment in Druk Air Bond	25,062,000.00	25,062,000.00
4	Investment in RGoB Loan	207,000,000.00	276,000,000.00
5	Investment in RICBL Bond	10,000,000.00	10,000,000.00
6	Other Investment(DPNB)	9,950.00	9,950.00
7	Investment in DPNB Bond	20,000,000.00	20,000,000.00
8	Other Investment(BDBL)	8,407,882.44	5,000.00
	Total Investment	1,073,176,035.74	994,141,212.60

Schedule III (B)			
Investment in Foreign currencies for the year ended 30 June 2013			
Sl. No	Particulars	2013 (Nu)	2012 (Nu)
6	USD Investment (Equiv.Nu.)	103,859,033.96	96,924,552.02
	Total Investment	103,859,033.96	96,924,552.02

Schedule IV					
Interest Accrued on Fixed Deposit/RGoB Loan as on 30 June 2013					
Sl. No.	Initial Investment	Current Investment	2013 (Nu)	2012 (Nu)	Remarks
1	10,000,000.00	-	-	2,488,359.91	Matured
2	50,000,000.00	-	-	12,441,799.54	Matured
3	50,000,000.00	-	-	12,441,799.54	Matured
4	20,700,000.00	-	-	5,060,165.28	Matured
5	11,500,000.00	-	-	2,661,338.80	Matured
6	37,300,000.00	-	-	1,527,703.25	Matured
7	37,300,000.00	-	-	1,527,703.25	Matured
8	86,250,000.00	-	-	5,751,033.01	Matured
9	55,000,000.00	-	-	3,667,325.40	Matured
10	69,128,408.00	-	-	3,672,446.65	Matured
11	69,128,408.00	-	-	3,672,446.65	Matured
12	69,128,408.00	-	-	3,672,446.65	Matured
13	47,432,723.00	-	-	6,329,749.24	Matured
14	47,432,723.00	-	-	6,329,749.24	Matured
15	1,700,000.00	1,700,000.00	66,695.89	-	F.D-BDBL
16	30,100,000.00	30,100,000.00	1,217,813.01	-	F.D-BDBL
17	30,100,000.00	30,100,000.00	1,217,813.01	-	F.D-BDBL
18	25,000,000.00	25,000,000.00	1,011,472.60	-	F.D-BDBL
19	137,507,204.00	137,507,204.00	5,900,565.98	-	F.D-BDBL
20	100,000,000.00	100,000,000.00	7,112,265.00	-	F.D-BNB Ltd
21	100,000,000.00	100,000,000.00	7,112,265.00	-	F.D-BNB Ltd
22	100,000,000.00	100,000,000.00	7,112,265.00	-	F.D-BNB Ltd
23	100,000,000.00	100,000,000.00	7,112,265.00	-	F.D-BNB Ltd
24	29,000,000.00	29,000,000.00	1,993,226.00	-	F.D-BNB Ltd
25	71,609,455.00	71,609,455.00	4,661,481.00	-	F.D-DPNB
26	38,480,315.00	38,480,315.00	2,504,910.00	-	F.D-DPNB
27	38,480,315.00	38,480,315.00	2,504,910.00	-	F.D-DPNB
		801,977,289.00	49,527,947.49	71,244,066.41	
28	690,000,000.00	207,000,000.00	11,166,657.53	14,888,876.71	RGoB Loan
	Total	1,008,977,289.00	60,694,605.02	86,132,943.12	

Schedule V			
Capital Contributions as on 30 June 2013			
Sl. No	Particulars	2013 (Nu)	2012 (Nu)
1	Contributions brought forward (01.07.2012)	709,518,001.04	
2	Capital Contributions for the year	-	709,518,001.04
	Total for the period ended 30.6.2013	709,518,001.04	709,518,001.04

Schedule VI			
Details of General Fund as on 30 June 2013			
Sl. No	Particulars	2013 (Nu)	2012 (Nu)
1	Surplus (Deficit) brought forward	470,670,672.09	
2	Surplus for the year ended 30.06.2013	60,812,406.23	470,670,672.09
	Total	531,483,078.32	470,670,672.09

11. ACKNOWLEDGEMENT

Bhutan Health Trust Fund Secretariat would like to thank all our valued donors, within and abroad, for your unwavering support in this noble cause. Your kind support has helped the Fund to grow from strength to strength. We have high hopes and aspirations that you would continue to support us in all our future endeavors.



Move for Health Walk 2013; an ingenious way of advocating health and mobilizing Fund

