

REPORT OF THE CONTROLLER AND AUDITOR GENERAL



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



ISO 9001:2015 Certified

TANZANIA FOOD AND NUTRITION CENTRE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

Controller and Auditor General,
National Audit Office,
Ukaguzi House,
Mahakama Road,
P.O. Box 950,
41104 Tambukareli,
Dodoma, Tanzania.
Tel: 255 (026) 2161200-9,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

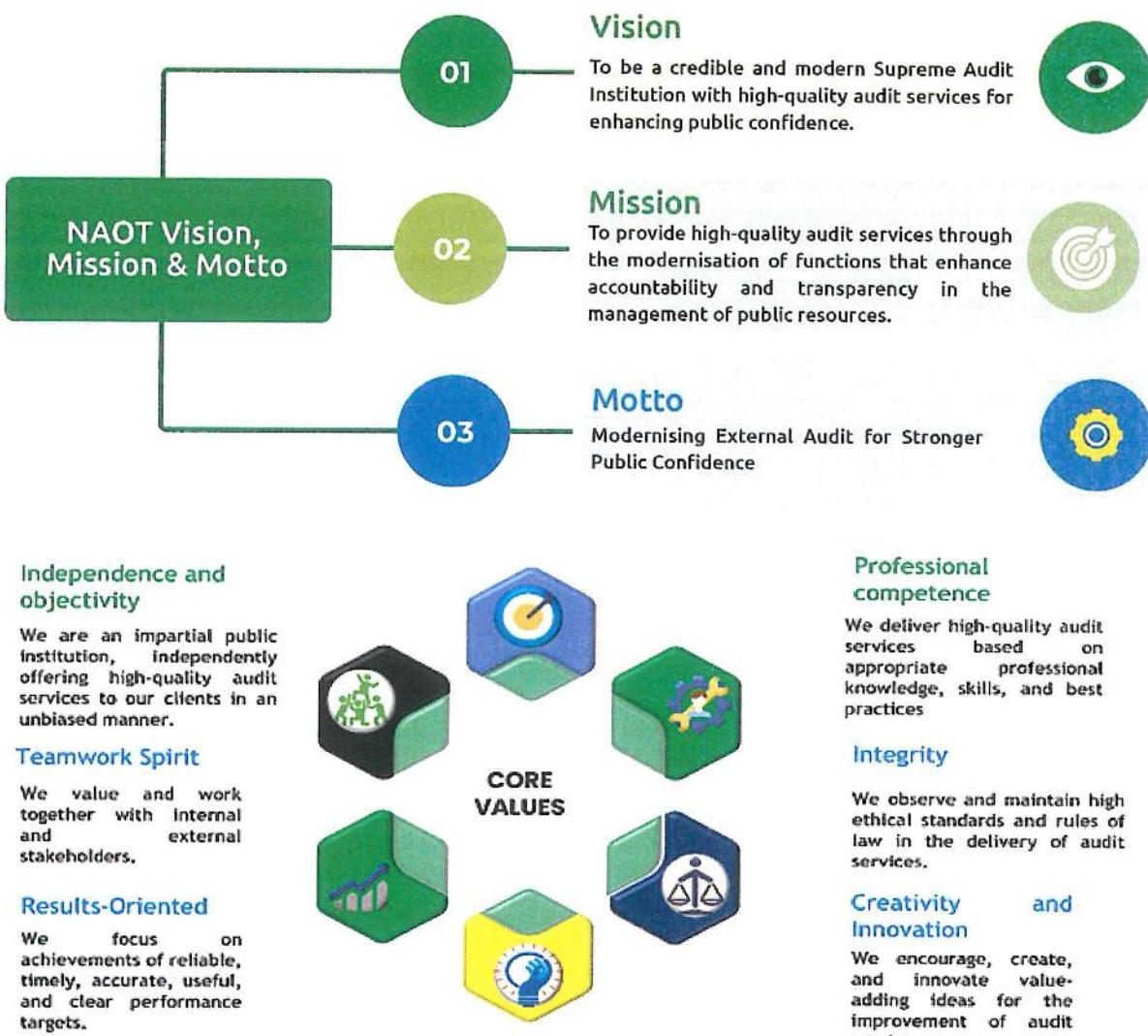
March 2025

AR/PA/TFNC/2023/24

About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap. 418.



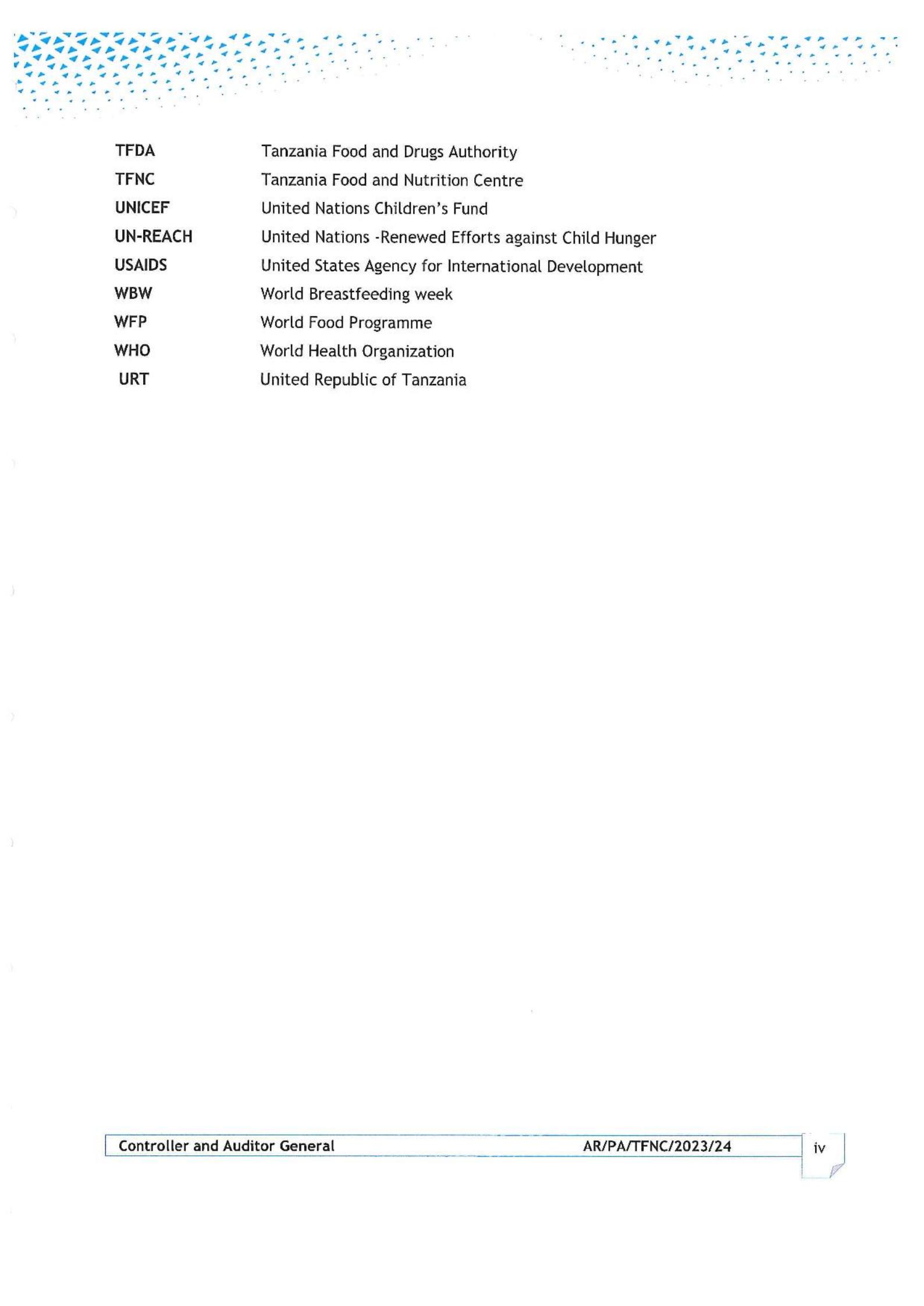
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ABBREVIATIONS

| | |
|-------------------|--|
| AIDS | Acquired Immune Deficiency Syndrome |
| CAG | Controller and Auditor-General |
| CMA | Commission for Mediation and Arbitration |
| COUNSENUTH | Centre for Counseling Nutrition and Health Care |
| ECD | Early Childhood Development |
| ECL | Expected Credit Loss |
| FAO | Food and Agriculture Organization |
| FBDG | Food Based Dietary Guideline |
| FYDP | Five Year Development Plan |
| GAIN | Global Alliance for Improved Nutrition |
| HIV | Human Immunodeficiency Virus |
| HKI | Helen Keller International |
| IBCC | Information Behavior Change Communication |
| IDD | Iodine deficiency disorder |
| IHI | Ifakara Health Institute |
| IPSAS | International Public Sector Accounting Standards |
| LGD | Loss Given Default |
| MIYCAN | Maternal, Infant, Young Child and Adolescent Nutrition |
| MoH | Ministry of Health |
| MTEF | Medium Term Expenditure Framework |
| NACS | Nutrition Assessment and Counselling |
| NBAA | National Board of Accountants and Auditors |
| NGOs | Non-Government Organizations |
| NMNAP | National Multi-Sectoral Nutrition Action Plan |
| NNS | National Nutrition Survey |
| PD | Probability of Default |
| PMO | Prime Minister's Office |
| | President Office - Regional Administration and Local |
| PORALG | Government |
| SBCC | Social Behavior Change and Communication |
| SDGs | Sustainable Development Goals |



| | |
|-----------------|--|
| TFDA | Tanzania Food and Drugs Authority |
| TFNC | Tanzania Food and Nutrition Centre |
| UNICEF | United Nations Children's Fund |
| UN-REACH | United Nations -Renewed Efforts against Child Hunger |
| USAIDS | United States Agency for International Development |
| WBW | World Breastfeeding week |
| WFP | World Food Programme |
| WHO | World Health Organization |
| URT | United Republic of Tanzania |

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board,
Tanzania Food and Nutrition Centre,
PO Box 977,
Dar es Salaam.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Food and Nutrition Centre (TFNC), which comprise the statement of financial position as at 30 June 2024, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Food and Nutrition Centre (TFNC) as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap 348.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled “Responsibilities of the Controller and auditor General for the audit of the financial statements”. I am independent of Tanzania Food and Nutrition Centre (TFNC) in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the Director's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements

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

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

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

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In addition, Section 10 (2) of the Public Audit Act Cap 348 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act Cap 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

Subject matter: Compliance audit on procurement of works, goods and services

I performed a compliance audit on procurement of works, goods and services in the Tanzania Food and Nutrition Centre (TFNC) for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of Tanzania Food and Nutrition Centre is generally in compliance with the requirements of the Public Procurement laws in Tanzania.

i) TFNC APP was not approved by Governing Board

I noted that TFNC Annual Procurement Plan was not approved by Budgetary Approving Authority. This is contrary to Section 49(2) of Public Procurement Act, [CAP. 410 R.E. 2022] which requires the annual procurement plan to be approved by an appropriate budget approving Authority.

ii) TFNC does not set aside 30% of its Annual Procurement Plan for Special Groups.

I noted that TFNC does not set aside 30% of its procurement for special groups contrary to Regulation 30(c)(2) of Public Procurement Regulation 2013 (as amended in 2016)

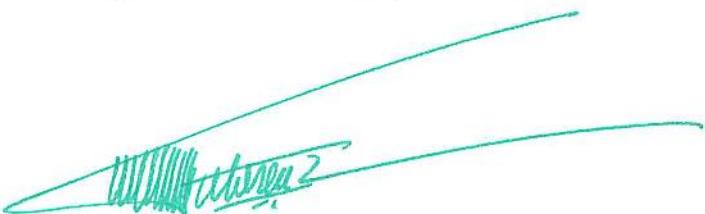
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Food and Nutrition Centre (TFNC) for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Tanzania Food and Nutrition Centre (TFNC) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

A handwritten signature in black ink, appearing to read "Charles E. Kichere".

Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2025



2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024

2.1 INTRODUCTION

Those Charged with Governance are pleasure to submit its annual report together with the Financial Statements for the year ended 30 June 2024 disclosing state of affairs of operations of TFNC. The report has been prepared in accordance with International Public Sector Accounting Standards (IPSAS).

2.2 CORPARATE OUTLOOK

2.2.1 Establishment and mandate

Tanzania Food and Nutrition Centre (TFNC) is an autonomous Institution established by the Tanzania Food and Nutrition Act No 24 of 1973, as amended by act no 3 of 1995 under the Ministry of Health and Social Welfare. The Centre is located at plot number 22, Ocean Road, P. O. Box 977, Dar es Salaam.

There are five Directorates headed by the Directors and four Units who report to the Managing Director

The Heads of the Directorates are:

- a. Director of Finance, Human Resource and Administration.
- b. Director of Community Health and Nutrition.
- c. Director of Nutrition Education and Training.
- d. Director of Food Science and Nutrition.
- e. Director of Nutrition Policy and Planning.

The Heads of Units are:

- a. Head of Internal Audit Unit.
- b. Head of Procurement Management Unit.
- c. Head of Law Unit.
- d. Head of Information and Communication Technology Unit.

2.3 VISION AND MISSION

The vision and mission of the TFNC are as follows: -

VISION

To be a world-class centre of excellence that provides strategic leadership in nutrition to our clients and partners.

MISSION

To prevent and control malnutrition in Tanzania through the coordination, guidance, and catalysing of food and nutrition interventions.

2.4 ROLES AND FUNCTIONS

TFNC is charged with coordinating, guiding, and catalysing nutrition response in the country.

Specific roles and functions of the Institution as stipulated in the Tanzania Food and Nutrition Act, 1973 are as follows:

- a. To plan and initiate food and nutrition programmes for the benefit of the people of the United Republic of Tanzania;
- b. To undertake review and revision of food and nutrition programmes;
- c. To provide facilities for training in subjects relating to food and nutrition and prescribed conditions which must be satisfied before any diploma, certificate or other award which may be granted in any such subject upon completion of any training undertaken by the Centre or other educational institution in the United Republic of Tanzania;
- d. To carry out research in matters relating to food and nutrition;
- e. To advise the Government, the schools and other public organizations on matters relating to food and nutrition;
- f. To stimulate and promote, amongst the people of the United Republic of Tanzania, an awareness of the importance of a balanced diet and of the dangers of malnutrition;
- g. To gain public confidence in the methods suggested by the Centre for the correction or avoidance of malnutrition;
- h. In collaboration with the Ministry responsible for Development Planning, to formulate, for incorporation in the national development plans, plans relating to food and nutrition for the benefit of the people of the United Republic of Tanzania;
- i. In collaboration with the producer, manufacturers and distributors of articles of food, to ensure proper nutritional value of the food marketed in the United Republic of Tanzania or exported to foreign countries;
- j. To make available to the Government and the people of the United Republic of Tanzania its findings on any research carried out by it on matters affecting nutrition;
- k. To participate in international conference, seminars and discussions on matters relating to food or nutrition; and
- l. To do all such acts and things, and enter into all such contracts and transactions, as are, in the opinion of the Governing Board, expedient or necessary for the discharge of the functions of the Centre.

2.5 COMPOSITION OF THE GOVERNING BOARD

The Board expired on 25th October, 2021, mean while the Honourable President of United Republic of Tanzania Samia Suluhu Hassan has appointed Obey Assery to be the Chairperson of the Board with effect from 13 April 2022. But to date the Ministry of Health has not yet appointed the Board Members.

2.6 OPERATING FINANCIAL REVIEW

2.6.1 FINANCIAL STATEMENTS REVIEW

During the financial year ended on 30 June 2024 the Centre generated Revenue of TZS 6,600,258,466 (2022/23: TZS 5,767,155,354) and incurred Expenditure of TZS 6,855,592,678 (2022/23: 6,056,354,043) hence a deficit of TZS 255,334,212 (2022/23: 289,198,689).

The financial Position of the Centre includes Non-Current Assets of TZS 21,373,182,187 (2022/23: 21,470,482,517). Current Assets of TZS 2,327,933,903 (2022/23: 1,955,004,820) and Current Liabilities of TZS 2,529,335,277 (2022/23: 1,998,372,312).

The equity of the Centre amounts to TZS 21,171,780,813 (2022/23: 21,427,115,025)

2.6.2 FUNDING STRUCTURE

TFNC is funded mainly by the Government of the United Republic of Tanzania. Foreign grants also form a major source of funds for financing the costs of implementation of various approved nutrition programs proposed by the Centre. The table below provide summary of budgeted fund against actual funds received from various sources during the period: 2023/24

Table 1: Funding structure of TFNC

| Source of Funds | Approved Budget | Actual Receipts | Actual over Budget |
|----------------------|-------------------------|-------------------------|--------------------|
| | TZS | TZS | % |
| Personnel Expenses | 3,882,443,573.00 | 3,082,884,096.00 | 79 |
| Other Charges | 569,990,000.00 | 526,702,628.73 | 92 |
| Own Sources | 644,336,800.00 | 447,353,610.00 | 69 |
| Development Partners | 3,868,852,297.00 | 3,113,317,027.27 | 80 |
| Total | 8,965,622,670.00 | 7,170,257,362.00 | 80 |

2.7 IMPLEMENTATION OF THE PLAN AND BUDGET 2023/24

For the year ended 30 June 2023 TZS 6,056,354,043 were spent. During the year ended 30 June 2024, TFNC spent a total sum of TZS 6,855,592,678 to implement various activities focused

towards accelerating reduction of malnutrition levels so as to achieve the SP, NMNAP II, HSSP V, FYDP III and SDG targets by the end of the year 2025.

2.7.1 Summary of MTEF Targets against Main Achievements

This section provides a review summary of all activities which were planned to be implemented in the period from July 2023 to June 2024 in the financial year 2023/2024. It will also provide the main achievement recorded according to the targets that were set during that period under review.

Table 2: Summary of MTEF targets Vs Main Achievements

| S/N | Objective | Target | Planned Activity | Achievement | % of target achievement |
|-----|--|---|--|---|-------------------------|
| 1. | Objective A: HIV and AIDS Supportive services improved and HIV and AIDS infections reduced | HIV/AIDS and NCD interventions for 112 staff and families implemented by June,2025 | To conduct training on HIV/AIDS and NCD interventions for 80 to TFNC staff by June 2024 | Health of 56 TFNC staff was improved | 70 |
| 2. | Objective B: Implementation of National Anti-Corruption Strategy and Action Plan (NACSAP) Enhanced | Transparency and accountability in provision of services for 112 staff strengthened by June 2025 | To create awareness on ant corruption practices to 80 TFNC staff that can affect the center's performance by June 2024 | 56 TFNC staffs were trained on Transparency and accountability of the center. | 70 |
| | | | To develop an integrity committee, work plan by June 2024 | No Corruption issues reported | 100 |
| 3. | Objective C: Stakeholders technical capacity in delivering food and nutrition services strengthened | Target 1: Knowledge and skills on Food, Nutrition and Related Program among 300 implementers enhanced by June, 2025. | Facilitate MIYCAN training to 100 Health Care frontline workers in four regions of Tanzania by June 2024 | Nutrition services delivered at the health facility level in the region of Mwanza (41centers) and 17 health facility in Dar es Salam were improved. | 58 |
| | | Target 2: 80% of nutrition stakeholders in MDAs, RS and LGAs' capacitated on national nutrition policy and plans by 2025. | To facilitate nutrition sensitive programing to 60 (RNuO, DNuO and MDAs) nutrition stakeholders from RS, MDA and LGAs in Dodoma by June 2024 | Nutrition sensitive programming and implementation among MDAs, RS and LGAs focal person (26 RNuO, 8 MDAs) improved | 57 |

| | | | | | |
|--|--|--|---|--|-----|
| | | Target 3: 90% of MDAs, RS and LGAs nutrition officers / focal points' capacity in management and use of nutrition data enhanced by June, 2025. | To facilitate the use of MNIS and data management to 150 MDAs, RS, LGAs and other nutrition stakeholders by June 2024 | 114 Nutrition stakeholders' capacity in data processing, management and make an informed decision using MNIS routine data system were strengthened | 76 |
| | | Target 4: RHMTs and CHMTs capacitated on IMAM supervisory and mentorship in 15 regions by June 2025 | To conduct an online training on Integrated Management of Acute Malnutrition health care providers from 5 regions with high prevalence of wasting by June 2024 | IMAM services improved in the five region of Kigoma, Tanga, Geita, Dar es Salaam and Arusha | 100 |
| | | Number of low performing regions capacitated on prevention and control of IDD | To orient CHMT members and salt producers on production of quality iodized salt in three regions with low coverage of iodized salt by June 2024 | Production of quality iodized salt in two region of Lindi and Mtwara were capacitated | 67 |
| 4. Objective D: Nutrition research, innovation and use of evidence-based information in improving nutrition status of the people strengthened | Six researches on nutrition policy, and planning conducted by June 2023; | To conduct three researches on nutrition policy, and planning conducted by June 2023; June 2024 | Two research on Nutrition implementation to address malnutrition problem among under five and women of reproductive were conducted. | 67 | |
| | Six researches on community health and nutrition executed by June, 2025 | To conduct 6 researches on community health and nutrition by June 2024 | Gaps in (USI, Nutrition and HIV / AIDS, Food Intake and Anemia) on going nutrition programs have been identified and recommendation for improvement on 5 researches | 83 | |

| | | | | | |
|---|--|--|---|--|-----|
| | | Six research on food science and nutrition implemented by June, 2025; | Two researches on food science and nutrition, and planning conducted by June 2024; | Two researches on Micronutrient interventions to address anemia problem among under five children conducted | 100 |
| | | Analytical capacity of three sections of food and nutrition laboratory (biochemistry, microbiology and food chemistry) strengthened by June, 2025; | To implement 12 components of laboratory quality and safety management system by June 2024 | 10 components of laboratory services strengthened to facilitate cost effectiveness, efficiency of laboratory methods and improve the quality results | 83 |
| | | Three novel food products developed using locally available food to improve nutritional status of people by June 2025 | The development of nutrient dense snack bar to address micronutrient deficiency among school children aged 6 to 19 years in Tanzania by June 2024 | Anaemia among school children in Tanzania is reduced after developing the three novel food products using local available food | 100 |
| 5 | Objective E: Food and nutrition programming supervisory, partnership and collaboration strengthened | Thirty thematic working group sessions related to nutrition policy and planning executed by June 2025; | Six thematic working group session related to nutrition and planning executed by June 2024 | Increased nutrition prioritization and commitment among decision makers by executing the six thematic working groups | 100 |
| | | Twenty-four (24) thematic working group sessions related to community health and nutrition executed by June 2025; | Six thematic working group session related to community health and nutrition executed by June 2024 | Four thematic groups sessions on Improved nutrition implementation at all levels in the areas of USI, micronutrients and IMAM were | 67 |

| | | | | | |
|---|--|---|--|---|-----|
| | | Twelve coordination meetings related to food science and technology conducted by June, 2025. | Six thematic working group session related to food science and technology by June 2024 | Four thematic working groups sessions conducted aiming on Improving nutrition implementation at all levels in the areas of food fortification and nutrition sensitive | 67 |
| 6 | Objective F: Responsiveness on food and nutrition issues among the public strengthened | Accessibility of Maternal, Infant, Young Child and Adolescent Nutrition services among 51 LGAs enhanced by June 2025. | To disseminate SBC materials such as books in braille format and portable radios and memory cards to facilitate the adoption of positive nutrition behavior in 13 regions of Tanzania by June 2024 | Increased knowledge, skill and promote optimal nutrition practice of the blind people in 7 regions of Tanzania. | 54 |
| | | Twenty (27) community nutrition and health events commemorated by June, 2025. | Nine community nutrition and health events commemorated by June, 2024. | 5 events were commemorated which resulted into Increased coverage of nutrition information to the general public. | 56 |
| | | Capacity of 30 media institutions on community health and nutrition issues enhanced by June 2025. | To capacitate 30 media institutions on Nutrition issue by June 2024 | 30 media institutions were capacitated aiming for Increased coverage of nutrition information to the general public | 100 |
| | | Six exhibitions to facilitate access to food products and nutrition information to Public enhanced by June, 2025. | Two exhibitions to facilitate access to food products and nutrition information to Public enhanced by June, 2024 | One exhibition was conducted that helps in Increased coverage of nutrition information to the general public | 50 |

| | | | | |
|--|--|--|--|----|
| | <p>Six policies, guidelines, strategies, protocols, standards and regulations on MIYCAN disseminated by June, 2025</p> | <p>To Promote positive nutrition behaviors and HIV prevention life skills for school children and Adolescents at Kasulu Town Council, Kibondo and Kigoma Districts in Kigoma region by June 2024</p> | <p>Health and nutrition practice among school children and adolescents in kasulu and kibondo in Kigoma region improved</p> | 67 |
|--|--|--|--|----|

2.8 ESTIMATES FOR MTEF (2024/25 - 2026/27)

This chapter presents estimates for the MTEF covering the period of three years (2024/25 and two outer years). The estimates in the MTEF are required by the Centre, to facilitate its core functions with an aim at effectively lead the national response in the fight against all forms of malnutrition in the country for this period. This chapter consists of institutional linkages between objectives, target, and all activities to be implemented in the 2024/25 - 2026/27, budget estimates for three years period and summary forms as prescribed in the Planning and Budgeting Guidelines.

The Centre has planned to mobilize TZS 7,432,986,787 from various Development Partners to implement the Centre's plans and support the implementation of National Multisectoral Nutrition Action Plan II (NMNAP II) which aims at ensuring that children, adolescents, women and men in Tanzania are better nourished leading to healthier and more productive lives that contribute to economic growth and sustainable development.

2.9 STATEMENT OF GOING CONCERN

Tanzania Food and Nutrition Centre (TFNC) is a Government Institution, its funding depends fully on Government subvention and other Development partners. Those charged with Governance confirms that the Centre has neither the intention nor the need to liquidate or to materially curtail the scale of its operations for the next twelve months from the date of these statements.

2.10 EMPLOYEES WELFARE

TFNC believes that its employees should find working for the Centre an inspiring and personally elevating experience. The centre continues with its efforts to strengthening its human resources capacity by filling in vacant posts and training some of its staff in required fields. Career progress is based on the individual initiative. Being a research institution, staff members are strongly encouraged to engage in continuing education that also includes research undertaking and publications. TFNC Staff Position as at 30 June 2024 is summarised below:

Table 3: TFNC Staff Position as at 30 June 2024

| | |
|---|------------|
| Total Establishment | 142 |
| Staff Position as at 01 July 2023 | 120 |
| Recruited | 15 |
| Left (6 Retired, 1 death, leave without pay 2 and 12 Transferred) | 21 |
| Staff Position as at 30 June 2024 | 114 |
| Vacancies | 28 |

TFNC is reviewing its Staff regulations manual of 2009 as a measure to increase motivation, transparency and clarity on rules and policies on employments. The review is waiting for approval from Treasurer Register.

2.11 Management and Employees Relationship

There is a systematic procedure of communication with employees on a regular basis which is done through departmental, management and staff meetings, notice board and circular through workers' council meetings. For the year 2023/24 a good relationship between management and employees and Management exists.

2.12 Medical Facilities

The centre guarantees full cost of medical consultation and treatment for all its employees and their immediate families/dependants through Health Insurance Scheme which NHIF.

2.13 Financial assistance

Tanzania Food and Nutrition Centre guaranteed the employees to several financial institutions so as they can secure loans through their salaries.

2.14 Persons with Disability

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Centre continues, and appropriate training is arranged. It is the Centre's policy to give equal opportunities to disabled persons for vacancies they can fill.

2.15 Emoluments

Emoluments are provided to employees based on the scheme of service approved by the proper Government Authorities supported by the Centre's approved annual budget.

2.16 Employees Benefit Plan

The Centre pays contributions to a publicly administered pension funds on mandatory basis which qualifies to be a defined contribution plan. The number of employees of the Centre for the year 2023/24 is 443 (2022/2023 was 396).

2.17 GENDER MAINSTREAMING

Gender issues are mainstreamed at all levels of the activities of the Centre. The mission, vision and objectives of the Centre are all gender sensitive. At the moment the staff composition is 62 Females which is 54% and 53 Male which is 46%.

2.12 CHARITABLE AND POLITICAL DONATIONS

During the year under review, TFNC did not make any donation or contribution of a charitable nature

2.13 HIV/AIDS POLICY

The Centre implements Government's Policy and Directives on HIV/AIDS through seminars to its employees on issues relating to effects and prevention of HIV/AIDS, it also provides special package on every Month to the HIV positive employee who voluntary and under confidentiality decided to inform employer about their situation.

2.14 ENVIRONMENTAL CONTROL PROGRAM

The centre planted 200 trees both in Mikocheni Office and Head Quarter so as to keep and maintain environment.

2.15 RELATED PARTY TRANSACTIONS

During the financial year 2023/24, the Centre incurred expenditure amounting to TZS 556,176,000 in relation to the related party transactions as presented below:

Table 4: Related Party Transactions

| Source of Funds | 2023/24 | 2022/23 |
|---------------------------------------|--------------------|--------------------|
| | TZS | TZS |
| Emolument to Key Management Personnel | 548,176,000 | 439,104,000 |
| Number of Persons | 9 | 9 |
| Governing Board Fee | 8,000,000 | 8,000,000 |
| TOTAL | 556,176,000 | 447,104,000 |

2.16 RISK MANAGEMENT

2.16.1 Risks

The Success of Tanzania Food and Nutrition Centre Strategic Plan might be prevented, degraded, or delayed by the following key risks factors:

- i. The possibility of loss data and information
- ii. The possibility of Inadequate financial resources
- iii. The likelihood of not performing core functions of the Centre
- iv. The likelihood of tarnish reputation of the organization
- v. The possibility of Fire/heat Hazard
- vi. The possibility of Non-compliance of International, Government rules and regulations;

2.16.2 Mitigation Measures

The following measures are to be taken to reduce the effect of the above risk in the implementation of planned objectives;

- i. Creating disaster recovery plan.
- ii. Improving mobilization of funds.
- iii. Reviewing strategic plan and writing special request proposal to funders for research and others activities.
- iv. Commitment with some media outlets to broadcast and publish food and nutrition information, however this control is not reliable because
- v. Acceptable use of ICT policy, Disaster recovery plan and ICT guidelines for ICT operational
- vi. Existing Offline Backup Data (at Mikocheni Office)
- vii. Strong Air Condition -AC
- viii. Government Network connection
- ix. Existing of data cloud system, the office such as e-Office, MUSE

2.17 AUDITORS

The Controller and Auditor-General (CAG) is the statutory auditor for the Tanzania Food and Nutrition Centre by virtue of Article 143 of the Constitution of the United Republic of Tanzania (URT) as amplified by section 32(4) of the Public Audit Act, Cap 418 [R.E.2021]. However, in accordance with section 33 of the same Act the CAG, Authorized M/S PAN AFRICAN AUDITORS to carry out the audit of Tanzania Food and Nutrition Centre for the financial year ended 30 June 2024 on his behalf.

2.18 RESPONSIBILITY OF THE AUDITOR

The responsibilities of CAG are stipulated in article 143 (2) of the Constitution of United Republic of Tanzania (Cap.2). In this regard, using section 33 of Public Audit Act, CAG has assigned Ms PANAFRICAN AUDITORS the responsibility of auditing and reporting on the accounts, financial statements and financial management of TFNC. This includes responsibility of providing assurance of the correctness and consistency of the information contained in the report by those charged with governance with the ones provided in the Financial and Revenue Statements. Along with this, CAG has responsibility of satisfying himself on matters listed under Section 10 of the Public Audit Act, Cap 418.

Further, Section 48(3) of the Public Procurement Act, 2011 requires CAG to state in his annual audit report whether or not the audited entity has complied with procedures prescribed in Procurement Act and its regulations.



OBHEY NYAYA ASSERY

CHAIRPERSON

Date: 25/03/2025



DR. GERMANA HENRY LEYNA

MANAGING DIRECTOR

Date: 25.03.2025

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Those Charged with Governance are responsible for the preparation and fair presentation of the financial statements, comprising the Statement of Financial Position as at 30 June 2024, and the Statement of Financial Performance, the Statement of Changes in Net Assets/Equity, and Cash Flows Statements for the year then ended, and the Statement of Comparison of Budget and Actual Amount, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Public Sector Accounting Standards (IPSAS's) Accrual basis of accounting and in the manner required by the Tanzania Food and Nutrition Centre (TFNC) Act No 24 of 1973.

Those Charged with Governance accept responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Approval of the financial statements

The financial statements of Tanzania Food and Nutrition Centre, as indicated above, were approved by those charged with governance and are signed on its behalf by:



OBEY NKYAA ASSERY

CHAIRPERSON

Date: 28/03/2025



DR. GERMANA HENRY LEYNA

MANAGING DIRECTOR

Date: 25.03.2025

4.0 DECLARATION BY THE DIRECTOR OF FINANCE, HUMAN RESOURCES AND ADMINISTRATION

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

It is the duty of the Director of Finance, Human Resources and Administration to assist the Governing Board to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Governing Board as under Directors Responsibility statement on an earlier page.

I, Elly Greene Mwaibako being the Acting Director of Finance, Human Resources and Administration of Tanzania Food and Nutrition Centre hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Tanzania Food and Nutrition Centre as on that date and that they have been prepared based on properly maintained financial records.

Signed by: Elly Greene Mwaibako

Position: Acting Director of Finance, Human Resources and Administration

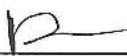
NBAA Membership No: ACPA 2618

Date: 25/03/2025

5.0 FINANCIAL STATEMENTS

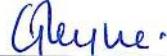
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

| | Note | 2023/24 TZS | 2022/23 TZS |
|----------------------------------|------|-----------------------|-----------------------|
| ASSETS | | | |
| Current Asset | | | |
| Cash and Cash Equivalents | 6.8 | 2,068,551,659 | 1,852,126,413 |
| Receivables | 6.9 | 179,269,039 | 65,813,507 |
| Inventories | 6.11 | 80,113,205 | 37,064,900 |
| Total Current Asset | | 2,327,933,903 | 1,955,004,820 |
| Non-Current Asset | | | |
| Property, Plant and Equipment | 6.24 | 21,369,115,468 | 21,463,249,056 |
| Intangible Assets | 6.25 | 4,066,719 | 7,233,461 |
| Total Non-Current Asset | | 21,373,182,187 | 21,470,482,517 |
| TOTAL ASSETS | | 23,701,116,090 | 23,425,487,337 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Payables and Accruals | 6.26 | 707,216,444 | 707,005,647 |
| Deferred Income | 6.27 | 1,815,270,592 | 1,257,285,199 |
| Deposits | 6.12 | 6,848,241 | 34,081,466 |
| Total Current Liabilities | | 2,529,335,277 | 1,998,372,312 |
| TOTAL LIABILITIES | | 2,529,335,277 | 1,998,372,312 |
| NET ASSETS/EQUITY | | 21,171,780,813 | 21,427,115,025 |
| Capital Contributed by: | | | |
| Taxpayers/Share Capital | | 1,826,736,627 | 1,826,736,627 |
| Accumulated Surpluses / Deficits | | 19,345,044,186 | 19,600,378,398 |
| TOTAL NET ASSETS/EQUITY | | 21,171,780,813 | 21,427,115,025 |


OBAY NKYA ASSERY

CHAIRPERSON

Date: 25/03/2025


DR. GERMANA HENRY LEYNA

MANAGING DIRECTOR

Date: 26/03/2025

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2023/24 TZS | 2022/23 TZS |
|---|------|----------------------|----------------------|
| REVENUE | | | |
| Revenue from Exchange Transactions | 6.1 | 435,340,107 | 630,357,022 |
| Other Revenue | 6.2 | 49,577,571 | 56,134,550 |
| Subvention from other Government entities | 6.3 | 6,115,340,788 | 5,080,663,782 |
| Total Revenue | | 6,600,258,466 | 5,767,155,354 |
| EXPENSES AND TRANSFERS | | | |
| Expenses | | | |
| Wages, Salaries and Employee Benefits | 6.4 | 3,677,602,148 | 3,080,975,430 |
| Use of Goods and Service | 6.5 | 2,834,178,961 | 2,484,310,529 |
| Maintenance Expenses | 6.6 | 110,694,483 | 37,665,226 |
| Other Expenses | 6.7 | 90,678,049 | 47,946,332 |
| Expected Credit Loss | 6.10 | 13,465,706 | 158,098,272 |
| Depreciation of Property, Plant and Equipment | 6.24 | 125,806,589 | 243,468,350 |
| Amortization of Intangible Assets | 6.25 | 3,166,742 | 3,166,742 |
| Loss on Disposal of Assets | 6.13 | - | 723,162 |
| Total Expenses | | 6,855,592,678 | 6,056,354,043 |
| Deficit | | (255,334,212) | (289,198,689) |


 OBEY NKYA ASSERY
 CHAIRPERSON
 Date: 28/03/2025


 DR. GERMANA HENRY LEYNA
 MANAGING DIRECTOR
 Date: 28/03/2025

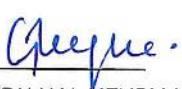
CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2023/24 TZS | 2022/23 TZS |
|---|------|----------------------|----------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| RECEIPTS | | | |
| Subvention from other Government entities | 6.17 | 6,190,876,848 | 4,338,522,552 |
| Revenue Grants | 6.14 | 482,449,333 | 1,257,285,199 |
| Revenue from Exchange Transactions | 6.15 | 447,353,610 | 630,357,022 |
| Other Revenue | 6.16 | 49,577,571 | 56,134,550 |
| Increase in Deposit | 6.22 | - | 34,081,465 |
| Total Receipts | | 7,170,257,362 | 6,316,380,788 |
| PAYMENTS | | | |
| Wages, Salaries and Employee Benefits | 6.18 | 3,677,602,149 | 3,240,327,534 |
| Use of Goods and Service | 6.19 | 3,004,594,399 | 2,150,721,909 |
| Other Expenses | 6.21 | 90,678,049 | 47,946,332 |
| Maintenance Expenses | 6.20 | 110,694,483 | 37,665,227 |
| Decrease in Deposit | 6.22 | 27,233,225 | - |
| Total Payments | | 6,910,802,305 | 5,476,661,002 |
| NET CASH FLOW FROM OPERATING ACTIVITIES | | 259,455,057 | 839,719,786 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Acquisition of Property, Plant and Equipment | 6.23 | (31,673,000) | (71,563,192) |
| NET CASH FLOW FROM INVESTING ACTIVITIES | | (31,673,000) | (71,563,192) |
| Net Increase | | 227,782,057 | 768,156,594 |
| Cash and cash equivalent at beginning of period | | 1,881,687,686 | 1,113,531,091 |
| Cash and cash equivalent at end of period | 6.8 | 2,109,469,743 | 1,881,687,686 |


OBHEY NKYA ASSERY

CHAIRPERSON

Date: 25/03/2025


DR. GERMANA HENRY LEYNA
MANAGING DIRECTOR
Date: 25.03.2025

STATEMENT OF CHANGES IN NET ASSET AND EQUITY FOR THE YEAR ENDED 30 JUNE 2024

| | Taxpayer's Fund TZS | Accumulated Surplus/(Deficit) TZS | Total TZS |
|---|------------------------|---|-----------------------|
| Opening balance as at 01 July 2023 | 1,826,736,627 | 19,600,378,398 | 21,427,115,025 |
| Surplus/(Deficit) for the year | - | (255,334,212) | (255,334,212) |
| Closing Balance as at 30 June 2024 | 1,826,736,627 | 19,345,044,186 | 21,171,780,813 |
| Opening balance as at 01 July 2022 | 1,826,736,627 | 19,889,577,087 | 21,716,313,714 |
| Surplus/(Deficit) for the year | - | (289,198,689) | (289,198,689) |
| Closing Balance as at 30 June 2023 | 1,826,736,627 | 19,600,378,398 | 21,427,115,025 |

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OBEY NKYA ASSERY

CHAIRPERSON

Date: 28/03/2025

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DR. GERMANA HENRY LEYNA

MANAGING DIRECTOR

Date: 28/03/2025

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2024

| | Original Budget | Reallocation/ | Final Budget (B) | Actual Amount on Comparison Basis (A) | Different Final Budget & Actual (B-A) | Percentage |
|--|----------------------|---------------|----------------------|---------------------------------------|---------------------------------------|------------|
| | Adjustment | | | | | % |
| | TZS | | TZS | TZS | TZS | % |
| RECEIPTS | | | | | | |
| Subvention from other Government | 8,321,285,870 | - | 8,321,285,870 | 6,673,326,181 | 1,647,959,689 | 20 |
| Revenue from Exchange Transactions | 570,000,000 | - | 570,000,000 | 447,353,610 | 122,646,390 | 22 |
| Other Revenue | 74,336,800 | - | 74,336,800 | 49,577,571 | 24,759,229 | 33 |
| Total Receipts | 8,965,622,670 | - | 8,965,622,670 | 7,170,257,362 | 1,795,365,308 | 20 |
| PAYMENTS | | | | | | |
| Wages, Salaries and Employee Benefits | 3,874,163,573 | 8,280,000 | 3,882,443,573 | 3,677,602,149 | 204,841,424 | 5 |
| Use of Goods and Service | 4,462,960,170 | -26,760,000 | 4,436,200,170 | 3,004,594,399 | 1,431,605,771 | 32 |
| Other Expenses | 232,155,000 | 21,980,000 | 254,135,000 | 90,678,049 | 163,456,951 | 64 |
| Maintenance Expenses | 204,649,000 | -3,500,000 | 201,149,000 | 110,694,483 | 90,454,517 | 45 |
| Decrease in Deposit | - | | - | 27,233,225 | -27,233,225 | |
| Acquisition of Property, Plant and Equipment | 189,194,927 | | 189,194,927 | 31,673,000 | 157,521,927 | 83 |
| Acquisition of Intangibles | 2,500,000 | | 2,500,000 | - | 2,500,000 | 100 |
| Total Payments | 8,965,622,670 | - | 8,965,622,670 | 6,942,475,305 | 2,023,147,365 | 23 |
| Net Receipts/Payments | - | - | - | 227,782,057 | (227,782,057) | |

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OBEY NKYA ASSERY

CHAIRPERSON

Date: 28/03/2025

DR. GERMANA HENRY LEYNA

MANAGING DIRECTOR

Date: 28/03/2025

EXPLANATION FOR MATERIAL VARIANCES:

(a) Subvention -Other Government

The Centre received Personal Emoluments TZS 3,082,884,096 which is less by TZS 799,262,704 compared to the budget also Centre received Other Charges of TZS 526,702,628 which is less by TZS 43,287,371.27

The Centre received funds from Development Partners of TZS 3,113,317,027 which is less by TZS 755,535,269 this was due to Declaration of dissolution of the the Centre by the Ministry of Planning and also Development Partners change their priorities caused by Global Dynamics.

(b) Revenue from Exchange Transactions

There was a less collection of Revenue from Exchange Transactions by TZS 122,646,390 (22%) of the amount received as compared to the budget, this was due to failure to receive Laboratory samples from clients outside the country.

(c) Other Revenue

There was a less collection Other Revenue by TZS 24,759,229 (33%) of the amount received as compared to the budget receipt of less funds from Donors that attracted 7% as Administrative fees due to the Declaration of dissolution of the the Centre by the Ministry of Planning and Investment.

(d) Use of Goods and Services

Use of Goods and Services was less by TZS 1,431,605,771 (32%) compared to Budget due to budget constraints.

(e) Other Expenses

Other expenses was less by TZS 153,456,951 (64%) compared to Budget due to budget constraints.

(f) Maintenance expenses

Maintenance expense was less by TZS 90,454,517 (45%) compared to Budget due to budget constraints.

(g) Acquisition of Property, Plant and Equipment

The Property, Plant and Equipment acquired during the year was less by TZS 157,521,927 (83%) compared to budgeted amount. This was due to less collection of funds from

Laboratory and donors which were planned for acquiring Laboratory equipment. Also less funds received from donors led to under acquisition of Property, Plant & Equipment.

(h) Acquisition of Intangible Assets

The Intangible assets acquired during the year was less by 100% due to budget constraints

EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

NOTE 1: REPORTING ENTITY

Tanzania Food and Nutrition Centre (TFNC) is an autonomous Institution established by the Tanzania Food and Nutrition Act No 24 of 1973, as amended by Act No.3 of 1995 under the Ministry of Health and Social Welfare. The financial statements of the Centre are for the year ended 30 June 2024.

NOTE 2: BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis and its interpretations adopted by International Public Sector Accounting Board (IPSAB).

(b) Basis of Preparation

The Financial Statements have been prepared on the historical cost basis, except for the financial assets and Liabilities at fair value through Surplus or Deficit. The preparation of Financial Statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Functional and Presentation Currency

These Financial Statements are presented in Tanzania Shillings (TZS) which are the Centre's both functional and presentation currency. The rounding up of figures in the financial statements has been limited to the nearest shilling.

(d) Change In Accounting Policy

The introduction of IPSAS 41 substantially modifies IPSAS 29 by classifying financial assets and liabilities through a principles-based classification model, a forward-looking expected credit loss model.

THE IMPACT OF CHANGE IN ACCOUNTING POLICY

The impact of introducing IPSAS 41 is the emergence of Expected credit loss /gain in the Financial Statements by having different receivable and Cash and Cash Equivalent figures reported in the

Statement of Financial Position and the Statement of Cash flows with Exposure at Default (EAD) (Balance) at the end of the financial year.

The Entity operates with the following Banks with global ratings and Probability of Default (PD) as provided in the table below.

| No | Name of the Bank | Rating Agency | Score | Probability of Default (PD) |
|---------------------------------|----------------------------------|------------------------|----------------------------|-----------------------------|
| 1 | National Microfinance Bank (NMB) | Moody's | B1 | 2.16% |
| DESCRIPTION | CASH AND BANK BALANCE | SURPLUS/DEFICIT | ACCUMULATED SURPLUS | REASON |
| FINANCIAL YEAR 2022/2023 | 1,881,687,686 | (131,100,416) | 19,758,476,671 | Change in Accounting Policy |
| EXPECTED CREDIT LOSS | (29,561,273) | (158,098,272) | (158,098,273) | Change in Accounting Policy |
| RESTATED BALANCE | 1,852,126,413 | (289,198,689) | 19,600,378,398 | Change in Accounting Policy |

| Financial Assets | Exposure as at Previous Period | Exposure as at Reporting Date 30/06/2024 | ECL as at Previous Period | ECL as at Reporting Date | % Movement of ECL (Previous vs Current) | % of ECL as at 30/06/2024 |
|------------------|--------------------------------|--|---------------------------|--------------------------|---|---------------------------|
| Receivables | 151,569,011.26 | 131,300,506 | 128,536,999 | 130,645,894 | 1.6 | 99.5 |

| Bank Name | Rating Agency | Score | Month end date | Balance (EAD) as at 30/6/2024 | PD as pre Bank Rating (%) | LGD (%) | ECL as at 30/6/2024 |
|-----------|---------------|-------|----------------|-------------------------------|---------------------------|---------|---------------------|
| NMB | MOODY'S | B1 | 30-Jun-24 | 1,901,855,756 | 2.16% | 99.61% | 40,918,084 |

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented.

(a) Property, Plant and Equipment

Initial Recognition

Property, plant and equipment are initially recorded at cost. Cost comprises expenditures that are directly attributable to the acquisition of the assets. Costs are included in the asset's carrying amount or recognized as a separate item, as appropriate only when it is probable that the economic benefit associated with the asset will flow to the Centre and the cost of the asset can be measured with reliability. All other repairs and maintenance are charged to the Statement of Financial Performance.

Subsequent Measurement after Recognition

After recognition as an asset, an item of property, plant and equipment shall be carried at its cost less depreciation and any impairment losses.

Depreciation

Land is not depreciated. Depreciation on the assets other than land is calculated on the straight-line method to write off the value of assets to their residual value over their expected useful lives. Assets acquired during the year are depreciated from the date they are available for use and ceases to be depreciated when the asset is de-recognized.

The annual rates in use are as follows.

| Asset Description | Rate |
|--------------------------------------|-------------|
| Buildings | 2% |
| Motor Vehicles | 10% |
| Motorcycles | 7% |
| Office Machines and Office Equipment | 10% |
| Office Furniture | 10% |

Property, plant, and equipment acquired during the year are depreciated from the date when they are available for use and cease to be depreciated when the asset is de-recognized.

Subsequent Expenditure

Expenditure incurred to replace a component of an item of property, plant and equipment is accounted for separately and capitalized. Subsequent expenditures are capitalized only when they increase the current economic benefits. All other expenditure items are recognized in the Statement of Financial Performance as they are incurred.

Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases when the asset is derecognized.

(b) Capital Work in Progress

Capital work in progress is stated at actual cost of material plus direct labor and associated overheads incurred in construction.

(c) Intangible Asset

Acquired computer software licenses covering more than one year are capitalized on the basis of the cost incurred to acquire and bring to use specific software. These costs are amortized at the rate determined by the management but not more than 10 years.

(d) Inventories

Inventories are stated at the lower of cost and net replacement value. Cost is determined on the first in and first out (FIFO) basis. Net replacement value is the estimated selling price in the ordinary course of business less the costs of completion and selling expenses.

(e) Trade Receivables

Trade receivables are recognized initially at original invoice amount. Short term loan receivables are measured at cost less an allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Centre will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the assets carrying amount and the present value of estimated future cash flows, discounted at the effect interest rate, or where more appropriate, at the interest rate that the Centre would have to pay to finance such receivables. The Receivable's comprises deposits, invoice amount and imprest issued to TFNC staffs for various works.

(f) Cash and Cash Equivalents

Cash and Cash equivalents comprise cash in hand and Investments in money market instruments which are less than 90 days to maturity from the date of acquisition. Currently the Centre has no demand deposits with banks, and investment in money markets which are less than 90 days.

(g) Grants

Grants are accounted for when there is a reasonable assurance that the grants will be received. Revenue recognition is based on an assessment of whether an asset or liability has been created. For capital grants without conditions attached, revenue is recognized immediately in the statement of financial performance. If conditions are attached, a liability is recognized as capital funds in the statement of financial position and is reduced and revenue recognized as the conditions are satisfied.

(h) Foreign Currency Translations

Transactions in foreign currencies during the year are translated into Tanzania shillings (TZS) at the average as per BOT that ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currency at the reporting date are restated in TZS using the rate ruling at the Statement of financial Position date. Exchange gains and losses are dealt with in the Statement of Financial Performance in the year in which they.

(i) Financial Instruments

Financial instruments as reflected in the Statement of Financial Position include all financial assets and financial liabilities but exclude property, plant and equipment. Management determines the appropriate classification at initial recognition of the financial instrument. Financial instrument of the Centre is classified as follows:

Classification of Financial Assets

Classification is based on the criteria mentioned above, as a result the following classes of financial instruments arise namely;

- i. Financial assets at Amortized Cost,
- ii. Financial asset at Fair Value through Net asset/ Equity, and
- iii. Financial asset at Fair Value through Surplus or Deficit.

Financial Assets at Amortized cost

Financial Assets are subsequently measured at Amortized Cost if both of the following conditions are met;

1. The financial asset is held within a management model whose objective is to hold financial assets to collect contractual cash flow and
2. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding
This includes CASH AND CASH EQUIVALENT

Financial Assets at Fair Value through Net Assets/Equity

Financial assets are subsequently measured at fair value through net assets or equity if both of the following conditions are met;

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

Financial Assets at Fair Value through Surplus/Deficit

Financial Assets are subsequently measured at Fair Value through Surplus /Deficit unless they are measured at amortized costs or fair values through net assets/equity based on conditions mentioned above.

Impairment of financial assets

The impairment of financial asset is calculated using expected credit losses model. The Entity recognizes loss allowances {Expected Credit Losses (ECL)} on all financial assets except those that are measured at FVTSD and credit impaired financial assets.

The Entity uses the simplified approach in determining the impairment of receivable. A loss allowance is calculated at each reporting date however, the ECL model is updated on annual basis to accommodate any event that might cause significant increase in credit risks on financial asset.

The term 'expected credit loss' does not imply that losses are anticipated, rather that there is recognition of the potential risk of loss. Determining whether an expected credit loss should be based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk of the financial asset since initial recognition.

Loss allowances for ECL are presented in the statement of financial position as follows: Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the discounted product of: probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

EAD is based on the amounts the Entity expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD).

LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e., the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The Lifetime PD is developed by applying a maturity profile to the current 12month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band.

This is supported by historical analysis.

| | 2024 | 2023 |
|------------------------------------|---------------|---------------|
| CASH AND CASH EQUIVALENT | | |
| Cash at Bank and on hand | 2,109,469,743 | 1,881,687,686 |
| Expected Credit Loss: | | |
| Opening | 29,561,273 | - |
| Charged during the year | 11,356,811 | 29,561,273 |
| Closing | 40,918,084 | 29,561,273 |
| Cash as per Statement of Net Asset | 2,068,551,659 | 1,852,126,413 |

Analysis of Cash and Cash Equivalent

For the purpose of the statement of cash flows, cash and cash equivalent comprises of the following balances;

| | 2024 | 2023 |
|---|---------------|---------------|
| Cash as per Statement of Financial Position | 2,068,551,659 | 1,852,126,413 |
| Expected Credit Loss | 40,918,084 | 29,561,273 |
| Gross Cash and Cash Equivalent | 2,109,469,743 | 1,881,687,686 |

Moreover, the Entity operates with National Microfinance Bank with current global ratings of B+ from Fitch, B1 from Moody's, and B+ from S&P, which gives Probability of Default (PD) of 2.16%.

De-recognition financial assets

The Entity derecognizes a financial asset when:

- a) The contractual rights to the cash flows from the financial asset expire; or
- b) It transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

When The Entity enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

Recognition

Financial liabilities are recognized when the Entity has contractual obligation to deliver cash as a result of goods or services received.

Measurement

Financial liabilities are initially measured at fair value and net gains and losses, including any interest expense, are recognized in surplus or deficit. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in surplus or deficit. Any gain or loss on de recognition is also recognized in surplus or deficit.

De-recognition

The Entity derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Entity also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred, orliabilities assumed) is recognized in surplus or deficit.

Cost Recognition

The Centre recognizes financial instruments when it becomes a part to the financial instrument contract.

De-recognition

The Centre removes a financial liability from its Statement of Financial Position when its obligation is extinguished.

The financial asset is removed from the Statement of Financial Position when: -

- Its contractual rights to the assets cash flow expire
- It has transferred the asset and substantially all the risks and the rewards of ownership, or
- It has transferred the asset, and has retained some substantial risks and reward of ownership, but the other party may sell the asset. The risks and rewards retained are recognized as an asset.

Offsetting a Financial Asset and a Financial Liability

A financial asset and financial liability is offset and the net amount presented in the Statement of Financial Position when and only when the Centre: -

- Currently has a legally enforceable right to set off the recognized amounts,
- Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognizing, the Centre shall not offset the transferred asset and the associated liability.

(j) Impairment of an Asset

The Centre recognizes an impairment loss for the amount by which an asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels at which there are separately identifiable cash flows (Cash generating units). Assets that have indefinite useful lives are not subject to amortization and are tested annually for impairment and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortization are tested for impairment whenever events or change in circumstances indicate that the carrying amount may not be recoverable.

(k) Value Added Tax

Revenues, expenses and assets are recognized net of the amount of value added tax except: where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation

Centre, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable. Also, receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation Centre is included as part of receivables or payables in the statement of financial position.

(l) Comparative Figures

Previous year's balances have been regrouped whenever appropriate for comparison purposes.

(m) Events after the Reporting Date

Tanzania Food and Nutrition Centre have no events after the reporting date

(n) Investment Property Policy

Tanzania Food and Nutrition Centre has no Investment Property Policy. The Centre provides housing specifically to its employees for 5% of gross salary as rent, as per Staff Regulations, Terms and Conditions of Service, 2019.

6.0 NOTES TO THE FINANCIAL STATEMENT AS AT 30 JUNE 2024

| | 2023/24 | 2022/23 |
|--|----------------------|----------------------|
| | TZS | TZS |
| 6.1 - Revenue from Exchange Transactions | | |
| Laboratory Charges | 325,306,260 | 66,843,700 |
| Miscellaneous Revenue - Exchange | 104,793,847 | 559,663,322 |
| Printing and Publications | - | 600,000 |
| Revenue from Conference Facilities | 5,240,000 | 3,250,000 |
| | 435,340,107 | 630,357,022 |
| 6.2 - Other Revenue | | |
| Rent from Telecommunication Towers | 377,571 | - |
| Revenue from Rent of Government Quarters | 49,200,000 | 56,134,550 |
| | 49,577,571 | 56,134,550 |
| 6.3 - Subvention from other Government entities | | |
| Government Grant | 3,082,884,096 | 2,874,300,300 |
| Personal Emolument | - | - |
| Subvention Development Foreign | 2,439,830,896 | 1,733,344,724 |
| Subvention Other Charges | 592,625,796 | 473,018,758 |
| | 6,115,340,788 | 5,080,663,782 |
| 6.4 - Wages, Salaries and Employee Benefits | | |
| Acting Allowance | - | 1,780,000 |
| Civil Servants | 3,071,753,999 | 2,866,716,443 |
| Electricity Allowance | 79,883,080 | 9,995,000 |
| Extra-Duty | 59,269,710 | 6,705,000 |
| Facilitation Allowance | 500,000 | - |
| Expenses -employee | - | - |
| Food and Refreshment | 80,602,000 | 34,503,869 |
| Honoraria | 18,210,000 | 31,037,018 |
| Housing Allowance | 19,200,000 | 40,005,000 |
| discretionary Expenses | - | - |
| Housing allowance Expenses | 87,815,000 | - |
| Leave Travel | 49,659,339 | 20,044,600 |
| Moving Expenses | - | 7,408,900 |
| Passages Allowances | 61,674,000 | - |
| Sitting Allowance | 24,890,000 | 31,574,600 |
| Special Allowance | 61,815,320 | 10,700,000 |
| Subsistance Allowance | 9,466,000 | 750,000 |
| Telephone | 5,539,000 | 19,755,000 |
| Telephone Allowance | 47,324,700 | - |
| | 3,677,602,148 | 3,080,975,430 |
| 6.5 - Use of Goods and Service | | |

| | | |
|---|---------------|---------------|
| Advertising and Publication - Communication & Information | 2,239,000 | 53,523,600 |
| Air Travel Tickets Training - Foreign | 2,499,400 | - |
| Air Travel Tickets Travel - In - Country | 29,689,300 | 34,855,462 |
| Cleaning Supplies - Use of goods and Services | 118,000 | 1,261,300 |
| Conference Facilities | 28,488,528 | 51,924,482 |
| Diesel | 120,670,740 | 80,271,385 |
| Electricity - Utilities Supplies and Services | - | 60,000,000 |
| Exhibition, Festivals and Celebrations | 919,900 | 1,500,000 |
| Food and Refreshments | 50,845,632 | 136,955,153 |
| Gifts and Prizes | 5,070,000 | - |
| Ground Transport (Bus, Train, Water) | 6,272,000 | 1,185,000 |
| Ground travel (bus, railway taxi, etc.) Travel - In - Country | 44,618,300 | 20,942,000 |
| Internet and Email connections | 71,449,000 | 58,437,728 |
| Laboratory small non-durable equipment | 1,500,000 | - |
| Laboratory Supplies | 391,886,758 | 443,085,183 |
| Newspapers and Magazines | 1,921,000 | 1,758,500 |
| Office Consumables (papers, pencils, pens and stationaries) | 16,675,580 | 42,527,199 |
| Outsourcing Costs (includes cleaning and security services) | 61,503,931 | 29,006,993 |
| Per Diem - Domestic | 1,949,248,406 | 1,398,930,864 |
| Posts and Telegraphs | 387,000 | - |
| Printing and Photocopying Costs | - | 3,139,340 |
| Printing Material | 9,190,000 | - |
| Rent of Booth and Tent | - | 28,781,400 |
| Services Expenses | - | - |
| Subscription Fees | 735,000 | - |
| Technical Service Fees | 12,244,000 | 10,211,258 |
| Tuition Fees Training - Domestic | 17,310,000 | 14,901,992 |
| Uniforms and Ceremonial Dresses | - | 750,000 |
| Water Charges | 7,797,486 | 6,761,690 |
| Wire, Wireless, Telephone, Telex Services and Facsimile | 900,000 | 3,600,000 |
| | 2,834,178,961 | 2,484,310,529 |

6.6 - Maintenance Expenses

| | | |
|---|----------------------|----------------------|
| Air conditioners | 1,850,000 | |
| Computers, printers, scanners, and other computer related equipment | 1,800,000 | |
| Motor Vehicles and Water Craft | 22,462,916 | 2,204,088 |
| Outsource maintenance contract services - Machinery, Equipment and Plant | 81,602,567 | 33,206,138 |
| Small tools and implements - Buildings | 779,000 | 2,255,000 |
| Tyres and Batteries | 2,200,000 | - |
| | 110,694,483 | 37,665,226 |
| 6.7 - Other Expenses | | |
| Agency fees | 6,171,528 | 4,200,000 |
| Audit fees Expenses | 54,218,033 | 30,230,998 |
| Burial Expenses | 11,200,000 | 7,020,000 |
| Counting Machine service charge | - | 6,495,334 |
| Dividend | 9,730,000 | - |
| Registration Fees Expenses | 2,250,000 | - |
| Transports posts - other expenses | 7,108,488 | - |
| | 90,678,049 | 47,946,332 |
| 6.8 - Cash and Cash Equivalents | | |
| BoT Own source Collection Account | 208,153,987 | 22,744,385 |
| Deposit Cash Account | - | 26,502,075 |
| Development Expenditure Cash Account | 1,736,934,532 | 1,785,866,195 |
| Own source Recurrent Expenditure GF | 79,196,924 | 5,139,953 |
| Recurrent Expenditure Cash Account | 75,536,060 | 33,855,688 |
| Unapplied Cash Account | 9,648,240 | 7,579,390 |
| | 2,109,469,743 | 1,881,687,686 |
| Expected Credit Loss | (40,918,084) | (29,561,273) |
| | 2,068,551,659 | 1,852,126,413 |
| 6.9 - Receivables | | |
| Imprest Receivable - Staff | 190,627,930 | 63,050,000 |
| Other receivables | 111,637,003 | 131,300,506 |
| Receivable (GEPG) | 7,650,000 | - |
| | 309,914,933 | 194,350,506 |
| Provision for Expected Credit Loss - Long term | (130,645,894) | (128,536,999) |
| | 179,269,039 | 65,813,507 |
| 6.10 - Expected Credit Loss | | |

| Description | Opening | Charge For the Year | Closing Balance |
|---------------------------------|--------------------|---------------------|--------------------|
| ECL for Cash & Cash equivalents | 29,561,273 | 11,356,811 | 40,918,084 |
| ECL for Receivable | 128,536,999 | 2,108,895 | 130,645,894 |
| TOTAL | 158,098,272 | 13,465,706 | 171,563,978 |

6.11 - Inventories

| | | |
|-------------|-------------------|-------------------|
| Consumables | 51,482,000 | 27,158,800 |
| Fuel | 28,631,205 | 9,906,100 |
| | 80,113,205 | 37,064,900 |

6.12 - Deposits

| | | |
|---------------------------|------------------|-------------------|
| Deposit General | - | 26,502,076 |
| Unapplied Deposit Account | 6,848,241 | 7,579,390 |
| Addition | 6,848,241 | 34,081,466 |

6.13 - Loss on Disposal of Assets

| | | |
|---|----------|----------------|
| Loss from Disposal of Government Assets | 0 | 723,162 |
| | 0 | 723,162 |

NOTES - CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2024

| | 2023/24 | 2022/23 |
|---|----------------------|----------------------|
| | TZS | TZS |
| 6.14 - Revenue Grants | | |
| Development Deferred Income Addition | 482,449,333 | 1,257,285,199 |
| | 482,449,333 | 1,257,285,199 |
| 6.15 - Revenue from Exchange Transactions | | |
| Laboratory Charges | 325,306,260 | 66,843,700 |
| Miscellaneous Revenue - Exchange | 104,793,847 | 559,663,322 |
| Printing and Publications | - | 600,000 |
| Revenue from Conference Facilities | 5,240,000 | 3,250,000 |
| Revenue | 435,340,107 | 630,357,022 |
| Add/Less (Change in Working Capital) | | |
| Receivable (GEPG) | -7,650,000 | - |
| Other Receivables | 19,663,503 | - |
| | 12,013,503 | - |
| Receipt | 447,353,610 | 630,357,022 |
| 6.16 - Other Revenue | | |
| Rent from Telecommunication Towers | 377,571 | - |
| Revenue from Rent of Government Quarters | 49,200,000 | 56,134,550 |
| Revenue | 49,577,571 | 56,134,550 |
| 6.17 - Subvention from other Government entities | | |
| Government Grant Personal Emolument | 3,082,884,096 | 2,874,300,300 |
| Subvention Development Foreign | 2,439,830,896 | 1,733,344,724 |
| Subvention Other Charges | 592,625,796 | 473,018,758 |
| Revenue | 6,115,340,788 | 5,080,663,782 |
| Add/Less (Change in Working Capital) | | |
| Deferred Subvention Capital | - | -543,509,094 |
| Deferred Subvention Current | 75,536,060 | -198,632,136 |
| | 75,536,060 | -742,141,230 |
| Receipt | 6,190,876,848 | 4,338,522,552 |
| 6.18 - Wages, Salaries and Employee Benefits | | |
| Acting Allowance | - | 1,780,000 |
| Civil Servants | 3,071,753,999 | 2,866,716,443 |

| | | |
|---|----------------------|----------------------|
| Electricity | 60,118,080 | - |
| Electricity Allowance | 19,765,000 | 9,995,000 |
| Extra-Duty | 59,269,710 | 6,705,000 |
| Facilitation Allowance Expenses -employee | 500,000 | - |
| Food and Refreshment | 80,602,000 | 34,503,869 |
| Honoraria | 18,210,000 | 31,037,018 |
| Housing Allowance discretionary Expenses | 19,200,000 | 40,005,000 |
| Housing allowance Expenses | 87,815,000 | - |
| Leave Travel | 49,659,340 | 20,044,600 |
| Moving Expenses | - | 7,408,900 |
| Passages Allowances | 61,674,000 | - |
| Sitting Allowance | 24,890,000 | 31,574,600 |
| Special Allowance | 61,815,321 | 10,700,000 |
| Subsistance Allowance | 9,466,000 | 750,000 |
| Telephone | 5,539,000 | 19,755,000 |
| Telephone Allowance | 47,324,700 | - |
| Expenses | 3,677,602,149 | 3,080,975,430 |
| Add/Less (Change in Working Capital) | | |
| Staff Claim Addition | - | 159,352,105 |
| | 0 | 159,352,105 |
| Payment | 3,677,602,149 | 3,240,327,535 |
| 6.19 - Use of Goods and Service | | |
| Advertising and Publication - Communication & Information | 2,239,000 | 53,523,600 |
| Air Travel Tickets Training - Domestic | 5,606,463 | - |
| Air Travel Tickets Training - Foreign | 2,499,400 | - |
| Air Travel Tickets Travel - In - Country | 24,082,837 | 34,855,462 |
| Cleaning Supplies - Use of goods and Services | 118,000 | 1,261,300 |
| Conference Facilities | 28,488,528 | 51,924,482 |
| Diesel | 120,670,740 | 80,271,384 |
| Electricity - Utilities Supplies and Services | - | 60,000,000 |
| Exhibition, Festivals and Celebrations | 919,900 | 1,500,000 |
| Food and Refreshments | 50,845,632 | 136,955,153 |
| Gifts and Prizes | 5,070,000 | - |
| Ground Transport (Bus, Train, Water) | 6,272,000 | 1,185,000 |
| Ground travel (bus, railway taxi, etc.) Travel - In - Country | 44,618,300 | 20,942,000 |
| Internet and Email connections | 71,449,000 | 58,437,728 |
| Laboratory small non-durable equipment | 1,500,000 | - |
| Laboratory Supplies | 391,886,758 | 443,085,183 |
| Newspapers and Magazines | 1,921,000 | 1,758,500 |
| Office Consumables (papers, pencils, pens and stationaries) | 16,675,580 | 42,527,199 |

| | | |
|--|----------------------|----------------------|
| Outsourcing Costs (includes cleaning and security services) | 61,503,931 | 29,006,993 |
| Per Diem - Domestic | 1,949,248,406 | 1,108,445,789 |
| Posts and Telegraphs | 387,000 | - |
| Printing and Photocopying Costs | - | 3,139,340 |
| Printing Material | 9,190,000 | - |
| Rent of Booth and Tent Services Expenses | - | 28,781,400 |
| Subscription Fees | 735,000 | - |
| Technical Service Fees | 12,244,000 | 10,211,258 |
| Tuition Fees Training - Domestic | 17,310,000 | 14,901,991 |
| Uniforms and Ceremonial Dresses | - | 750,000 |
| Water Charges | 7,797,486 | 6,761,690 |
| Wire, Wireless, Telephone, Telex Services and Facsimile | 900,000 | 3,600,000 |
| Expenses | 2,834,178,961 | 2,193,825,453 |
| Add/Less (Change in Working Capital) | | |
| Consumables | 24,323,200 | 5,279,700 |
| Fuel | 18,725,105 | 9,906,100 |
| Imprest Receivable - Staff | 127,577,930 | 63,050,000 |
| Staff advances and imprest | - | -178,456,462 |
| Supplies of goods and services Addition | - | 57,260,177 |
| Withholding tax | -210,797 | - |
| Withholding Tax Payable Addition | - | -143,058 |
| | 170,415,438 | -43,103,545 |
| Payment | 3,004,594,399 | 2,150,721,909 |
| 6.20 - Maintenance Expenses | | |
| Air conditioners | 1,850,000 | - |
| Computers, printers, scanners, and other computer related equipments | 1,800,000 | - |
| Motor Vehicles and Water Craft | 22,462,916 | 2,204,089 |
| Outsource maintenance contract services - Machinery, Equipment and Plant | 83,160,567 | 33,206,139 |
| Small tools and implements - Buildings | -779,000 | 2,255,000 |
| Tyres and Batteries | 2,200,000 | - |
| Expenses | 110,694,483 | 37,665,227 |
| 6.21 - Other Expenses | | |
| Agency fees | 6,171,528 | 4,200,000 |
| Audit fees Expenses | 54,218,033 | 30,230,998 |
| Burial Expenses | 11,200,000 | 7,020,000 |
| Counting Machine service charge | - | 6,495,334 |

| | | |
|-----------------------------------|-------------------|-------------------|
| Dividend | 9,730,000 | - |
| Registration Fees Expenses | 2,250,000 | - |
| Transports posts - other expenses | 7,108,488 | - |
| Expenses | 90,678,049 | 47,946,332 |

6.22 - Deposit

| | | |
|------------------------------------|-------------------|--------------------|
| Deposit General | 29,302,075 | -26,502,075 |
| Unapplied Deposit Account Addition | -2,068,850 | -7,579,390 |
| Revenue | 27,233,225 | -34,081,465 |

Revenue

| | | |
|--|-------------------|--------------------|
| 6.23 - Acquisition of Property, Plant and Equipment | 27,233,225 | -34,081,465 |
|--|-------------------|--------------------|

| | | |
|--|--------------------|--------------------|
| Office equipment Monetary | -31,673,000 | -56,175,992 |
| Office Furniture and Fittings Monetary | - | -15,387,200 |
| Payment | -31,673,000 | -71,563,192 |

6.24 Property, Plant and Equipment

Cost/Revaluation

| Descriptions | At 01-July-2023 | Addition Monetary | 30-Jun-24 | 01-Jul-23 | Charge during the year Depreciation | 30-Jun-24 | Carrying Value |
|---------------------------------|-----------------------|-------------------|-----------------------|----------------------|-------------------------------------|----------------------|-----------------------|
| Land | 18,870,000,000 | - | 18,870,000,000 | - | - | - | 18,870,000,000 |
| Motor Vehicles | 443,369,945 | - | 443,369,945 | 359,303,394 | 10,450,631 | 369,754,024 | 73,615,920 |
| Office buildings and structures | 2,525,000,000 | - | 2,525,000,000 | 475,332,000 | 44,491,940 | 519,823,940 | 2,005,176,060 |
| Office Equipment | 1,132,339,440 | 31,673,000 | 1,164,012,440 | 690,984,303 | 68,404,892 | 759,389,195 | 404,623,245 |
| Office Furniture and Fittings | 116,332,683 | | 116,332,683 | 98,173,315 | 2,459,126 | 100,632,441 | 15,700,242 |
| TOTAL | 23,087,042,068 | 31,673,000 | 23,118,715,068 | 1,623,793,012 | 125,806,589 | 1,749,599,600 | 21,369,115,468 |

STATEMENT OF PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment

| Descriptions | Cost/Revaluation | | | | Accumulated Depreciation and Impairment | | | | |
|------------------------------------|-----------------------|----------------------|-------------------|-----------------------|---|---|-------------------|----------------------|-----------------------|
| | At 01-July-2022 | Addition Monetary | Disposal | 30-Jun-2023 | 01-Jul-2022 | Charge during the year Depreciation | Disposal | 30-June-2023 | Carrying Value |
| Land | 18,870,000,000 | - | - | 18,870,000,000 | - | - | - | - | 18,870,000,000 |
| Motor Vehicles | 458,369,945 | - | 15,000,000 | 443,369,945 | 306,332,025 | 67,321,369 | 14,350,000 | 359,303,394 | 84,066,551 |
| Office buildings and structures | 2,525,000,000 | - | - | 2,525,000,000 | 430,774,000 | 44,558,000 | - | 475,332,000 | 2,049,668,000 |
| Office Equipment | 1,077,310,703 | 56,175,992 | 1,147,255 | 1,132,339,440 | 564,812,458 | 127,273,210 | 1,101,365 | 690,984,303 | 441,355,137 |
| Office Furniture and Fittings | 101,103,483 | 15,387,200 | 158,000 | 116,332,683 | 93,988,272 | 4,315,771 | 130,728 | 98,173,315 | 18,159,368 |
| TOTAL | 23,031,784,131 | 71,563,192 | 16,305,255 | 23,087,042,068 | 1,395,906,755 | 243,468,350 | 15,582,093 | 1,623,793,012 | 21,463,249,056 |

6.25 Intangible Assets

| Descriptions | Cost/Revaluation | | | Accumulated Amortization and Impairment | | | |
|-------------------|-------------------|--------------------------|-------------------|---|-------------------------------------|-------------------|--------------------|
| | At 01-July-2023 | Addition During the year | 30-Jun-24 | 1-Jul-23 | Charge during the year Amortization | 30-Jun-24 | Carrying Value TZS |
| Computer Software | 31,667,420 | - | 31,667,420 | 24,433,959 | 3,166,742 | 27,600,701 | 4,066,719 |
| TOTAL | 31,667,420 | - | 31,667,420 | 24,433,959 | 3,166,742 | 27,600,701 | 4,066,719 |

| Descriptions | Cost/Revaluation | | | Accumulated Amortization and Impairment | | | |
|-------------------|-------------------|--------------------------|-------------------|---|-------------------------------------|-------------------|--------------------|
| | At 01-July-2022 | Addition During the year | 30-Jun-23 | 1-Jul-22 | Charge during the year Amortization | 30-Jun-23 | Carrying Value TZS |
| Computer Software | 31,667,420 | - | 31,667,420 | 21,267,217 | 3,166,742 | 24,433,959 | 7,233,461 |
| TOTAL | 31,667,420 | - | 31,667,420 | 21,267,217 | 3,166,742 | 24,433,959 | 7,233,461 |

NOTES TO THE FINANCIAL - LIABILITY MOVEMENT FOR THE YEAR ENDE 30 JUNE 2024

| 6.26 Trade and Other Payable | | | | | | |
|-------------------------------------|--------------------|----------------|-----------------|----------------|--|--------------------|
| Descriptions | Opening | Paid | Addition | Balance | | |
| Staff Claims | 517,929,430 | - | - | | | 517,929,430 |
| Supplies of goods and | 188,933,159 | - | - | | | 188,933,159 |
| Withholding Tax payables | 143,058 | 143,058 | 353,855 | | | 353,855 |
| TOTAL | 707,005,647 | 143,058 | 353,855 | | | 707,216,444 |

| 6.27 Deferred Income | | | | | | |
|-----------------------------|----------------------|----------------------|----------------------|----------------|--|----------------------|
| Descriptions | Opening | Fund Received | Amortized | Balance | | |
| Development Deferred | 1,257,285,199 | 2,922,280,229 | 2,439,830,896 | | | 1,739,734,532 |
| Recurrent Deferred | - | 3,751,045,952 | 3,675,509,892 | | | 75,536,060 |
| TOTAL | 1,257,285,199 | 6,673,326,181 | 6,115,340,788 | | | 1,815,270,592 |

6.28 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT) FOR THE PERIOD ENDED 30th JUNE, 2024

| | | |
|---|---------------|---------------|
| Surplus/ Deficit for the Period | (255,334,212) | (289,198,689) |
| Add/ (Less) Non-Cash Item | | |
| Amortization of Intangible Assets | 3,166,742 | 3,166,742 |
| Depreciation of Property, Plant and Equipment | 125,806,589 | 243,468,350 |
| Gains on Disposal Assets | - | 723,162 |
| Expected Credit Loss | 13,465,706 | 158,098,272 |
| | (112,895,175) | 116,257,837 |
| Add/ (Less) Change in Working Capital | | |
| Deferred Income | 557,985,393 | 515,143,969 |
| Inventories | (43,048,305) | (15,185,800) |
| Other Receipt | (27,233,226) | 34,081,465 |
| Payables and Accruals | 210,797 | (216,469,223) |
| Receivables | (115,564,427) | 405,891,538 |
| | 372,350,232 | 723,461,949 |
| Net Cash Flow from Operating Activities | 259,455,057 | 839,719,786 |

| DISCLOSURE OF INTER-PUBLIC CENTER ENTITIES TRANSACTIONS AND BALANCE | | | |
|---|--|--|----------------|
| FINANCIAL YEAR: 2023/24 | | | |
| TRANSACTIONS WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30TH JUNE 2024 | | | |
| S/N | Goods/Services Received (Expenses) | Counterpart entity | Amount |
| 1 | Electricity | TANZANIA ELECTRICITY SUPPLY COMPANY LIMITED (TANESCO) | 60,118,080.00 |
| 2 | Internet | TANZANIA TELECOMMUNICATION COMPANY LIMITED (TTCL) | 71,449,000.00 |
| 3 | Tuition Fees | TANZANIA PUBLIC SERVICES COLLEGE | 8,400,000.00 |
| 4 | Office Consumables | GOVERNMENT PROCUREMENT SERVICES AGENCY (GPSA) | 3,685,000.00 |
| 5 | Fuel | GOVERNMENT PROCUREMENT SERVICES AGENCY (GPSA) | 110,035,978.00 |
| 6 | Car Maintenance | TANZANIA ELECTRICAL, MECHANICAL AND ELECTRONICS SERVICES AGENCY (TEMESA) | 15,649,586.82 |
| 7 | Venue | TANZANIA OFFICIAL SEED CERTIFICATION INSTITUTE | 800,000.00 |
| 8 | Postal Charges | TANZANIA POSTS CORPORATION | 304,000.00 |
| 10 | Technical Service Fee | E GOVERNMENT AUTHORITY (eGA) | 9,794,000.00 |
| 11 | Technical Service Fee | GOVERNMENT PROCUREMENT SERVICES AGENCY (GPSA) | 3,417,308.20 |
| 13 | Venue | NATIONAL SOCIAL SECURITY FUND (NSSF) | 1,253,160.00 |
| TRANSACTIONS WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30TH JUNE 2024 | | | |
| S/N | Goods/Services Provided (Revenue) | Counterpart entity | Amount |
| 1 | Revenue from Rent of Government Quarters | BRELA | 1,750,000.00 |
| 2 | Miscellaneous Revenue | KCMC | 2,053,000.00 |
| 3 | Revenue from Rent of Government Quarters | MAABARA YA MKEMIA MKUU | 1,400,000.00 |
| 4 | Miscellaneous Revenue | MUHIMBILI UNIVERSITY | 50,000.00 |
| 5 | Laboratory Charges | Tanzania Agricultural Research Institute | 1,300,000.00 |
| 6 | Revenue from Rent of Government Quarters | TCU | 1,250,000.00 |
| BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30TH JUNE 2024 | | | |
| S/N | Goods/Services Provided (Assets) | Counterpart entity | Amount |
| 1 | Venue | JAKAYA KIKWETE CARDIAC INSTITUTE (JKCI) | 1,250,000.00 |