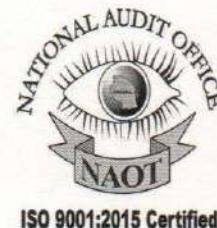




**THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE**



TANZANIA BUREAU OF STANDARDS (TBS)

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED
30 JUNE 2023**

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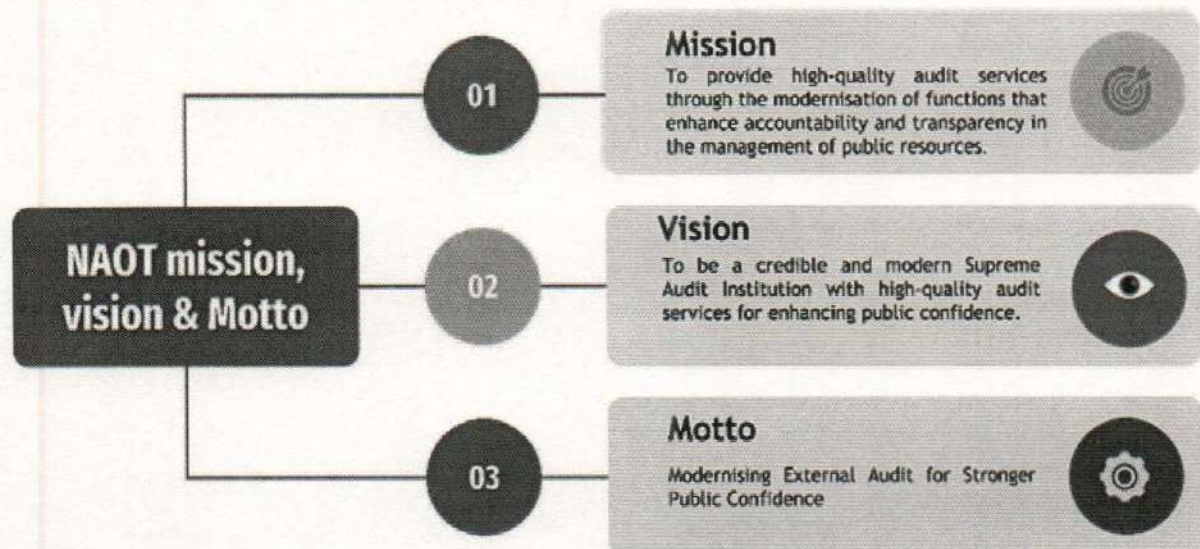
March 2024

AR/PA/TBS/2022/23

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[R.E 2021]



Independence and objectivity

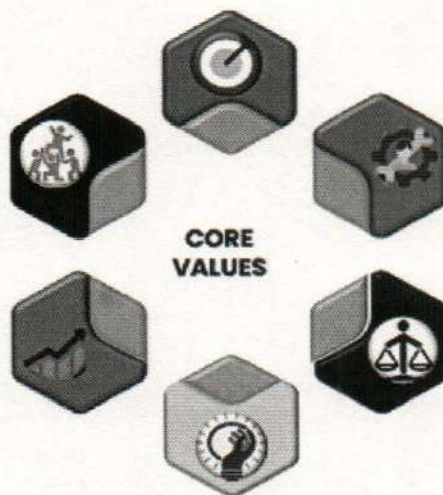
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

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ABBREVIATIONS

CAG	Controller and Auditor General
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
ICT	Information and Communication Technology
IPSAS	International Public Sector Accounting Standards
ISO	International Organization for Standardization
ISSAIs	International Standard of Supreme Audit Institutions
MSME	Micro, Small and Medium Enterprise
MT	Metric Tonnes
MUSE	Mfumo wa Uhasibu Serikalini
NAO	National Audit Office
NBAA	National Board of Accountants and Auditors
NCDs	Non-Communicable Diseases
NHIF	National Health Insurance Fund
NMB	National Microfinance Bank
PAC	Public Accounts Committee
PPE	Property Plant and Equipment
PVoC	Pre-shipment Verification of Conformity
SME	Small and Medium Enterprise
TBS	Tanzania Bureau of Standards
TFDA	Tanzania Food and Drugs Authority
TMEA	Trade Mark East Africa
TZS	Tanzania Shillings

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson,
Board of Directors,
Tanzania Bureau of Standards,
P.O. Box 9524,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Bureau of Standards (TBS), which comprise the statement of financial position as at 30 June 2023, 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 Bureau of Standards (TBS) as at 30 June 2023, 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 Bureau of Standards (TBS) 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 Report by those charged with Governance, statement of responsibility by those charged with governance and 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; and
- 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 of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [R.E 2021] 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 [R.E 2022] 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 the procurement of works, goods, and services in the TBS for the financial year 2022/23 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of TBS is generally in compliance with the requirements of the Public Procurement laws in Tanzania.


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 Bureau of Standards) for the financial year 2022/23 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 Bureau of Standards is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.


Charles E. Kicheř
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2024



2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE

2.1 INTRODUCTION

In compliance with the Standards Act Cap.130, the Board of Directors is pleased to submit the Annual Report together with Financial Statements, which disclose the state of affairs of the Tanzania Bureau of Standards ('the Bureau') as at 30 June 2023 and the financial performance for the year, which ended on 30 June 2023.

2.2 ESTABLISHMENT OF TANZANIA BUREAU OF STANDARDS

The Tanzania Bureau of Standards (TBS) is a parastatal organization under the Ministry of Investment, Industry and Trade, established by The Standards Act No. 3 of 1975 by then as a National Standards Institute. It was renamed Tanzania Bureau of Standards through the amendments made under The Standards Act No. 1 of 1977. In 2009, The Standards Act No. 1 of 1977 was repealed and replaced by The Standards Act No. 2 of 2009 in order to add powers to suite the environment.

The Standards Act Cap.130 was amended by the Finance Act No. 8 of 2019 in order to incorporate the functions of regulating the safety of food and cosmetic products which were formerly performed by the then TFDA. The main mandate of the Bureau is to promote standardization and quality assurance activities in industry and commerce in Tanzania.

2.3 THE FUNCTIONS OF THE BUREAU

2.3.1 Stipulated Functions under the Standards Act

Pursuant to Section 4 (1) of the Standards Act Cap. 130, TBS has the following major functions:

- a) To undertake measures for quality control of commodities, services and environment of all descriptions and to promote standardization in industry and trade;
- b) To make arrangements or provide facilities for the testing and calibration of precision instruments, gauges and scientific apparatus, for the determination of their degree of accuracy and traceability by comparison with standards approved by the Minister of Investment, Industry and Trade on the recommendation of the Board of Directors, and for issue of certificates in regard to them;
- c) To make arrangements or provide facilities for the examination and testing of commodities and any material or substance from or with which, and the manner in which, they may be manufactured, produced, processed or treated;
- d) To approve, register and control the use of standard marks in accordance with the provisions of the Standards Act;
- e) To grant, renew, suspend, vary or cancel any license issued for the use of any standards mark;
- f) To assist industries in setting up and enforcing quality assurance and environmental management systems procedures;
- g) To prepare, frame, modify or amend National Standards;

- h) To encourage or undertake educational work in connection with standardization, quality assurance, metrology, testing and environment;
- i) To assist the Government or any other person in the preparation and framing of standards;
- j) To co-operate with other Government agencies, representatives of any industry or any other statutory corporation or person with a view to securing the adoption and practical application of standards;
- k) To provide for the inspection, sampling and testing of locally manufactured and imported commodities with a view in determining whether the commodities comply with the provisions of the Standards Act or any other law dealing with standards relevant to those commodities;
- l) To inspect and register premises in accordance with the provision of this Act;
- m) To certify and register food, food products and cosmetics regulated under this Act;
- n) To act as the custodian of the National Measurement Standards of weights and measures and from time to time adjust, replace or cancel any standards where the adjustment, replacement or cancellation is necessary for the maintenance of conformity to the international standards;
- o) To be the signatory of the mutual recognition arrangement with other national metrology institutes;
- p) To collect, publish and disseminate literature and other materials on standardization and other related subjects and to provide facilities for the members of the public to have access to the materials;
- q) To carry-out, promote or assist in research on standardization and related subjects;
- r) To participate in, or to make arrangements for conferences, workshops, seminars and discussions on matters connected with the activities of the Bureau;
- s) To co-operate with regional and international organizations in all matters related to standardization and quality assurance and represent the country in such matters;
- t) To publish from time to time an updated version of a National Standard for the quantities and units of measurement to be used, which shall be in conformity with the latest version of the International System of Units;
- u) To undertake Pre-Shipment Verification of Conformity (PVoC) to standards; and
- v) To do all other acts and things, and enter into any transactions, which are, in the opinion of the Board of Directors, expedient or necessary for the proper and efficient discharge of the functions of the Bureau.

In the performance of its functions, the Bureau keeps an eye on the health, safety, environment and general welfare of the people of the United Republic; and maintains, as far as may be practicable, a system of consultation and co-operation with anybody established by or under any written law and having functions similar or relating to industrial or commercial standards generally.

2.3.2 Other Function (Fuel marking)

Following Government directive to EWURA that the fuel-marking task, which was previously performed by a private company, should be performed by a Government organization. In 2021, the Bureau was assigned new function of marking diesel, petrol and kerosene oil, which is sold in the local market. In the financial year ended 30 June 2023, the Bureau managed to mark

4,341,294,770 litres as compared to 3,814,856,646 litres of diesel, petrol and kerosene marked in 2021/22. The increase in fuel marked in the current year was due to increase in economic activities and construction projects.

2.4 IMPLEMENTATION OF 2021/22 TO 2025/26 STRATEGIC PLAN

2.4.1 Vision

In line with the Strategic Plan (SP) of the Bureau for 2021/22 to 2025/26, TBS Vision 2026 is *“Sustainable standardization for high quality livelihood society”*

2.4.2 Mission

The Bureau mission is *“to promote standardization, safety and quality assurance in industry and commerce through standards development, certification, registration, inspection, testing and metrology services for sustainable socio-economic development”*.

2.4.3 The Core Values of the Bureau

Towards achieving its vision and fulfilling the mission, Tanzania Bureau of Standards operates based on the following core values:

(a) Integrity

We ensure continuous and consistent provision of services with high degree of honesty and impartiality by adhering moral and ethical principles and values.

(b) Customer Focus

We prioritize customers' needs first therefore committed to responding timely and proactively to their expectations.

(c) Team work

We work together by sharing experiences while respecting each other to realize institutional goals.

(d) Accountability

We shall be responsible to our actions, decisions and outcomes in executing our functions.

(e) Transparency

We ensure open sharing of information and proper provision of feedback to our stakeholders in equal treatment.



2.5 CORPORATE GOVERNANCE

The Board of Directors is mandated to;

- (a) administer properties of the Bureau, both movable and immovable;
- (b) administer the funds and other assets of the Bureau;
- (c) signify acts of the Bureau by using official seal;
- (d) on behalf of the Bureau, receive gifts, fees, donations, grants and other moneys;
- (e) subject to the provisions of this Act, appoint officers of the Bureau which the Board may consider necessary;
- (f) establish subsidiary organizations or agencies to undertake specialized services related to standardization and quality assurance activities; and
- (g) do all acts and things which may be provided for in this Act as may, or, in the opinion of the Board, be necessary or expedient for the proper discharge of the functions of the Bureau.

2.5.1 Board of Directors

The Board members who served during the financial year under review, with their qualifications are as shown in the Table 1.

Table 1: Members of the Board of Directors

S/N	Name	Position	Age	Qualification	Nationality	Appointment Date	End of Tenure	Meetings for the Year 2022/23	
								Held	Attended
1.	Prof. Othman Chande Othman	Chairperson	73	PhD - Analytical Chemistry and Instrumentation, Master of Science in Chemistry, Bachelor of Science (Ed) Hons, Certificates in Directorship, Low Cost Water Supply and Sanitation and Measurements of Chlorinated Compounds	Tanzanian	23/12/2021	28/09/2024	6	5/6
2.	Ms. Hussein Suphian Ally	Member	49	Bachelor of Science	Tanzanian	29-06-2021	28/09/2024	6	6/6
3.	Dr. Catherine Canute Joachim	Member	51	Master of Science in Global Health Systems, Bachelor of Medicine and Surgery, Postgraduate Diploma in Tropical Medicine and Hygiene	Tanzanian	29-06-2021	28/09/2024	6	*3/6
4.	Dr. Eliapenda Eliasante Mariki	Member	51	PhD in Environmental Science, Master of Science in Environmental Science, Bachelor of Science in Education (Hons)	Tanzanian	29-06-2021	28/09/2024	6	6/6
5.	Mr. Kalumuna Prosper Benedicto	Member	48	Master of Science in Renewable Energy Engineering, Bachelor of Science in Mechanical Engineering	Tanzanian	29-06-2021	28/09/2024	6	5/6
6.	Ms. Magdalena Ludovick Utouh	Member	46	Master of Laws (LL.M) Public International Law, Masters of Laws (LLM) Commercial and Administrative Law, Bachelor of Laws (LL. B Hons)	Tanzanian	29-06-2021	28/09/2024	6	4/6
7.	Mr. Robert Pelegrine Mtengule	Member	45	Master of International Trade, Bachelor of Arts in Economics	Tanzanian	29-06-2021	28/09/2024	6	6/6

S/N	Name	Position	Age	Qualification	Nationality	Appointment Date	End of Tenure	Meetings for the Year 2022/23	
								Held	Attended
8.	Dr. Nandera Ernest Mhando	Member	49	PhD in Social Anthropology, Masters of Arts in Sociology, Bachelor of Arts in Sociology	Tanzanian	29-06-2021	28/09/2024	6	5/6
9.	Mr. Shaban Ahmed Kabunga	Member	46	Postgraduate Diploma in Legislative Drafting, Bachelor of Laws	Tanzanian	29-06-2021	28/09/2024	6	5/6
10.	Mr. Twalib Timothy Mussa Mmbaga	Member	52	Master's degree in Business Administration - Agribusiness, Bachelor of Science in Agriculture General	Tanzanian	29-06-2021	28/09/2024	6	3/6
1	Mr. Juma Seth Mwambapa	Member	48	Master's Degree in Business Administration, (Finance and Banking), Diploma in International Trade, Bachelor of Business Administration (Marketing Management), NBAA Foundation Stage - Statement of Success	Tanzanian	19/05/2022	28/09/2024	6	6/6
2	Dr. Athuman Yusuf Ngenya	Secretary	68	PhD in Chemistry, Master of Analytical Chemistry, Bachelor of Chemistry and Botany	Tanzanian	29-06-2021	28/09/2024	6	4/6

* The member failed to attend one meeting due to communication gap.

(b) Number of board meetings conducted

During the period under review the Board of Directors conducted six (6) meetings which included four (4) ordinary meetings and two (2) special meetings. Main issues discussed are in Table 2.

Table 2: Main Issues discussed in board meetings conducted during the financial year ended 30 June 2023

Ordinary Meetings		Special Meetings	
i.	Quarterly Progress Reports from committees	i.	Adoption of Draft financial Statements for the year ended 30 June 2022.
ii.	Review of Annual Procurement Plan	ii.	2022/23 Budget and Annual procurement Plan review approval.
iii.	Adoption of draft CSR, its Implementation Strategy, Anti-Fraud and Anti-Corruption Policy.	iii.	2023/24 Budget and Annual Procurement Plan.
iv.	Reviewed ICT Policy and Strategy, Accounting and Financial Regulation and its Manual		
v.	Adoption of draft Intangible asset Policy		
vi.	Adoption of reviewed TBS Board Charter		
vii.	2023/24 budget recast		
viii.	Supplier of Fuel marker.		
ix.	Reviewed ICT audit report		
x.	Risk implementation report		
xi.	Mid -ear Budget Review		
xii.	National Standardization Strategy		
xiii.	Implementation of CAG, Internal Audit Observations and PAC Directives.		

2.5.2 Board of Directors Committees

Four Committees of the Board of Directors served in the financial year ended 30 June 2023, namely the Finance and Planning Committee; the Audit and Risk Committee; the Human Resource and Administration Committee and the Technical Advisory Committee. Committee members' names and Qualifications are set out in Table 3 to Table 6;

(i) Finance and Planning Committee

The objective of this Committee is to advise the Board of Directors on all matters relating to Finance and Planning.

Table 3 (a): Members of the Finance and Planning Committee

S/N	Name	Age	Position	Nationality	Qualification	Meeting Attended
1	Mr. Robert Pelegrine Mtengule	45	Chairperson	Tanzanian	Master of International Trade, Bachelor of Arts in Economics	3/5
2	Eng. Kalumuna Prosper Benedicto	48	Member	Tanzanian	Master of Science in Renewable Energy Engineering, Bachelor of Science in Mechanical Engineering	5/5
3	Mr. Timothy Twalib Mussa Mbaga	52	Member	Tanzanian	Master's degree in Business Administration - Agribusiness, Bachelor of Science in Agricultural General	5/5

S/N	Name	Age	Position	Nationality	Qualification	Meeting Attended
4	Mr. Hussein Suphian Ally	49	Member	Tanzanian	Bachelor of Science	5/5
5	Dr. Catherine Canute Joachim	51	Member	Tanzanian	Master of Science in Global Health Systems, Postgraduate Diploma in Tropical Medicine and Hygiene, Bachelor of Medicine and Surgery	2/5
6	Mr. Paison Donald Mwamnyasi	49	Co-opted	Tanzanian	Certified Public Accountant (CPA) (T)) Master's Degree in Business Administration	4/5
7	Dr. Athuman Yusuf Ngenya	68	Secretary	Tanzanian	PhD in Chemistry, Masters of Science in Analytical Chemistry, Bachelor of Chemistry and Botany	4/5

In the period under review the Finance and Planning Committee conducted four (5) meetings which included one (1) special meeting and four (4) ordinary meetings. Summary of issues discussed are in Table 3(b).

Table 3(b): Summary of issues discussed in Finance and planning committee meetings held during the year ended 30 June 2023

Ordinary Meetings		Special Meeting	
i.	Progress report for July 2022 - June 2023;	i.	Budget for Financial year 2023/24;
ii.	Mid-year budget and annual procurement Plan review;	ii.	Annual Procurement Plan 2023/24; and
iii.	Adoption Reviewed ICT Policy and Strategy, Accounting and Financial Regulation and its Manual,	iii.	Adoption of Draft financial Statements for the year ended 30 June 2022.
iv.	Adoption of draft Intangible asset Policy;		
v.	2023/24 budget recast;		
vi.	Reviewed ICT audit report;		
vii.	Risk implementation report; and		
viii.	Paper for supplier of fuel marker		

(ii) Audit and Risk Committee

The objective of this Committee is to advise the Board on matters related to Audits, Accounts, Controls and Compliance. In the period under review the Audit and Risk Committee conducted five (5) meetings which included one (1) special meeting and four (4) ordinary meetings. Summary of issues discussed are in Table 4(b).

Table 4(a): Members of Audit and Risk Committee

S/N	Name	Age	Position	Nationality	Qualification	Meetings Attended
1	Mr. Shaban Ahmed Kabunga	46	Chairperson	Tanzanian	Postgraduate Diploma in Legislative Drafting, Bachelor of Laws	4/5
2	Mr. Robert Pelegrine Mtengule	45	Member	Tanzanian	Master of International Trade, Bachelor of Arts in Economics	2/5
3	Ms. Magdalena Ludovick Utouh	46	Member	Tanzanian	Master of Laws (LL.M) Public International Law, Masters of Laws (LLM) Commercial and Administrative Law, Bachelor of Laws (LL. B Hons)	2/5
4	Dr. Nandera Ernest Mhando	49	Member	Tanzanian	PhD in Social Anthropology, Master of Arts in Sociology, Bachelor of Arts in Sociology	5/5
5	Dr. Eliapenda Elisante Mariki	51	Member	Tanzanian	PhD in Environmental Science, Master of Science in Environmental Science, Bachelor of Science in Education	5/5
6	Ms. Jacqueline Lyatuu Felix Tinkasimile	46	Co-opted Member	Tanzanian	CIA, Certified Public Accountant - CPA (T), Master's degree in Business Administration, (Finance), Bachelor of Commerce in Accounting Hons.	4/5
7	Mr. Hussein Yusuf Ugulum	49	Secretary	Tanzanian	Bachelor of Laws (LL.B)	5/5

Table 4(b): Summary of issues discussed in audit and risk committee meetings held during the financial year ended 30 June 2023

Ordinary Meetings	Special Meeting
<ul style="list-style-type: none"> i. Implementation of CAG Recommendations and status of Risk Management Activities. ii. First, Second and third quarter progress reports on implementation of Annual Risk Based Audit Plan. iii. Scrutiny of Issues emanated from Board Meetings. iv. Adoption of reviewed Internal Audit Charter, TBS Board Charter and Audit and Risk Committee charter. v. Presentation of reviewed ICT Audit report Approval of 2023/24 Internal Audit Plan. 	<ul style="list-style-type: none"> (a) Adoption of Financial Statements for the year ended June 2022 (b) Report of the Audited Accounts, Management letter and PAC Directives.

vi. Presentation of proposed amendments to Regulations made under the Standards Act

(iii) Human Resource and Administration Committee

The objective of this Committee is to advise the Board on matters related to Human Resource and Administration.

Table 5: Members of the Human Resource and Administration Committee

S/N	Name	Age	Position	Nationality	Qualification	Meetings Attended
1	Dr. Nandera Ernest Mhando	49	Chairperson	Tanzanian	PhD in Social Anthropology, Master of Arts in Sociology, Bachelor of Arts (Sociology) Hons.	4/4
2	Dr. Eliapenda Elisante Mariki	51	Member	Tanzanian	PhD Environmental Science, Master of Science in Environmental Science, Bachelor of Science in Education	4/4
3	Mr. Shaban Ahmed Kabunga	46	Member	Tanzanian	Postgraduate Diploma in Legislative Drafting, Bachelor of Laws (LL. B)	3/4
4	Mr. Juma Seth Mwambapa	49	Member	Tanzanian	Master's Degree in Business Administration, Finance and Banking, Diploma in International Trade, Bachelor of Business Administration (Marketing Management), NBAA Foundation Stage - Statement of Success	4/4
5	Ms. Magdalena Ludovick Utouh	46	Member	Tanzanian	Master of Laws (LL.M) Public International Law, Masters of Laws (LLM) Commercial and Administrative Law, Bachelor of Laws (LL. B Hons)	3/4
6	Ms. Adela Adam Mkude	44	Co-opted	Tanzanian	MBA (HRM, Bachelor of Arts (Sociology)	2/4
7	Dr. Athuman Yusuf Ngenya	68	Secretary	Tanzanian	PhD in Chemistry, Master of Analytical Chemistry, Bachelor	4/4

Human Resource and Administration Committee conducted meetings

In the period under review the Human Resource and Administration Committee conducted four (4) ordinary meetings. Summary of issues discussed were:

- i. Human resource and administration first quarter performance report;
- ii. Adoption of reviewed Board Charter, Cooperate Social Responsibility Policy, Anti-Fraud and Anti-Corruption Policy;
- iii. Presentation of Proposed Amendments to the Regulations made under the Standard Act; and
- iv. Human resource and administration second and third quarter performance report,
- v. Approval of record Disposal and Retention Policy.

(iv) Technical Advisory Committee

The objective of this committee is to advise the Board on matters related to Standards technicalities.

Table 6: Technical Advisory Committee

S/N	Name	Age	Position	Nationality	Qualifications	Number of Meetings Attended
1	Mr. Hussein Suphian Ally	49	Chairperson	Tanzanian	Bachelor of Science	4/4
2	Eng. Kalumuna Proper Benedicto	48	Member	Tanzanian	Master of Science in Renewable Energy Engineering, Bachelor of Science in Mechanical Engineering	4/4
3	Mr. Timothy Twalib Mussa Mmbaga	52	Member	Tanzanian	Masters of Business Administration - Agribusiness, Bachelor of Science in Agricultural General	2/4
4	Mr. Juma Seth Mwambapa	49	Member	Tanzanian	Master's Degree in Business Administration, Finance and Banking, Diploma in International Trade, Bachelor of Business Administration (Marketing Management), NBAA Foundation Stage - Statement of Success	4/4
5	Dr. Catherine Canute Joachim	51	Member	Tanzanian	Master of Science in Global Health Systems, Postgraduate Diploma in Tropical Medicine and Hygiene, Bachelor of Medicine and Surgery	1/4
6	Mr. Benny Mathew Mallya	55	Co-opted	Tanzanian	MSc. Degree in Microbiology, Bachelor of Science, Honors degree in Chemistry and Applied Microbiology	4/4
7	Dr. Athuman Yusuf Ngenya	68	Secretary	Tanzanian	PhD in Chemistry, Master of Analytical Chemistry, Bachelor of Chemistry and Botany	4/4

Technical Advisory Committee conducted meetings

In the period under review the Technical Advisory Committee conducted three (4) ordinary meetings. The summary of issues discussed in those three meetings were:

- (a) Quarterly and annually progress report;
- (b) Adoption of TBS Research Policy, Fuel Marker Research and gazetting of inspectors;
- (c) Destination inspection to PVoC;
- (d) Draft MoU between TBS and UDSM;
- (e) Action Plan on use of Procured Inspection Equipment;
- (f) Presentation of conditional Release and Registration of Products Report;
- (g) Presentation of summary Customer Feedback; and
- (h) Scrutiny of matters emanated in Board Meetings.

2.5.3 Management of the Bureau

The Bureau is under Supervision of the Board of Directors and the day to day management of the Bureau is entrusted to the Director General who is being supported by five directors and twenty- seven managers.

The Bureau Organization Structure comprises of the five Directorates with thirteen sections, seven units and seven zonal offices as provided here under;

Directorate of Compliance and Enforcement with two sections;

- (i) Directorate of Human Resource and Administration with two sections;
- (ii) Directorate of Testing and Metrology Services with two sections;
- (iii) Directorate of Standards Development with three sections;
- (iv) Directorate of Quality Management with four sections; and
- (v) Seven units and seven zonal office are under Director General Office.

The five directors, heads of units and Zonal Managers reports direct to Director General. The Director General reports to the Board of Directors. The list of directors, heads of units and zonal managers with their qualifications are provided **Table 7**.

Table 7: List of Directors, Heads of Units, Sections and Zonal Managers

S/N	Name	Designation	Age	Qualification
1.	Dr. Athuman Yusuf Ngenya	Director General	68	PhD in Chemistry, Master of Analytical Chemistry, Bachelor of Chemistry and Botany
2.	Dr. Candida Philip Shirima	Acting Director of Compliance and Enforcement	52	PhD in Food and Nutrition Science, Masters of Science in Human Nutrition, Bachelor of Science in Home Economics and Human Nutrition
3.	Ms. Viola Matern Masako	Director of Human Resource and Administration	53	Masters of Arts in Public Administration - Human Resources Management, Advanced Diploma in Public Administration
4.	Mr. Muganyizi Ndibalema	Director of Standards Development	46	Masters of Science in Food Science, Bachelor of Science in Food Science and Technology

S/N	Name	Designation	Age	Qualification
5.	Eng. Johanes Muttanga Maganga	Director of Testing and Metrology Services	48	Masters of Science in Engineering Management, Bachelor of Science in Civil Engineering
6.	Mr. Lazaro Henry Msasalaga	Director of Quality Management	53	Masters of Science in Food Science, BSc. Food Science and Technology
7.	CPA. Shaban Ally Kambwili	Chief Accountant	48	Certified Public Accountant - CPA (T), Masters in Business Administration, Post Graduate Diploma in Accounting, Bachelor of Commerce in Accounting
8.	CPA. Chihimba Pakishadi Nyenela	Chief Internal Auditor	58	Certified Public Accountant - CPA (T), Masters in Business Administration in Commerce Management, Advanced Diploma in Accounting.
9.	Mr. Mtolera Nimrudi Ching'oro	Procurement Manager	41	Certified Procurement and Supplies Professional Tanzania, Masters of Commerce, Logistics and Supply Chain, Bachelor of Commerce Management Science
10.	Mr. Jabir Saleh Abdi	ICT and Statistics Manager	45	Masters of Science in Information Technology and Management, Post Graduate Diploma in Scientific Computing and Advanced Diploma in Computer Science.
11.	Mr. Mwalimu Kassimu Mbega	Planning, Monitoring and Evaluation Manager	48	Master's Degree in Security and Strategic Studies, Masters in Applied Economics, Masters in Business Administration, Bachelor of Arts in Statistics
12.	Ms. Gladness Herman Kaseka	Public Relations and Marketing Manager	41	Masters of Business Administration (Marketing), Bachelor of Business Administration (Marketing)
13.	Ms. Amina Yasin Kitindi	Manager - Products Certification	43	Masters of Science in Food Science, Bachelor of Science in Food Science and Technology
14.	Ms. Happy Brown Kanyeka	Manager - Northern Zone - Arusha	42	Masters of Science in Public Health & Food Safety, Bachelor of Science in Food Science and Technology
15.	Mr. Abel Clement Mwakasonda	Manager - Southern Highlands Zone - Mbeya	50	Masters of Science in Public Health and Food Safety, Bachelor of Science in Food Science and Technology
16.	Eng. Joseph Emmanuel Ismail	Manager - Lake Zone - Mwanza	46	Masters of Science in Renewable Energy, Bachelor of Science in Mechanical Engineering
17.	Mr. Nickonia Mwabuka Mwambene	Manager - Central Zone - Dodoma	54	Masters of Science in Chemistry, Bachelor of Science in Education
18.	Mr. Hussein Yusuf Ugulum	Legal Services Manager	44	Bachelor of Laws
19.	Mr. Francis Mapunda	Acting Manager - Eastern Zone	47	MSc. Food Technology
20.	Mr. Rodney Alananga	Acting Manager Western Zone Manger	44	BSc. Environmental health Sciences.
21.	Dr. Ashura Kilewela Katunzi	Acting Manager - Food Risk Assesment	44	PhD Food Science and Technology ,MSc Food Technology - Quality Assurance, BSc Food Science and Technology

S/N	Name	Designation	Age	Qualification
22.	Ms.Magdalena Sademaki	Acting Manager - Systems Certification	38	MBA (Corporate Management), Bsc. Food Science and Technology
23.	Eng.Saidi Mkwawa	Manager Southern Zone- Mtwara	47	MSc.in Maritime Affairs (Energy Management), MSc.Eng (Metallurgy), master's in business administration(MBA-Finance) & BSc. Eng. (Chemical & Process)
24.	Mr.Gervas Kaisi	Manager Import and Export Control	47	Msc. Environmental Technology Management, Bsc. Chemical and Processing Engineering.
25.	Mr.Hamis Sudi	Manager Research and Training	54	MSc. (Mathematical Modelling), Bachelor of Science in Education (Physics, Mathematics, & Education), Diploma in Education.
26.	Ms.Bahati Samilani	Manager - Information and Library Services	48	Master's in information studies
27.	Ms.Gwantwa Mwakipesile	Acting Manager Products and Premises Registration	47	Master of Public Health (MPH), Bsc. Food Science And Technology
28.	Mr.Moses Mbabe	Acting Manager Inspection and Enforcement	48	Msc. Food Safety, BSc. Food Science and Technology
29.	Mr.Yona Africa	Manger -Standards Development	48	Master of Science in Production Engineering, Bachelor of Science in Mechanical Engineering.
30.	Mr.Joseph Makene	Manager - Testing	46	MSc. Chemistry
31.	Ms.Stella Mrosso	Manager Metrology	51	Msc . Ecological Marine Management BSC General (Chemistry and Microbiology)
32.	Ms.Suzane Kiwelu	Manager Human Resources Management	46	Msc. Human Resource Development
33.	Mr.Mikidadi Mdeti	Manager - Administration	52	Master's in public administration, Advanced Diploma in Public Administration

2.5.4 Management Committees

During the financial year ended 30 June 2023, the Management had several committees that were performing various activities as follows:

Table 8 Management Committees

S/N	Committee Name	Role of Committee
1	Appointment and Disciplinary Committee	This Committee deals with staff appointments and disciplinary issues
2	Housing Committee	This Committee deals with house accommodation allocation and recommendation of any development needed for all TBS housing estates.
3	Training and Development Committee	The Committee handles all training matters for TBS staff (long-term and short-term training

S/N	Committee Name	Role of Committee
4	Quality Committee	This Committee deals with Quality Management System of the Bureau as per the International Standard ISO 9001:2015, <i>Quality Management System – Requirements</i> .
5	Workers Council	The Workers Council advises and recommends to the Board of Directors on all matters on staff and Management, which need workers' participation as per laws, regulations and procedures.
6	Tender Board	The Tender Board advises the Director General on all matters relating to procurement by tender.
7	Gender Committee	This Committee advises Management on issues relating to gender.
8	HIV/AIDS Committee	This Committee advises Management on all matters relating to HIV/AIDS as per National HIV/AIDS Policy.
9	Integrity Committee	This Committee deals with overseeing all matters relating to ethics and corruption.
10	Compounding of Offences Committee	This Committee deals with all matters related to compounding proved penalties for non-compliance to imported products and certification scheme
11	Outsourced Service Committee	This Committee deals with all matters relating to performance monitoring of all outsourced service providers.
12	ICT Steering Committee	This Committee oversees all matters relating to ICT and advises Management accordingly
13	Risk Management Committee	The Committee deals with overseeing all matters relating to risks to which the Bureau is exposed.
14	Research Committee	The committee oversees all matters related to research process.
15	Occupational Health and Safety committee	The committee oversees all issues related to health and safety at work place.
16	Budget Committee	This Committee deals with overseeing all matters relating to budget implementation and advising Management accordingly.
17	Task force Committees	These are task forces formulated by Director General to perform special assignments as the need arises. Task force committees ends on completion of assigned task depending on ToR issued on its appointment

2.5.5 Independence

All the non-Executive Directors are considered by the Board to be independent both in character and judgment and free of relationships or circumstances which could affect their judgment.

2.6 OPERATIONAL AND FINANCIAL PERFORMANCE

2.6.1 Operational performance

The Bureau operations performance are linked to strategic Plan implementations.

In implementing the Strategic Plan, some tangible operations achievements were drawn from the strategic objectives which its key result areas are as shown in **Table 9**:

Table 5: Operation Performance Evaluation

Objective	Activity	SP Evaluation 2022/23		Performance (%)	Remark(s) (+/- 15% is tolerable)	Reasons for Variation
		Target	Actual			
Enhanced Standardization	National Standards Formulated	630	569	90	10	a
	Sale of Standards	2100	2019	96	4	b
	Trainings on standardization	1200	1464	122	22	c
	Conduct research programme on fuel marking	1	0.70	70	30	d
	Various products Certified	700	874	124.9	24.9	e
Improved conformity standards	Food and Cosmetics Products permits issued	2000	1710	85.5	14.5	f
	Food risk assessments	2	2	100	0	
	Premises Registration Permits	9500	8842	93.1	6.9	g
	Certified firms for quality management systems	12	11	92	8	h
	Certificate of Conformity to Standards (CoC) under batch programme for imported products	35,000	35,195	101	1	i
	Batch Certificates for inspections under DI	75,000	71,037	94.7	5.3	j
	Issue Certificate of inspected imported motor vehicles /CoC	50,000	51,035	102	2	k
	Technical Assistance to Exporters (TAE)	280	316	113	13	l
	Increased number of samples tested	38,000	31,035	82	18	m
	Increased number of calibration certificates issued	11,000	10,030	91	9	n
	Litres of fuel Marked	3.9billion	4.004billion	102.7	2.7	o
	To construct Viwango House Dodoma	1	0.35	35%	12%	p
Institutional capacity deliver mandated functions enhanced	Reviewed Bureau training Policy, its guideline and development of Anti-Fraud and Anti-Corruption Policy	2	1.92	96	4	q
	Client Service Charter reviewed	1	0.9	90	10	r
	HIV/AIDS Infections and Non-Communicable Diseases Reduced Supportive Services improved;	2	2	100	0	-

Notes to the variation in operational performance

- a) The variation decreases by 10% in standards developed in the period under review was due iSQMT portal technical problem which hindered timely finalization of the 64 standards which were finalized in July 2023;
- b) The variation decrease by 4% in sale of standards was due to delays on standards gazettment which were gazetted in February and March 2023 (Four month to year end);
- c) The Variation increase by 22% in number of stakeholders trained on standardization was due to increase in number of requests received to train groups with special needs and trainings conducted in collaboration with other institutions;
- d) The Variation decrease by 30% on fuel marking research is due to shortage of laboratory equipment for optimization and validation of research results;
- e) The variation increase by 25% in licensed products was due to strengthening of zonal offices operations and sensitization of MSMEs services;
- f) The variation decrease by 15% in food and cosmetics products permits issued was due to decrease in number of new products that entered the market, however some of received applications failed registration following un responded queries;
- g) The variation decreases by 7% on premises registration was due to non-implementation of MoU entered between TBS and Local Government Authority;
- h) The variation decrease by 8% on Systems Certification was due to three (3) certificates of firms certified in the financial year under review were signed in July 2023;
- i) The variation decrease by 1 % on COC on batch issued under destination inspection was due decrease in products which imported following Ukraine and Russia war);
- j) The variation decrease by 5 % on certificates issued on destination inspection was due to more products were inspected under PVoC programs;
- k) The variation increase on inspected motor vehicles by 2% was due to market force;
- l) The variation increase by 13% on TAE was due to increase awareness on technical assistance services which increased voluntary technical advice service applications;
- m) The variation by 18% decrease on tested products was due to reinstatement of PVoC program;
- n) The variation decrease by 9% of calibrated items was due to damage during transportation of calibration reference standard measurements which affected calibration capacity of some items;
- o) The variation increase by 3% of marked fuel was due to market demand of fuel consumption on economic activities including construction projects;
- p) Construction of Dodoma Viwango house variation of 12% from the expected 47% is due to hard rocks on construction site which required extra time on foundation excavation process for compliance with requirements of environmental management regulations which prohibit gunpowder rocks breaking in some areas;
- q) The variation of 4% to complete the review of the training policy and its guideline development was due to the fact that the documents was not yet tabled before the Board of Directors for approval; and
- r) The variation by 10% on reviewed of client service charter was due to the fact that the documents was tabled before 161st Board meeting held on 2023-08 - 10 for approval

2.6.2 Financial Performance

(a) Significant Aspect of the Statement of Financial Position

(i) Cash and Cash equivalents

Cash and Cash equivalent as at 30 June 2023 was TZS 7.67 billion compared to TZS 16.26 billion as at 30 June 2022. This represents a decrease of TZS 8.58 billion which is equivalent to 53%.

(ii) Receivables and prepayments

Receivables

During the year ended 30 June 2023 receivables increased from TZS 7.85 billion in 2021/22 to TZS 9.08 billion which represents an increase of TZS 1.23 billion equivalent to 15.7%. The increase was the result of increase in uncollected fuel marking fees and PVoC invoices which its collection falls due 15 day of the month following service period

Prepayments

Prepayments amounted to TZS 2.53 billion as at 30 June 2023 compared to TZS 2.09 billion as at 30 June 2022. The increase is attributed to amount paid for procurement five new Motor vehicles and consumables including motor vehicle and generator fuel.

(iii) Capital Work in Progress

Capital work in progress during the year include constructions that were in progress and procured motor vehicle inspection equipment. For the year under review capital work in progress amounted to TZS 12.13 billion as compared to TZS 8.75 billion as at 30 June 2022.

The increase is equivalent to 39% which is attributed to the cost of construction of Viwango house- Dodoma.

(iv) Property and Equipment

As at 30 June 2023, Property, Plant and Equipment was TZS 85.89 billion compared to TZS 77.38 billion as at 30 June 2022. This is a increase of TZS 8.51 billion which is equivalent to 11%. The increase is due to new acquired, commissioned assets and internal roads and parking lots recognized during the year

(v) Trade Payables and other liabilities

Trade payable and deposits as at 30 June 2023 amounted to TZS 8.15 billion compared to TZS 10.58 billion as at 30 June 2022, this is a decrease of TZS 2.43 billion which is equivalent to 23%.

(b) Significant Aspect of the Statement of Financial Performance

(i) Revenue

During the year 2022/23, the Bureau recognized revenue of TZS 98.6 billion as compared to TZS 112.2 billion reported in 2021/22. This represents a decrease of TZS 13.6 billion which is equivalent to 12.2% of the revenue in 2021/22. The decrease was mainly attributed by shifting Motor vehicle Inspection from destination inspection to PVoC program also the Bureau does not receive Development fund from the government. Therefore, Surplus recorded during the year was TZS 7.2 billion compared to TZS 19.15 billion reported in 2021/22. The amount of surplus recorded in 2022/23 and 2021/22 is reflected on capital commitments amounting to TZS 5.6 billion and TZS14.80 billion respectively

(ii) Expenses

Expenses for the year 2022/23 was TZS 84.76 billion before transfer payments of TZS6.66 billion as contribution to Consolidated Fund of TZS 6.66. This represents a decrease of TZS 1.71 billion which is equivalent to 2% of the expenses of TZS 87.26 billion incurred in 2021/22. The decrease in expenses is attributed to change in fuel marker price decrease. In 2022/23 fuel marker price was TZS 8.05 billion to TZS 5.46 billion.

Generally, the performance shows that Bureaus' sources of revenue are able to sustain implementation of its functions. However, the destination inspection of used imported motor vehicles function which has outsourced to PVoC Agents, has reduced the Bureau income and affected expected future economic benefit of procured heavy duty motor vehicle inspection facilities.

2.7 BUREAU STAKEHOLDERS

(i) Key Stakeholders, Services offered and Expectations

The Bureau Stakeholders relationship on services offered and expectations are provided in Table 10:

Table 6: Stake holders Relationship

S/N	Stakeholder	Service Offered	Expectations
1	Ministry of Industry and Trade	(a) Performance reports (b) Audited accounts (c) Annual budget and plans (d) Technical advice on SQMT matters	(a) Accurate and timely reports (b) Informed, professional and timely advice (c) Compliant budgets and plans (d) Compliance with Government policies/guidelines (e) Cooperation within the ministry and other Government related institutions
2	TBS employees	(a) Remuneration (b) Incentive package (c) Working environment (d) Infrastructure and working tools (e) Provision of information (f) Career development	(a) Timely payment of remuneration (b) Good incentive package (c) Conducive working environment (d) Good infrastructure and quality working tools (e) Accurate and timely information (f) Good industrial relations (g) Transparency and accountability

S/N	Stakeholder	Service Offered	Expectations
			(h) Participation in decision making process (i) Career development (j) Promotion
3	Treasury Registrar's Office	(a) Provision of performance Reports (b) Annual budget and plans	(a) Accurate and timely reports (b) Adhering to Government policies, guidelines and directives
4	Micro, Small and Medium Enterprises (MSMEs)	(a) Provision of SQMT (b) Provision of training and technical advice on SQMT, GHP and GMP matters (c) Subsidized service	(a) Appropriate training (b) Timely and reliable advice (c) Good customer ca
5	General public	(a) Provision of information on SQMT (b) Awareness creation on SQMT issues	Timely and accurate information
6	Practitioners in testing and calibration	(a) Provision of standards (b) Provision of proficiency testing (c) Provision of testing and calibration (d) Capacity building on testing and calibration	(a) Up to date standards (b) Accurate, reliable and timely testing and calibration results (c) Accurate and timely proficiency testing results (d) Appropriate training
7	Higher Learning & Research Institutions	(a) Provision of SQMT (b) Supporting practical training (c) Supporting research work related to SQMT	(a) Accurate, reliable and timely, certification, testing and calibration results (b) Reliable and timely training (c) Credible data
8	Associations (Private sector and business community)	(a) Provision of information on SQMT (b) Provision of technical advice on SQMT (c) Provision of Management System Certification (MSC)	(a) Timely Management System Certification (MSC) (b) Timely and reliable information and technical advice
9	Ministries, Independent Departments, Agencies and Local Government Authorities (LGA)	(a) Provision of information on SQMT matters (b) Provision of technical advice on SQMT (c) Provision of Management System Certification (MSC)	(a) Timely dissemination of information (b) Accurate and timely technical advice
10	Regional and international bodies on Metrology, Quality Assurance and Testing	(a) Provision of information on metrology, testing and quality assurance matters (b) Active participation in quality assurance issues (c) Provision of training and technical advice (attachments)	(a) Timely dissemination of information (b) Proper handling of artefacts (PT samples) (c) Accurate and timely technical advice and appropriate training
11	Manufacturers, Importers and Exporters	(a) Technical advice on importation and exportation of goods (b) Provision of SQMT	(a) Updated standards (b) Accurate and timely test results (c) Accurate, reliable and timely calibration results

S/N	Stakeholder	Service Offered	Expectations
		(c) Provision of training and technical advice on SQMT, GHP and GMP matters	(d) Good customer care (e) Appropriate training (f) Timely and reliable advice
12	Development Partners	(a) Submission of project proposals (b) Provision of accountability reports	(a) Accurate and timely submission of reports (b) Viable and feasible proposals
13	Economic operators (goods, works, consultancy and non-consultancy providers)	Provision of procurement information	(a) Accurate information (b) Prompt payment (c) Fair procurement processes
14	Media	Provision of public related information	Accurate and timely information

(ii) Risk Management and Internal Control

The Board of Directors has the overall responsibility for the risk management and internal control systems of the Bureau. However, it is the task of Management through Risk Management Committee to ensure that, all cooperate risks are identified, monitored and mitigated through developed systems and proposed mitigation measures. The Bureau risk management is focused to achieve;

- (i) The effectiveness and efficiency of operations;
- (ii) The safeguarding of the Bureau's assets;
- (iii) Compliance with applicable laws and regulations;
- (iv) The reliability of accounting records;
- (v) Business sustainability under normal as well as adverse conditions; and
- (vi) Responsible behaviour towards all stakeholders.

The Bureau identified Cooperate Risks and its Mitigation strategies are stipulated in **Table 11**.

Table 7: Bureau Risks and treatment action plan

Risk title & ID	Proposed Treatment/ Control Options	Implementation Time-Frame	How will this risk and treatment options be monitored (Key Control Indicator)	Implementation Status
Employees perform less than expected (TBS/DHRA/R04)	Embed the Quality Management System (QMS) - ISO 9001 across the Bureau.	Continuous	QMS implemented across the Bureau	Ongoing. All new staff are trained on quality management system. Follow-ups are made on the implementation of QMS at the directorate and sectional levels through internal audits
	Conduct objective (Anonymous) staff satisfaction survey.	By December 2022	Survey conducted	Done

Risk title & ID	Proposed Treatment/ Control Options	Implementation Time-Frame	How will this risk and treatment options be monitored (Key Control Indicator)	Implementation Status
Prevalence of imported substandard products in the market (TBS/DCE/R01)	Recruit adequate number of inspectors Conduct regular training to inspectors	By July 2022 Continuous as appropriate (Semi-annual)	Number of new employees recruited Training report submitted	Not done. The Bureau is continuing to make follow-up on the recruitment permits. Training is ongoing. Ethical and proper conduct should be among the agenda of meetings for continual improvement. Training is ongoing
Exposure to health complications/deaths for laboratory staff (TBS/DTM/R03)	Provide special training to lab on health and safety matters	Continuous as appropriate] (annually)	Training records available	
Failure to protect standard copyright (TBS/DSD/R04)	Prepare and implement Library and information management policy.	By December 2022	Policy in place and implemented	After analysing the treatment action, it was observed that the policy will not curb the risk and agreed to prepare standards copyright and sales policy which is budgeted for the year 2023/24
Failure to collect revenue as planned. (TBS/FAU/R01)	Develop and implement revenue mobilization and collection strategy Develop and enforce service delivery enhancement strategy.	By December 2022 By December 2022	Revenue Mobilization and collection Enforce service delivery enhancement strategy.	
Mismanagement of expenditures. (TBS/FAU/R/02)	Develop and enforce fraud control framework. Regular trainings on management of expenditure Effective internal controls.	By December 2022 Continuous as appropriate Continuous	Fraud control Framework in place. Training programme. Effective controls.	Fraud and anti-corruption policy has been prepared Done In place. Budgeting and accounting systems are available for allocation

Risk title & ID	Proposed Treatment/ Control Options	Implementation Time-Frame	How will this risk and treatment options be monitored (Key Control Indicator)	Implementation Status
	Proper allocation of resources	Continuous	Allocation of resources is in place	and management of funds Resources are continuously allocated properly. Staff are involved in different initiatives for resource allocation.

2.8 TBS OPERATING MODEL

The operating model is a representation of how the Bureau creates and delivers value. TBS operating model represents the system of transforming key resources (inputs) through its operating services into output and outcome which intends to achieve its strategic purpose/goal and create value on the analysed annual milestones. TBS operating model is described below: -

2.8.1 Inputs

These are the resources used in the processes or planned activities to ensure delivery of intended results. These include human capital, financial capital, social and relationship capital; and equipment. Inputs ensure that it is possible to deliver the intended results.

(i) Human Capital and Manning level

TBS has recruited competent employees who have skills, knowledge, attitude and ability which enabled them discharge their responsibilities properly. It has also motivated well these employees to ensure quality service delivery. TBS employees have demonstrated good work ethic and character, which has led the employees to be responsible and accountable for their work. The Bureau is an equal opportunity employer that considers qualification, integrity and ability to perform assigned duties.

Currently the Bureau's manning level is 893 employees however, the available employees are 677 compared to 664 in the financial year 2021/22 which is a shortage of 216 employees. In the financial year 2022/23 the number of employees in various employment positions was as shown in Table 12.

Table 8: Number of Employees

Designation	2022/23			2021/22		
	Male	Female	Total	Male	Female	Total
Management Team	22	11	33	22	11	33
Chief/Principal officers	12	7	19	12	6	18
Senior officers	56	32	88	4	15	19
Middle level officers	302	102	404	300	100	400

Designation	2022/23			2021/22		
	Male	Female	Total	Male	Female	Total
Others	98	35	133	131	63	194
Total	490	187	677	469	195	664

(ii) Financial Capital

Financial capital of TBS constitutes financial resources received from quality controls certification functions. TBS being the National Standard Body mandated to undertake measures for quality Control of products and services for promoting standardization in industry and commerce collects its revenue from prospective and existing customers operating in respect of certification application and license fees, registration fees, testing, marking and royalties from PVoC services.

(iii) Social Relation Capital

This is a fundamental aspect of value to TBS. The Bureau has established a good relationship with its stakeholders which include the Government, Development Partners, PVoC partners, Suppliers, Private Sectors, Business entities, manufactures and the general public/society. The Bureau has actively engaged with the stakeholders on various matters related to standardization on products imported or manufactured for Tanzania/in Tanzania. In the period under review TBS implemented CSR initiatives by way of sponsorship and donation as its contribution on health and education agendas. The Bureau is committed to observing corporate social responsibility. TBS has its own Corporate Social Responsibility (CSR) procedure to support the community with special needs covering three scopes, i.e. disabled groups, health and education. During the financial year under review, the Bureau contributed TZS 30.00 million for corporate social responsibility.

(iv) Natural Capital

TBS has been collaborating with other relevant institutions in preserving the natural resources and the environment. During destruction of banned and substandard products, the Bureau complies with National environmental guidelines. The destruction of substandard products and hazardous materials are done in collaboration with the relevant Government institutions with a view to ensuring compliance with safety requirement and environmental conservation guidelines. Bureau planting trees within the Bureau's surroundings as an effort to conserve the environment, the Management is also keen to ensure that all wastes generated in the process of discharging the Bureau's obligations are safely disposed of. In the financial year under review, TBS promoted sustainability and environmental management through formulation of 32 national environmental standards while on the other hand offered a number of solutions by including environmental aspects in products, services standards and industries through Environmental and Social Impact Assessments consultancy.

2.8.2 Operating activities

Operating activities of the Bureau are undertaking measures for quality control and promote standardization industry and commerce functions which form the core activities. These

activities involve standards formulation, inspection, testing, certification, licensing; registration and and compliance enforcement functions.

2.8.3 Output

Output recorded under operating model in the financial year under review is summarized in Table 9 above.

2.8.4 Outcome

The Outcome of Bureau operations are also reflected in Table 9 through performance achieved and its variations reasons analysed from (a) to (r).

2.9 EMPLOYEES' WELFARE

(i) Implementation of Training Policy

The Bureau offers training to its employees to enable them to acquire knowledge, skills, competence, experience and attitudes that will enable them to achieve individual and organizational goals. This is in accordance with the Public Service Employment and Management Policy, 2008 and the Bureau's Training Policy, 2020.

In the financial year 2022/23 the Bureau sponsored 113 employees in short-term courses on standardization, quality assurance, leadership, records management, retirement courses, procurement & financial management and other related courses. Furthermore 711 employees, were trained on conducted groups trainings which included OPRAS training, e-office, Public Procurement Act, management skills, MUSE, brain health and non-communicable diseases.

On the other hand, in the financial year under review the Bureau sponsored 10 officers to pursue long-term courses at various higher learning institutions including Sokoine University of Agriculture, University of Dar es Salaam, Dar es Salaam Institute of Technology, Mzumbe University and Ardhi University.

(ii) Meals and Medical Services

The Bureau abides by the Public Service Employment and Management Policy, 2008 that stipulates that public employees should be provided with good working environment to achieve organisational objectives. In 2022/23, the Bureau continued to subsidize lunch and tea for all employees during working days and TZS 1.45 billion was paid in respect of 677 employees' meals compared to TZS 1.28 billion in 2021/22 for 664 employees. The variation increase on staff meals costs is due to increase in number of field students, contract and permanent staff from 664 to 677 in the financial year under review.

Medical Services for employees are provided in compliance with the NHIF Act No 8 of 1999 (Cap 395 R.E 2002). All employees are members of the National Health Insurance Fund (NHIF) where medical costs are covered under this scheme.

The Bureau covers only medical charges, which are not covered under the scheme such as staff working under contract, new staff before registration with NHIF and medical refunds outside NHIF scope. The Bureau incurred medical expenses amounting to TZS 26.8 million in

2022/23 as compared to TZS 37.59 million in 2021/22. This is a decrease in medical expenses by 28% in the financial year under review was mainly contributed by the decrease in number of staff who were refunded medical services as there were no new hired employees during the period under review and the existing staff and those transferred from other Government institution were already registered with NHIF.

(iii) Management and employees relationship

The Bureau being a Parastatal Organisation, abides by the Public Service (Negotiating Machinery) Act No. 19 of 2003 and the TBS Staff and Administrative Regulations, 2007 where the Workers Council and Trade Unions are recognized. During the financial year 2022/23, relationship between the Management and other employees continued to be good. Employees' complaints raised during the year were resolved mainly through the use of consultative meetings involving the Management, Trade Union and Workers Council. As a result, the healthy relationship between Management and employees was enhanced.

(iv) Health and Safety

Effective health, safety and risk management is a priority for the Bureau. The Bureau's safety management system delivers a safe working environment by continuous and effective assessment. This is in line with the Public Service Employment and Management Policy, 2008. During the 2022/23 financial year, the Bureau performed different health management programmes including procurement of additional gym facilities.

Furthermore, the Bureau organized awareness seminars on various NCDs and HIV/AIDS and implemented a vaccination programme for hepatitis B to all employees who were ready to take vaccination. The services were extended to providing care and support to people living with HIV/AIDS as per the Bureau's HIV/AIDS Policy, 2018 whereby TZS 300,000 was paid per person on monthly basis to support nutritional improvement to the staff who voluntarily declared living with HIV. In the financial year 2022/23 a total of TZS 3,600,000.00 was paid to one employee who made declaration of his status.

To ensure the Bureau's community and other stakeholders are safe from various hazards, the Bureau procured protection gears to all staff working on risk areas depending on the nature of activity and performed awareness creation to all staff on adherence to safety measures and guidelines. For employees travelling abroad, the Bureau continues to facilitate their compliance with international COVID-19 guidelines through meeting all costs associated. In the financial year under review, the Bureau paid health insurance and COVID test charges to employee travelling outside the country to facilitate compliance with COVID-19 guidelines.

(v) Financial assistance and benefits to staff

The Bureau provides one-month salary advance to all permanent employees in line with Section No. 7 of the Standing Orders for Public Services 2009, Staff and Administrative Regulations of 2007 and the Tanzania Bureau of Standards Financial Regulations 2010. Also, the Bureau grants bonuses to employees employed on permanent terms upon voluntary or compulsory retirement. In the financial year under review, the Bureau paid to its retired staff gratuity and bonus amounting to TZS 63.57 million.

(vi) Persons with disabilities

The Bureau abides by the Public Service Employment and Management Policy, 2008 which recognizes equal opportunities to all employees in terms of gender, health and disability. In line with the Policy, the Bureau has all along been an equal opportunity employer. Applications for temporary employment by disabled persons are always considered, bearing in mind the attitude and ability of the applicant. Disability would not prevent a person with the requisite academic qualification, experience and competence from being employed by the organization.

Furthermore, the Staff and Administrative Regulations, 2007 provides for equal opportunity in terms of training, career development and promotion to all employees. Currently, the Bureau has two staff with disability.

2.10 ENVIRONMENT CONSERVATION

Apart from planting trees within the Bureau's surroundings as an effort to conserve the environment, the Management is also keen to ensure that all wastes generated in the process of discharging the Bureau's obligations are safely disposed off. In the financial year under review the Bureau promoted sustainability and environmental management through formulation of 32 national environmental standards while on the other hand offered a number of solutions by including environmental aspects in products, services standards and industries through Environmental and Social Impact Assessments consultancy.

Furthermore, the Bureau made environmental management conscious investments of TZS 133.72 million through construction of decentralized waste water treatment. Moreover, during destruction of banned and substandard products, the Bureau complies with National environmental guidelines.

2.11 SOLVENCY

The Board of Directors has reasonable assurance that Tanzania Bureau of Standards is a going concern for the unforeseeable future. This means that the Bureau is financially stable to continue with its core operations as indicated in the statements of financial position through debt to asset ratio which stands at 8%, i.e. total debts TZS 9.49 billion divide by Total Assets TZS 118.70 billion.

In the financial year under review, the Bureau's Key Financial Performance Indicators are summarized in Table 13.

Table 9: Key Financial Performance Indicators for the year under review

S/N	RATIO	STATUS	REMARK
1	Liquidity Ratio= Current Asset /Current Liability	2.2:1	Bureau current assets can pay its short-term obligations 2.2:1times
2	Return on Asset= Net Surplus/Total Assets	8%	Net surplus of the Bureau is 8% of the total asset
3	Net Profit Margin = Revenue - Cost/revenue	16%	Net surplus is 16% to total revenue
4	Administrative Efficiency = Admin expenses/Total Income	23%	Administration efficiency is 23% to total income

5	Debt to total asset = Total Debts/Total Asset	8.7%	8.7% of Total assets is covered by debts
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2.12 RELATED PARTY TRANSACTIONS

The related party transactions are disclosed as per the attached schedule to the financial statements. The total remuneration paid to Board of Directors and Management team during the year under review was amounting to TZS 3.04 billion.

2.13 CORPORATE SOCIAL RESPONSIBILITY

The Bureau is committed to observing corporate social responsibility. TBS has its own Corporate Social Responsibility (CSR) procedure to support the community with special needs covering three scopes, i.e. disabled groups, health and education. During the financial year under review, the Bureau contributed **TZS 30 million** for corporate social responsibility to support education and health to people with special needs.

2.14 TRADE FACILITATION

In view of supporting government efforts on enhancing trade and industrial development, the Bureau complies with the SMEs development Policy of 2003, the National Trade Policy of 2003 the Sustainable Industrial Development Policy 1996-2020 and the National Investment Promotion Policy 1996 through subsidizing SMEs products certification. The trend of SMEs need for certification has been increasing yearly and forms the basis for budgeting each year. In the period under review, the Bureau subsidised certification activities for SMEs by TZS 838,023,000 compared to TZS 830,787,000 which was provided in 2021/22. This is an increase of TZS 7.24 million equivalent to 1%. The increase is due to efforts made by Government on sensitization, encouraging and promoting domestic industrialization through SMEs hence increasing the number of SMEs applying for products certification. The certification subsidies cover the costs for training, initial factory assessment, testing of samples and annual certification charges.

2.15 COMPLIANCE WITH LAWS AND REGULATIONS

In carrying out its activities, the Bureau is keen to comply with various statutory requirements including Laws and Regulations. Nothing has come to the attention of the Management to indicate non-compliance with statutory requirements.

2.16 MANAGEMENT MEMBERS INTERESTS

No Management Member has interest in ownership of the Bureau. It is fully owned by the Government.

2.17 CHALLENGES ENCOUNTERED BY THE BUREAU AND STRATEGIES TO ADDRESS THEM

Despite good strategies formulated by TBS to foster the entire objectives of the organization as per Strategic Plan 2021/22 - 2025/26, the Bureau encountered some challenges during the implementation of the budget for the period of the financial year 2022/23 as illustrated hereunder;

- (i) Possibility of system security risk through information shared between the Bureau and PVoC partners is a challenge to TBS ICT infrastructure and Systems. In curbing this situation, TBS is continuously providing relevant ICT security trainings to its ICT personnel and improving and maintaining its ICT infrastructure and Management Information Systems;
- (ii) Presence of porous/ unofficial borders of entry through which unfaithful traders may import substandard goods or goods which have not been approved by the Bureau. In order to curb the influx of sub-standard products, the Bureau has strengthened inspections and enforcement activities through establishment of Compliance and Enforcement Directorate. Moreover, the Bureau will continue strengthening cooperation with other Government institutions so as to reduce entrance of products through un-official ports/routes;
- (iii) Employment permits - the main challenge facing the Bureau on the part of is shortage of laboratory and inspection staff. In curbing this situation, TBS requested recruitment permits from President Office - Public Service Management and Good Governance (PO-PSM and GG); and
- (iv) Delays in delivery of Laboratory equipment due to long lead times in the manufacturing process and shipping procedures. In curbing this situation, Management initiates early procurement process when the financial year starts.

2.18 AUDITORS

The Controller and Auditor General is the statutory auditor of the Tanzania Bureau of Standards by virtue of Article 143 of the Constitution of the United Republic of Tanzania, as amplified in section 9 of the Public Audit Act, Cap 418.

2.19 STATEMENT OF THE CHAIRPERSON OF THE BOARD

According to the Standards Act Cap. 130, Tanzania Bureau of Standards (TBS) is the custodian and overseer of the observance of Standards in Tanzania through Standardization, Quality Assurance, Metrology and Testing (SQMT) services with the aim of providing supportive infrastructure for growth of industries and commerce within the country.

During the period under review, the Bureau continued to represent Tanzania's interests in regional and international standards bodies such as East African Standards Committee (EAC), Southern African Development Community (SADC) and African Regional Organization for Standardization (ARSO). Others include International Organization for Standardization (ISO), International Electro Technical Commission (IEC) and the FAO/WHO Codex Alimentarius Commission.

The Bureau's major sources of income continued to be the Government, development partners and TBS own internal sources. The Bureau enjoyed tremendous support from development partners such as TANIPAC, TMEA and SADC.

To ensure its services are accessible to many Tanzanians, the Bureau in collaboration with the Government is implementing a number of strategies, including construction of VIWANGO House in Central Zone (Dodoma) which, on its completion, will move services nearer to the public. On the other hand, the Bureau is furnishing the newly established Test House in Dar es Salaam to

overcome the challenge of limited testing facilities. To strengthen TBS capacity to curb the influx of substandard products, communication with the President's Office, Public Service Management and Good Governance through the Ministry of Investment, Industry and Trade has been done, requesting for grant of employment permits. The Bureau has presented an establishment of 893 personnel by June 2023 and has continued to request employment permits in every financial year.

Furthermore, the Bureau has continued to communicate with the President's Office, Public Service Management and Good Governance concerning the approval of new salary structure that fits its needs.

The Board of Directors will continue to cooperate with Management and the entire staff of the Bureau to ensure that their responsibilities and duties are mannered to achieve expected organizational objectives while safeguarding public interests.

BY ORDER OF THE BOARD

Approved by the Board of Directors and signed on behalf by:



Prof. Othman Chande Othman

CHAIRPERSON, BOARD OF DIRECTORS

DATE 2024-03-21



Dr. Athuman Yusuf Ngenya

DIRECTOR GENERAL

DATE 2024-03-21

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

As required under Section 16 of The Standards Act No. 2 of 2009, the Board of Directors is responsible to ensure that the Bureau prepares financial statements that give a true and fair view of the state of affairs of the Bureau as at the end of the financial year and changes in net assets of the Bureau for the year. The auditors' responsibility is to express an opinion on the financial statements based on their audit. The Board of Directors is also responsible for safeguarding the assets of the Bureau.

The Board of Directors accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the requirements of the International Public Sector Accounting Standards (IPSAS).

The Board of Directors further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. The Directors are responsible for safeguarding the assets of the Bureau, hence taking reasonable steps for prevention and detection of fraud, errors and other irregularities.

Nothing has come to the attention of the Directors to indicate that the Government of the United Republic of Tanzania shall wind up the operations of the Bureau, hence going concern remain for at least twelve months from the date of these Statements.

Signed on behalf of the Board of Directors by:



Mr. Shaban Ahmed Kabunga

CHAIRMAN, AUDIT AND RISK COMMITTEE
DIRECTORS

DATE: 21/03/2024



Prof. Othman Chande Othman

CHAIRPERSON, TBS BOARD OF

DATE: 2024-03-21

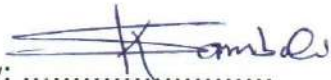
4.0 DECLARATION BY THE HEAD OF FINANCE

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 a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of 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 Board of Directors as under Directors' Responsibility statement.

I, Shaban A. Kambwili, being the Head of Finance and Accounts Unit of Tanzania Bureau of Standards, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 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 of Tanzania Bureau of Standards as on that date and that they have been prepared based on properly maintained financial records.



Signed by:
Name: CPA. Shaban A. Kambwili
POSITION: CHIEF ACCOUNTANT
NBAA Membership No. ACPA 5330
Date: 2024-03-21

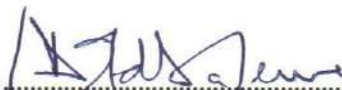
5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

ASSETS	NOTES	2022/23 TZS	2021/22
Current Asset			
Cash and Cash Equivalents	24	7,668,694,571	16,257,712,447
Receivables	25	9,083,729,096	7,847,985,681
Inventories	27	23,415,063	54,186,258
Prepayments	26	2,529,379,738	2,094,457,752
Total Current Asset		19,305,218,468	26,254,342,138
Non-Current Asset			
Capital Work In Progress	33	12,128,980,737	8,746,510,162
Property, Plant and Equipment	31	85,891,469,701	77,381,717,128
Intangible Assets	32	9,556,777	10,618,641
Total Non-Current Asset		98,030,007,215	86,138,845,931
TOTAL ASSETS		117,335,225,683	112,393,188,070
LIABILITIES			
Current Liabilities			
Deferred Income	30A	11,512,223	0
Deposits	30B	284,933,742	79,553,317
Payables and Accruals	29	8,150,810,967	10,583,621,367
Total Current Liabilities		8,447,256,932	10,663,174,684
NET ASSETS		108,887,968,751	101,730,013,386
NET ASSETS			
Capital Contributed by:			
Taxpayers/Share Capital		31,796,000	31,796,000
Accumulated Surpluses/Deficits		108,856,172,751	101,698,217,386
TOTAL NET ASSETS		108,887,968,751	101,730,013,386

Notes for part of the financial statements which were approved by the Board of Directors and signed on their behalf by;


 Prof. Othman Chande Othman
 CHAIRPERSON, BOARD OF DIRECTORS
 DATE: 2024-03-21


 Dr. Athuman Yusuf Ngenya
 DIRECTOR GENERAL
 DATE: 2024-03-21

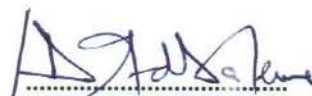
STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2023

REVENUE	NOTES	2022/23 TZS	2021/22 TZS
Subvention from Government	14	13,688,831,885	15,763,241,974
Fees, Fines, Penalties and Forfeits	14B	44,618,400	27,280,000
Revenue from Exchange Transactions/Levies	15	67,687,478,417	79,428,639,665
Levies/DI	16	16,712,595,061	16,932,907,344
Other Revenue	16B	47,600,000	50,199,975
Gain/(Loss) on Foreign Currency Translation	17	440,559,342	61,575,000
TOTAL REVENUE		98,621,683,105	112,263,843,958
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	18	32,830,675,192	31,401,078,208
Social Benefits	19	10,000,000	9,941,000
Use of Goods and Service	20	43,668,355,216	49,459,828,369
Maintenance Expenses	21	1,678,246,218	1,316,642,808
Other Expenses	23	1,434,921,449	1,520,728,714
Depreciation of PPE	31A	5,080,717,027	3,485,393,974
Loss on disposal of asset	31B	0	61,574,999
Loss on Asset and Liabilities	31C	55,829,304	0
Amortization of Intangible Assets	32B	1,061,864	2,556,461
Total Expenses		84,759,806,270	87,257,744,533
Grants, Subsidies and other Transfer Payments	22	6,662,533,970	5,856,426,557
TOTAL EXPENSES AND TRANSFERS		91,422,340,240	93,114,171,090
Net Surplus for the year		7,199,342,865	19,149,672,872



Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS

DATE: 2024-03-21



Dr. Athuman Yusuf Ngenya
DIRECTOR GENERAL

DATE: 2024-03-21

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

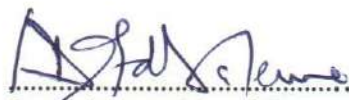
	Tax Payer's Fund (TZS)	Accumulated Surplus/(Deficit) (TZS)	Total (TZS)
Opening Balance as at 01 July 2022	31,796,000	101,698,217,386	101,730,013,386
Adjustment		(41,387,500)	(41,387,500)
Surplus for the Year	-	7,199,342,865	7,199,342,865
Closing Balance as at 30 June 2023	31,796,000	108,856,172,751	108,887,968,751
Opening Balance as at 01 July 2021	31,796,000	82,548,544,514	82,580,340,514
Surplus for the Year	-	19,149,672,872	19,149,672,872
Closing Balance as at 30 June 2022	31,796,000	101,698,217,386	101,730,013,386



Prof. Othman Chande Othman

CHAIRPERSON, BOARD OF DIRECTORS

DATE: 2024-03-21



Dr. Athuman Yusuf Ngenya

DIRECTOR GENERAL

DATE: 2024-03-21

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

CASH FLOW FROM OPERATING ACTIVITIES

2022/23

2021/22

RECEIPTS

Levies / DI	16	16,712,595,061	14,802,035,209
Fees, Fines, Penalties and Forfeits	14B	44,618,400	27,280,000
Other revenue	16B	47,600,000	50,199,975
Revenue from Exchange Transactions	15B	66,618,830,345	81,079,433,119
Increase in deposit	30B	205,380,424	79,553,317
Subvention	14	13,628,610,551	16,932,907,344
Total Receipts		97,257,634,781	112,971,408,964

PAYMENTS

Wages, Salaries and Employee Benefits	18B	(32,876,189,115)	(31,349,079,285)
Consumables Used good/services	20B	(45,877,662,464)	(48,676,197,264)
Social Benefits	19	(10,000,000)	(9,941,000)
Other expenses	23	(1,434,921,449)	(1,956,343,095)
Maintenance Expenses	21	(1,678,246,218)	(1,316,642,808)
Grants, Subsidies and Transfer Payments	22B	(7,662,533,970)	(5,856,426,556)
Total Payments		(89,539,553,216)	(89,164,630,008)

NET CASH FLOW FROM OPERATING ACTIVITIES

7,718,081,565 **23,806,778,959**

CASH FLOW FROM INVESTING ACTIVITIES

Investing Activities

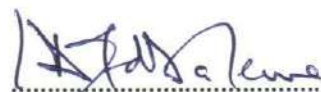
Payment for WIP	33	(3,911,144,640)	(8,217,836,097)
Advance for PPE acquisition	26	194,935,335	(1,286,860,881)
Acquisition of PPE	31B	(12,590,890,136)	(6,658,008,509)
Total Investing Activities		(16,307,099,441)	(16,162,705,487)

Net Increase / decrease		(8,589,017,876)	7,644,073,473
Cash and cash equiv. at beginning of period		16,257,712,447	8,613,638,974
Cash and cash equivalent at end of period		7,668,694,571	16,257,712,447



Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS

DATE: 2024-03-21



Dr. Athuman Yusuf Ngenya
DIRECTOR GENERAL

DATE: 2024-03-21

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

	Original Budget	Reallocations/ Adjustments	Final Budget (A)	Actual Amount on Comparison Basis [B]	Different Final Budget & Actual (A-B)	+/- %	Remarks
RECEIPTS	TZS	TZS	TZS	TZS	TZS	%	
Increase in deposit				205,380,424	(205,380,424)		
Subvention from GVT	21,509,293,060		21,509,293,060	13,628,610,551	7,880,682,509	37	a
Levies / DI for general Goods	28,105,000,000		28,105,000,000	16,712,595,061	11,392,404,939	40	b
Fees, Fines, Penalties and Forfeits				44,618,400	(44,618,400)		
Revenue from Exchange Transactions	74,155,000,000		74,155,000,000	66,666,430,345	7,488,569,655	10	c
Total Receipts	123,769,293,060		123,769,293,060	97,257,634,781	26,511,658,279		
PAYMENTS							
Grants, Subsidies and other Transfer Payments	15,339,000,000		15,339,000,000	7,662,533,970	7,676,466,030	34	d
Maintenance Expenses	2,146,100,000	169,000,000	2,315,100,000	1,678,246,218	636,853,782	28	e
Other Expenses	1,841,877,380	(137,090,000)	1,704,787,380	1,434,921,449	269,865,931	16	f
Social Benefits	10,000,000		10,000,000	10,000,000.00		0	
Consumables goods /services	45,712,050,000	885,388,000	46,597,438,000	45,877,662,464	719,775,536	15	g
Wages, Salaries and Employee Benefits	42,218,523,060	(1,692,613,000)	40,525,910,060	32,876,189,115	7,649,720,945	18	h
Acquisition of PPE	28,547,779,871	765,000,000	29,312,779,871	12,590,890,136	13,005,680,428	44	i
Advance PPE acquisition				(194,935,333)			
Payment for WIP				3,911,144,640			
Total Payment	135,815,330,311	(10,315,000)	135,805,015,311	105,846,652,659	29,958,362,652		

Net Receipts/Payments	*(12,046,037,251)	(12,035,722,250)	(8,589,017,878)		
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*Payment in excess of revenue is due to inclusion of carryover budget amount in acquisition of PPE,
The Approved Budget of the Bureau is prepared on Cash Accounting Basis.


.....
Prof. Othman Chande Othman

CHAIRPERSON, BOARD OF DIRECTORS


.....
Dr. Athuman Yusuf Ngenya

DIRECTOR GENERAL

DATE: 2024-03-21.....

DATE: 2024-03-21.....

NOTES TO THE VARIATION ON STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS

- a) The variation of 37% is due to non-issuance of expected employment permit hence budgeted amount was not disbursed;
- b) The variation decrease of 40% is due to reinstatement of PVoC programs;
- c) The variation of 12% is due to non-operationalization of MoU entered between TBS and LGA, also decrease in importation;
- d) The variation decrease of 34% was due to non-issuance of new employment permit were by the budget included expected new employees;
- e) Variation of 28% was due to unconcluded projects and un implemented projects including partitioning of zonal offices;
- f) The decrease on other expenditure by 16% was due to decrease in consignment clearance charges following delayed procured testing facilities, decrease in bank charges and fund escort after adoption of MUSE, less paid motor vehicle insurance and few procured specialized services;
- g) The variation of 15% is due to charging fuel marking in TZS instead of USD.
- h) The variation decrease of 18 % is the budget included in new expected employs with expectation of implementation of new incentive scheme which was not implemented as was planned; and
- i) The variation of 57% after increase of budget through reallocation is due to un supplied laboratory equipment during the year as expected as per various contracts. and ongoing construction projects.

NOTES TO THE FINANCIAL STATEMENT

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation

The Financial Statements of the Bureau have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) and its interpretations adopted by the International Public Sector Accounting Board (IPSAB). Furthermore, the Financial Statements have been prepared under the historical cost convention except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (TZS), rounded to the nearest thousand.

The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are separately disclosed in a Note to the Financial Statement.

The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are separately disclosed in a Note to the Financial Statement.

2. Revenue Recognition

Revenue comprises of the fair value of subvention and assistances received from the Central Government and other donors, fees charged on various services rendered to the customers (which include certification, testing, quality control, consultancy etc) as well as rent and interest net of withholding tax and discounts.

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Bureau and the revenue can be reliably measured.

(a) Subvention and assistances

Subvention and assistances received from the Government and other donors are recognized when earned by the Bureau.

(b) Fees on services rendered

Fees on services rendered to the customers are recognized in the accounting period in which it is earned except for PVoC agents and fuel importer which it is recognized when the services are rendered.

(c) Rent income

Rent income is mainly from the rented properties to the third party such as cellular towers. Rent income is recognized on time proportion basis when earned and accounted in the respective accounting period.

3. Plant, Property and Equipment (PPE)

Plant, Property and Equipment are initially recorded at historical cost includes expenditure that is directly attributable to the acquisition of the item. Subsequently, Plant Property and Equipment reviewed and shown at reviewed amounts, less accumulated depreciation. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate only when it is probable that the future economic benefits or service potential associated with the item will flow to the Bureau and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial performance during the financial year in which they are incurred.

All PPEs that are under progress such as construction are disclosed separately under name of Capital Work in Progress in the statement of financial position.

Increases in the useful life arising on reviewing the useful life of plant, property and equipment result into decrease in depreciation charge and finally affect net asset through surplus. Decrease in useful life of an item of PPE would result into increase in depreciation charges, which are to be charged to the statement of financial performance and has negative impact to the financial statements.

(a) Depreciation


Land is not depreciated.

Depreciation on plant, property and equipment is calculated to write off the cost/value of plant, property and equipment over their remained useful life on a straight-line basis.

Depreciation is charged on assets from the year when they are first put into use and stop on the date when the asset is derecognized or disposed of by the Bureau.

(b) Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Where intangible assets are acquired in non-exchange transactions; the cost is their fair value at the date of the exchange. Subsequently, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.



The useful lives of intangible assets are assessed as finite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets are amortized and recognized in the Statement of Financial Performance using the straight-line method over estimated useful lives.

(c) Major renovations

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner.

(d) An Asset's Carrying Amount and Residual Value

An asset's carrying amount is written down immediately to its recoverable amount when there is strong evidence the carrying amount is greater than its estimated recoverable amount. Likewise, the asset's residual values and useful life reviewed only when the condition to warrant the review exist at the balance sheet date **as per requirement of IPSAS 17.**

(e) Gains and Losses on Disposal

Gains and Losses on disposal can be determined when the carrying value of an asset is below or above the net realizable value.

4. Inventories

Inventories are valued at the lower of cost and current replacement cost.

5. Receivables and prepayments

Prepayments and receivables are recognized initially at fair value and subsequently measured at amortized cost net of provision for impairment. Provision for impairment of receivables is done when there is objective evidence that the Bureau will not be able to collect all amounts due according to the original terms of the specific receivables. The loss is recognized through the statement of financial performance.

6. Foreign Currency Translations

(a) Functional and Presentation

Items included in the financial statements of the Bureau are measured using Tanzanian Shilling (TZS), which is the currency of the primary economic environment in which the Bureau operates (Presentation Currency).

(b) Transaction and Balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities at the year ended expressed in foreign currencies are translated into functional currency using the exchange rates prevailing at the end of the financial year 30 June each year using the BOT Bid-rate. Exchange gains and losses are reflected in the statement of financial performance.

7. Cash and Cash Equivalent

Cash and cash equivalent are carried out in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalent comprise cash in hand and cash at bank.

8. Capital Fund

Capital Fund is made up of the Government contribution to the establishment of the Bureau.

9. Amortization of Grants

In line with IPSAS 23 Grants without conditions are full accounted for in the statement of financial performance while Grants with conditions are recorded as capital fund on receipt and released to the revenue and expenditure account upon utilization.

10. Trade and other payables

Payables are recognized at fair value. Other payables are recognized when incurred through either enjoyment of services on credit and/or receiving of goods supplied on credit.

11. Financial Risk Management

The overall risk management focuses on the unpredictable financial markets and is aimed at minimizing potential adverse effects on the Bureau's financial performance. The role of the Bureau's risk management is primarily vested in the Finance and Accounts Unit under the guidance of the Board of Directors. The specific risk management policies of the Bureau are as follows:


(a) Liquidity Risk

The Bureau had a prudent liquidity risk management through maintaining sufficient cash to cover committed credit facilities and working capital requirements.

(b) Credit Risk Management

The potential credit risk involves receivables that are managed as short-term credit. The Bureau deposits her short-term cash surpluses with Bank of Tanzania (BoT).

(c) Receivables



Customers subjected to the use of the Bureau's services are required to pay in cash for services rendered to them. Some customers assessed to be credit-worthy are given short-term credit facilities, which they are required to settle through normal business transactions by raising invoices as per Accounts Receivables Policy of 2018.

(d) Foreign currency Risk

Foreign currency risk is managed at an operational level and is monitored by the Finance and Accounts Unit. Losses arising from foreign currency liabilities are managed through timely payment of outstanding liabilities.

(e) Employee Benefits

Apart from monthly salaries, risk allowance and other fringe benefits as provided in the Staff and Administrative Regulations; the Bureau has a defined contribution plan to cater for pension obligations for her employees by paying on monthly basis the agreed contributions to the Pension Funds. Since staff salaries are paid by the Treasury, part of employee's pension contributions is paid by the Ministry of Finance (the Treasury) directly to the pensions fund on monthly basis.

(f) Gratuity/Bonus Scheme

TBS employees who are on contract terms are entitled to gratuity at the rate specified in their contract and this is paid on satisfactory completion of contract in accordance with the terms of the contract or leaving the service under circumstances in which gratuity is payable. Average basic salary in the last four years is used in calculating the bonus.

12. Critical Accounting Estimates and Judgements

Estimate and judgements are continually evaluated and are based on historical experience and in the process of applying the Bureau's accounting policies, Management has to make judgements in determining whether assets are being impaired or not.

13. New standard issued but not yet effective for adoption by the Bureau

(a) IPSAS 41: Financial Instruments

In August 2018, IPSASB released IPSAS 41. This standard establishes new requirements for classifying, recognizing and measuring financial instruments replacing IPSAS 29, Financial Instruments: Recognition and measurement. The objective of this standard is to establish principles for the financial reporting of financial assets and financial liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing, and uncertainty of an entity's future cash flows. The key difference between IPSAS 29 and IPSAS 41 is that in IPSAS 29 classification was rule based and could be complex and challenging to apply in practice while IPSAS 41 reduces complexity by replacing

the existing classification and measurement categories for financial assets with principal based categories.

The Standard provides users of financial statements with more useful information than IPSAS 29, by:

- Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held;
- Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and
- Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

The standard will be effective on reporting period of 2023/24. The Bureau is in process of preparing Expected Credit Loss Model to be used. The change of accounting policy on trade receivable and change of the Financial Instrument standards will have impact on Receivable, Cash and Cash Equivalent and Surplus on comparative.

NOTE 14: GOVERNMENT SUBVENTION

	2022/23	2021/22
Government subvention	13,617,098,329	15,763,241,974
Revenue grants-Non Monetary	71,733,557	
Total	13,688,831,886	15,763,241,974

NOTE 14B: FEES, FINES, PENALTIES AND FORFEITS

	2022/23	2021/22
Fines	36,738,900	27,280,000
Sale of government asset	7,879,500	
Total	44,618,400	27,280,000

NOTE 15: REVENUE FROM EXCHANGE TRANSACTIONS

	2022/23	2021/22
Motor Vehicle Inspection Fees	21,660,986,479	25,360,992,993
Professional Fees	58,032,500	79,051,100
Receipt from Conference Facilities	0	39,468,000
Receipt from Products Certification	4,564,569,226	6,429,490,431
Receipt from Training and Certificate of Competence	78,840,000	287,277,400
Sale of Standard	205,006,700	683,555,500
Testing Fee	76,910,970	280,812,786
	9,593,848,846	36,260,500,675
Service Charges	29,224,637,911	8,896,137,422
Registration Fees	2,224,645,785	1,111,353,358

	2022/23	2021/22
Total	67,687,478,417	79,428,639,665

NOTE 15B: RECEIPT FROM EXCHANGE TRANSACTIONS

	2022/23	2021/22
Revenue from Exchange transaction	67,687,478,417	79,428,639,665
Increase in Receivable from Exchange transaction Note 25.	(1,068,648,072)	1,600,593,480
Receipt	66,618,830,345	81,079,433,119

NOTE 16: LEVIES/DESTINATION INSPECTION

	2022/23	2021/22
Levies/ Destination Inspection	16,712,595,061	16,932,907,344
	16,712,595,061	16,932,907,344

NOTE 16B: OTHER REVENUE

	2022/23	2021/22
Miscellaneous Receipts	1,000,000	5,499,975
Rent space/houses	46,600,000	44,700,000
	47,600,000	50,199,9

NOTE 17: GAIN /LOSS ON FOREIGN CURRENCY

	2022/23	2021/22
Gain/loss on currency translation	440,559,342	61,575,000
	440,559,342	61,575,000

NOTE 18: WAGES, SALARIES AND EMPLOYEE BENEFITS

	2022/23 TZS	2021/22 TZS
Casual Labour	69,406,500	56,044,500
Casual Labourers	9,150,420	11,329,000
Civil Servants	13,617,098,329	12,774,317,925
Civil Servants Contracts	1,319,374,800	204,849,000
Electricity	126,600,000	113,911,593
Extra-Duty	2,822,149,335	2,391,255,182
Food and Refreshment	161,312,100	193,216,146
Furniture	0	35,021,000
Gratuities	63,570,000	62,605,000
Honoraria	340,300,000	357,050,000
Housing Allowance	139,200,000	185,200,000
Internship Allowance	577,382,846	672,699,140

	2022/23	2021/22
Leave Travel	183,992,723	180,671,791
National Health Insurance Fund (NHIF)	11,463,008	19,303,510
National Health Insurance Schemes (NHIF)	15,376,884	21,300,000
Other Uniformed Services	0	200,000
Court Attire	3,500,000	0
Outfit Allowance	41,124,962	23,092,713
Passages Allowances	192,290,200	27,171,300
Responsibility Allowance	442,000,000	426,064,108
Risk Allowance	9,630,688,337	9,275,271,142
Sitting Allowance	193,178,446	489,238,857
Special Allowance	2,505,980,303	2,288,938,981
Spouse Allowance	0	1,385,775,460
Subsistence Allowance	194,356,000	61,395,300
Telephone	160,000,000	99,600,000
Transport	0	43,606,560
Water and Waste Disposal	1,080,000	1,950,000
Uniform Allowance	7,100,000	0
	32,830,675,193	31,401,078,208

NOTE 18B: WAGES, SALARIES AND EMPLOYEE BENEFITS

	2022/23	2021/22
Expenses	32,830,675,193	31,401,078,209
Staff claim movement	45,513,922	(51,998,923)
Payment	32,876,189,115	31,349,079,285

NOTE 19: SOCIAL BENEFITS

	2022/23	2021/22
Social Benefits		
Life Saving Drugs	10,000,000	9,941,000
	10,000,000	9,941,000

NOTE 20: USE OF GOODS AND SERVICES

	2022/23	2021/22
	TZS	TZS
Accommodation	18,450,000	14,112,200
Advertising and publication	287,479,216	307,149,500
Air Travel Tickets	1,246,717,014	653,396,027
Books, Reference and Periodicals	80,766,192	31,047,263
Cleaning Supplies	30,208,693	250,000
Communication Network Services	31,829,560	31,840,058
Computer Supplies and Accessories	160,546,100	120,760,961
Conference Facilities	222,233,133	158,385,000
Consumerble medical supplies/drugs	4,920,000	0
Contract based training services	1,500,000	0
Courier Services	248,533,234	206,693,291
Diesel	996,508,453	875,132,989

	2022/23	2021/22
	TZS	TZS
Drugs and Medicine	873,000	0
Educational Radio and TV broadcasting	259,569,997	246,640,800
Electricity	551,935,265	618,927,881
Entertainment	11,751,940	14,094,275
Examination Expenses	6,265,120	866,328
Exhibition, Festivals and Celebrations	81,020,500	67,470,920
Food and Refreshments	1,453,556,100	1,284,496,810
Fumigation	10,000,000	14,809,104
Gifts and Prizes	134,646,000	53,508,000
Ground Transport (Bus, Train, Water)	111,823,000	6,212,000
Ground travel (bus, railway taxi, etc)	541,979,568	425,291,246
Health Insurance	10,288,695	7,743,501
Internet and Email connections	414,609,917	322,471,549
Materials Testing Services	346,444,023	804,296,404
Medical Practitioners	0	4,116,000
Mobile Charges	64,863,288	55,990,000
Newspapers and Magazines	12,802,558	8,633,000
Non-Agriculture Chemicals Supplies and	22,537,933,753	31,662,206,568
Office Consumables (papers, pencils, pens	775,845,546	885,702,184
and stationeries)		
Other Gas	30,526,400	24,741,600
Outsourcing Costs (cleaning and security	707,847,562	532,080,425
services)		
Per Diem - Domestic	6,438,496,289	4,658,511,649
Per Diem - Foreign	2,286,284,313	792,539,377
Posts and Telegraphs	1,260,583	438,500
Printing accessories	9,892,000	19,018,702
Printing and Photocopy paper	15,119,530	25,336,541
Printing Material	61,228,770	129,714,530
Protective Clothing, footwear and gears	119,170,627	234,596,780
Publicity	20,479,373	62,951,999
Remuneration of Instructors	153,481,064	146,680,879
Parede and Ceremony	437,000	0
Rent - Office Accommodation	1,274,584,114	2,734,163,258
Rent of Vehicles and Crafts	3,200,000	2,300,000
Research and Dissertation	79,799,165	57,405,634
Sewage Charges	48,552,834	3,800,000
Engineering tools and equipment	5,589,255	0
Software license	0	8,324,534
Special Needs material and supplies	10,550,000	15,000,000
Specialised Medical Supplies	3,005,351	1,500,000
Student Meals	35,970,000	0
Subscription Fees	467,993,229	121,796,623

	2022/23	2021/22
	TZS	TZS
Technical Services fees	10,140,493	0
Telephone Charges (Land Lines)	17,174,744	36,761,264
Training Allowances	79,880,000	43,750,000
Training Materials	19,765,000	12,600,000
Tuition fees	840,325,797	681,870,714
Uniforms	32,899,220	29,197,200
Uniforms and Ceremonial Dresses	125,844,680	114,559,447
Vaccines	24,403,314	26,318,098
Visa Application Fees	14,848,536	1,233,138
Water Charges	73,126,106	59,935,620
Water Transport	280,000	458,000
	43,668,355,214	49,459,828,371

NOTE 20B: USE OF GOODS AND SERVICES

	2022/23	2021/22
Expenses	43,668,355,214	49,459,828,371
Change in Working Capital		
Advance Payment	387,407,953	0
Consumables	25,058,110	(375,170,745)
Imprest Receivable	167,095,342	258,094,492
Prepayment - Expenses	282,576,615	335,883,583
Prepayments - Consumables (40,127,249)	(40,127,248)	(1,145,180,224)
Staff advances and imprest (142,986,153)	0	(142,986,154)
Staff claim	0	32,147,065
Supplies and Consumable Goods 6,599,886,093	0	6,599,886,093
Supplies of goods and services 1,218,908,009	1,218,908,009	(6,153,758,642)
Withholding Tax Payable	168,388,468	(192,546,575)
Total	2,209,307,250	(783,631,107)
	45,877,662,464	48,676,197,264

NOTE 21: MAINTENANCE EXPENSES

	2022/23	2021/22
Cement, Bricks and Building Materials	85,453,709	188,985,008
Electrical and Other Cabling Materials	217,051,013	23,526,005
Mechanical & electrical Spare parts	87,091,042	0
Outsource maintenance contract services	688,678,778	292,246,570
Fire protection	116,779	0
Panel and body shop repair materials and services	150,269,266	352,554,377
Roofing Materials	3,730,670	10,000,000
Small Tools and Implements	1,540,000	8,049,943
Spare Parts	386,659,876	298,485,826
Telephones and Office PABX systems	2,394,602	25,824,804

	2022/23	2021/22
Tyres and Batteries	55,260,483	116,970,275
	1,678,246,218	1,316,642,808

NOTE 22: GRANTS, SUBSIDIES AND OTHER TRANSFER PAYMENTS

	2022/23	2021/22
	TZS	TZS
Contribution to CF (15%)	6,660,359,694	5,216,869,354
Revenue Transfer	2,174,275	551,046,978
Subscription to other International Institution		88,510,978
	6,662,533,969	5,856,426,557

NOTE 22B: GRANTS, SUBSIDIES AND OTHER TRANSFER

	2022/23	2021/22
	TZS	TZS
Grants, Subsidies and other transfer for the year	6,662,533,969	5,856,426,557
Cotribution to CF (15%) Payable paid	1,000,000,000	551,046,978
Amount paid	7,662,533,969	5,856,426,557

NOTE 23: OTHER EXPENSES

	2022/23	2021/22
	TZS	TZS
Audit fees	151,002,078	161,483,369
Audit supervision expenses	61,430,000	19,991,450
Bank Charges and Commissions	8,339,775	19,934,010
Burial Expense	69,205,000	0
Consultancy fees	152,522,250	78,717,799
Contingencies Item	9,849,000	528,245,765
Freight Forwarding and Clearing Charges	45,092,860	2,416,000
Insurance Expenses	547,106,135	117,759,000
Legal Fees	6,990,000	0
Special Operation Services	95,326,650	31,608,180
Specialized Equipment and Supplies	226,897,324	308,412,863
surveys	32,254,300	50,377,150
Taxes Levied by another Level of Government	28,906,077	51,723,998
Vehicles Insurance	-	150,059,130
	1,434,921,449	1,520,728,714

NOTE 24: CASH AND CASH EQUIVALENTS

	2022/23	2021/22
	TZS	TZS
BoT Own source Collection Account	1,333,659,765	6,569,805,500
Deposit General Cash account	14,785,308	14,240,402
Own source Collection Account - CRDB	688,486,743	61,503,299
Own source Collection Account - NBC	278,509	1,312,878

	2022/23	2021/22
	TZS	TZS
Own source Collection Account - NMB	1,694,558	4,292,058
Own source Collection Account NBC - USD	51,066	34,650
Own source Development Expenditure GF	56,967,558	1,626,258,547
Own source Recurrent Expenditure GF	2,248,886,775	4,094,307,112
Recurrent Expenditure Cash Account	11,512,224	0
Un applied	15,184,304	20,646,825
USD BOT Collection Account	3,297,045,496	3,181,792,825
USD Recurrent Expenditure	142,265	683,518,351
	7,668,694,571	16,257,712,447

NOTE 25: RECEIVABLES

	2022/23	2021/22
	TZS	TZS
Imprest Receivable	425,189,834	258,094,492
Other Receivables	114,299,100	114,299,100
Receivable from exchange	9,240,471,550	8,171,823,477
Staff advances and Imprest	214,079,139	214,079,139
Less: Provision for Bad Debts	(910,310,527)	(910,310,527)
	9,083,729,096	7,847,985,681

NOTE 26: PREPAYMENTS

	2022/23	2021/22
	TZS	TZS
Advance prepayment	387,407,953	0
Prepayment expense	618,460,198	335,883,583
Prepayment-Asset	1,091,925,548	1,286,860,881
Prepayments Consumables	431,586,039	471,713,288
	2,529,379,738	2,094,457,752

NOTE 27: INVENTORIES

Consumables	84,639,327	59,581,218
Provision for obsolete stock	(61,224,264)	(5,394,960)
	23,415,063	54,186,258

NOTE 28: PROVISIONS

Provision for obsolete stock	61,224,264	5,394,960
Provision for bad and doubtful debts	910,310,527	910,310,927
	971,534,791	915,705,487

NOTE 29: PAYABLES AND ACCRUALS

15% of revenue contribution to CF	2,817,334,742	3,817,334,742
Other Payable	76,804,550	76,804,550
Pay as you earn	7,304,700	7,304,700
Staff Claim	6,485,000	51,998,923
Supplies of goods	283,873,236	283,873,236
Supplies of services	4,934,850,633	6,153,758,642
Withholding tax	24,158,107	192,546,575
	8,150,810,968	10,583,621,368

NOTE 30A: DEFFERED INCOME

Deferred subvention	11,512,223	0
	11,512,223	0

NOTE 30B: DEPOSITS

Bid Security deposit	150,603,000	7,500,000
Customer Deposit (advance	91,015,558	37,166,090
Deposit General	28,130,879	14,240,402
Un applied deposit Account	15,184,304	20,646,825
	284,933,741	79,553,317

NOTE 31A: PROPERTY, PLANT AND EQUIPMENT

	2022/23	2021/22
Accumulated depreciation Laboratory equipment and instruments	-20,027,474,498	-17,227,691,911
Laboratory equipment and instruments	30,528,600,464	30,528,600,464
Office Furniture	3,364,202,983	2,560,688,783
Acc.Deprec. Hardware: servers and Equipment (Incl. desktops, Laptops, UPS etc)	-2,688,083,061	-2,419,220,105
Accumulated Depreciation Generator	-512,563,980	-439,120,622
Accumulated Depreciation Motor Vehicles (Administrative)	-7,089,872,448	-6,069,097,519
Accumulated Depreciation Motorbikes, Motor Cycles and Bicycles	-2,787,018	-2,584,422
Accumulated Depreciation Office buildings and structures	-3,972,343,780	-3,516,233,481
Acquisition of land	32,863,520,198	32,863,520,198
Data communication centres, networks and facilities	210,729,620	202,039,600
Furniture and fittings-other	-1,866,056,942	-1,404,516,640
Generators	1,500,508,679	1,500,508,679
Hardware: servers and equipment (incl. desktops, laptops etc.)	4,531,505,130	3,405,999,975
Laboratory equipment and instruments	14,457,334,314	4,995,240,561
Motor vehicles,	9,272,219,307	8,217,378,404
Motorbikes and bicycles	3,800,000	3,800,000
Office buildings and structures	25,187,546,234	24,153,249,764
Office equipment	114,047,100	12,518,000
Other equipment and installations	16,637,400	16,637,400
	85,891,469,702	77,381,717,128

NOTE 31B: DEPRECIATION OF PPE

	2022/23	2021/22
Depreciation Laboratory equipment and instruments	2,799,782,587	1,750,897,771
Depreciation Hardware servers and equipment (incl. desktops, Laptops, UPS, etc)	268,862,956	226,324,563
Depreciation Motor Vehicles (Administrative)	1,020,774,929	605,496,130
Depreciation Office buildings and structures	456,110,299	445,962,894
Depreciation-Furniture and Fittings	461,540,302	360,878,956
Generators	73,443,358	95,411,438
Motorbikes, Motor cycles and bicycles	202,596	422,222
Total	5,080,717,027	3,485,393,974

NOTE 31C: LOSS ON DISPOSAL OF ASSET

	2022/23	2021/22
Foreign exchange loss	0	61,574,999

NOTE 31D: LOSS ON ASSET AND LIABILITIES

	2022/23	2021/22
Obsolete Inventories	55,829,304	0

NOTE 31B: PROPERTY PLANTS AND EQUIPMENT

	Acquisition of land	Motor cycle	Office Equipment	Data communication centres, networks and facilities	Hardware: servers and equipment (incl. desktops, laptops etc.)	Laboratory equipment and instruments	Motor vehicles,	Office buildings and structures	Office Furniture	Generator	Total Carrying amount
Cost at 01 July 2022	32,863,520,198	3,800,000	29,155,400	202,039,600	3,405,999,976	35,523,841,025	8,217,378,404	24,153,249,765	2,560,688,783	1,500,508,679	108,460,181,829
Additional Non Monetary							428,095,000	528,674,065	42,810,400		999,579,465
Additional			101,529,100	8,690,020	1,125,505,155	9,462,093,754	626,745,903	505,622,404	760,703,800		12,590,890,136
Balance 30 June 2023	32,863,520,198	3,800,000	130,684,500	210,729,620	4,531,505,130	44,985,934,778	9,272,219,306	25,187,546,234	3,364,202,983	1,500,508,679	122,050,651,430
Accum. Depreciation 01-Jul-2022		2,584,422			2,419,220,105	17,227,691,911	6,069,097,519	3,516,233,481	1,404,516,640	439,120,622	30,763,876,802
Charge for the Year		202,596			268,862,957	2,799,782,588	1,020,774,929	456,110,299	461,540,302	73,443,359	5,080,717,028
Bal at 30 June 2023		2,787,018			2,688,083,061	20,027,474,498	7,089,872,448	3,972,343,780	1,866,056,942	512,563,980	35,844,593,830
Carrying Value	32,863,520,198	1,012,982	130,684,500	210,729,620	1,843,422,069	24,958,460,280	2,182,346,858	21,215,202,455	1,498,146,041	987,944,698	85,891,469,701
Cost/Valuations as at 30.06.2021	32,863,520,198	3,800,000	29,155,400	202,039,600	3,405,999,976	35,523,841,025	8,217,378,404	24,153,249,765	2,560,688,783	1,500,508,679	108,460,181,829
Accum. Depr. balance 01.07.2021		2,162,200			2,192,895,542	15,476,794,141	5,463,601,389	3,070,270,587	1,043,637,684	343,709,184	27,593,070,727
Charge for the Year		422,222			226,324,564	1,750,897,771	605,496,130	445,962,894	360,878,956	95,411,438	3,170,806,074
Bal at 30.06.2022		2,584,422			2,419,220,105	17,227,691,912	6,069,097,519	3,516,233,481	1,404,516,640	439,120,622	30,763,876,801
Net Book Value as at 30.06.2022	32,863,520,198	1,215,578	29,155,400	202,039,600	986,779,870	18,296,149,113	2,148,280,885	20,637,016,284	1,156,172,144	1,061,388,057	77,381,717,128

NOTE 32A: INTANGIBLE ASSETS

	2022/23	2021/22
	TZS	TZS
Accum. Amortization Computer Software	(384,872,256)	(383,810,392)
Computer Software	394,429,033	394,429,033
	9,556,777	10,618,641

NOTE 32B: AMORTIZATION OF INTANGIBLE ASSETS

	2022/23	2021/22
	TZS	TZS
Amortization of Intangible Assets	1,061,864	2,556,461
Computer Software		

NOTE 33: WORK IN PROGRESS

	2022/23	2021/22
Work in Progress	12,128,980,737	8,217,836,097
Work in Progress	-	528,674,065
	12,128,980,737	8,746,510,162

NOTE 34: RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS

	2022/23	2021/22
Surplus/ Deficit for the Period	7,199,342,865	19,149,672,872
Add/ (Less) Non Cash Item		
Amortization of Intangible Assets	1,061,864	2,556,461
Depreciation of Property, Plant and Equipment	5,080,717,028	3,485,393,974
Gain on Foreign Currency Translation	(440,559,342)	(61,575,000)
Loss on Asset	55,829,304	0.00
Loss on Foreign Currency Translation	0.00	61,574,999
Non-monetary Revenue	(71,733,557)	-961,206,765
Add/ (Less) Change in Working Capital		
Deferred Income	11,512,223	0.00
Deposit	205,380,424	79,553,317
Inventories	(25,058,110)	375,170,745
Payables and Accruals	(2,432,810,400)	(669,343,399)
Prepayments	(629,857,318)	809,296,640
Receivables	(1,235,743,416.)	1,535,685,115
Net Cash Flow from Operating Activities	7,718,081,565	23,806,778,959

NOTE 35: PRIOR YEAR ADJUSTMENTS

(a) Prior year adjustment on Tender document revenue

Revenue has been adjusted TZS 7,500,000 paid through Control Number and directly recognized as revenue while the fund was deposited for Tender security. Adjustment made to recognize the Bid Security deposit.

(b) Adjustment on Accumulated Surplus

Adjustment has been made to trade receivable against Accumulated surplus as correction of error for issued invoice INV-00761717 amounting to TZS 32,257,500.00 and INV-00766829 with value of TZS 9,130,000 in year 2020/21 which the service were not provided and the customers cancelled the need of the requested service.

(c) Adjustment for Understated Building and structures depreciation for the year 2021/2022

Depreciation of one building was not recognized in year 2021/2022 due to erroneous capture in GAMIS during the calculation of depreciation, the building entered as WIP. Adjustment has been to account for unrecognized expenses under depreciation of PPE. The adjustment affects PPE carrying amount and depreciation (Expenses) for the year 2021/2022 by 314,587,901.

NOTE 36: Social Security Expenses

The Bureau has defined contribution plans to cater for pension obligations for her employees. The Government through Treasury pays mandatory contributions to the Public Social Security Fund, which operates a defined benefit plan. The contribution rates for employer and employee are as given below:

Name of the Fund	Employer Contribution	Employee contribution
Public Service Social Security Fund	15%	5%

NOTE 37: CAPITAL COMMITMENTS

The Bureau had contractual commitments as at 30 June 2023 for various services as per details below:

	2022/23 TZS	2022/22 TZS
Consultancy	226,000,000	100,000,000
VIWANGO House Dodoma		500,405,372

Supply of Laboratory Equipment	4,962,109,519.43	9,376,598,368
Supply of Office Equipment		2,697,300,000
Supply of ICT Items & SLA	20,001,000	859,413,919
Spare parts and Accessories		-
Supply of office furniture	256,000,000	775,979,800
Partition & renovation HQ /Zones	175,340,247.40	493,639,792
GRAND TOTAL	5,639,450,767	14,803,337,251

NOTE 37: CONTINGENT LIABILITY

The Bureau Contingent Liabilities as At 30 June 2023 are as Follows:

	2022/23	2021/22
Joseph Marema & Others (High Court Case No 170/2006)	0	50,000,000
East Coast & Fats Ltd - Compensation Claims	7,110,153,126	7,110,153,126
Benedict Mahela - Unsatisfied Termination		99,000,000
Erythia Trading Co. Ltd Against TBS For Destroying The Consignment Fish	1,150,000,000	1,045,636,527
Total	8,260,153,126	8,304,789,653

The above cases were decided in favour of the Bureau and there is minimum chance for the applicants to appeal successfully.

Continuing TRA auditing may result to tax liability that may affect the Bureau expenses.

NOTE 38: Presentation Currency

The financial statements are presented in Tanzania Shillings (TZS).

NOTE 39: Ultimate owner of the Bureau

The Government of United Republic of Tanzania is the ultimate owner of the Bureau

