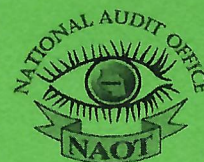




THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



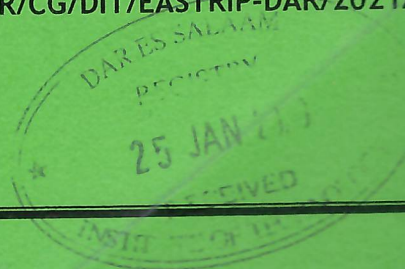
DAR ES SALAAM INSTITUTE OF TECHNOLOGY - DAR CAMPUS

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL
STATEMENTS AND COMPLIANCE AUDIT OF EAST AFRICA SKILLS FOR
TRANSFORMATION AND REGIONAL INTEGRATION PROJECT (EASTRIP) FOR
THE FINANCIAL YEAR ENDED 30 JUNE 2022**

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December 2022

AR/CG/DIT/EASTRIP-DAR/2021/22





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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.

Vision

A credible and modern Supreme Audit Institution with high-quality audit services for enhancing public confidence.

Mission

To provide high-quality audit services through modernization of functions that enhances accountability and transparency in the management of public resources.

Motto: "Modernizing External Audit for Stronger Public Confidence"

Core values

In providing quality services, National Audit Office is guided by the following Core Values:

- i. Independence and objectivity
- ii. Professional competence
- iii. Integrity
- iv. Creativity and Innovation
- v. Results-Oriented
- vi. Teamwork Spirit

We do this by:

- ✓ *Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;*
- ✓ *Helping to improve the quality of public services by supporting innovation on the use of public resources;*
- ✓ *Providing technical advice to our clients on operational gaps in their operating systems;*
- ✓ *Systematically involve our clients in the audit process and audit cycles; and*
- ✓ *Providing audit staff with adequate working tools and facilities that promote independence.*

© This audit report is intended to be used by Dar es salaam Institute of Technology (DIT) for EASTRIP and the World Bank. However, upon release by the World Bank it becomes a public record and its distribution may not be limited.

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Abbreviations

AR	Audit Report
CG	Central Government
DIT	Dar Es Salaam Institute of Technology
EASTRIP	East Africa Skills for Transformation and Regional Integration Project
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson - DIT Governing Council,
Dar es Salaam Institute of Technology,
P.O Box 2958,
DAR ES SALAAM, TANZANIA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Dar es salaam Institute of Technology (DIT) implementing the East Africa Skills for Transformation and Regional Integration Project (EASTRIP), which comprise the statement of financial position as at 30 June 2022, 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 EASTRIP as at 30 June 2022, 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 EASTRIP 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.

Other information

Management is responsible for the other information. The other information comprises the Statement of management responsibility 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 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, 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS
1.2.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on procurement of works, goods and services in the EASTRIP DIT DSM for the financial year 2021/22 as per the Public Procurement laws in Tanzania.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of EASTRIP DIT DSM 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 of EASTRIP DIT DSM Project for the financial year 2021/22 as per the Budget Act and other Budget Guidelines.

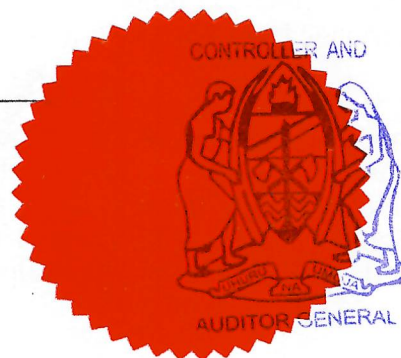
Conclusion

Based on the audit work performed, I state that, the budget formulation and execution of EASTRIP DIT DSM Project is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



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

December, 2022



2.0 FINANCIAL STATEMENTS

1.1 Introduction

The East African Skills Transformation and Regional Integration Project (EASTRIP) is a World Bank funded project which aims to improve access and quality of TVET training in the region. The Project (P163399; Credit Number IDA/63330) will establish a Regional flagship ICT Centre (RAFIC) at DIT Main Campus. The project development objective is to increase access and improve quality of technical education as well as promoting regional integration.

1.2 Project Development Objective

The primary objective of establishing the Regional Flagship ICT Centre is to provide quality ICT training and service, focusing on Developing Demand-Driven TVET programs both short and long term training programs including cyber security solutions that will enable communities in the region to maintain and secure their digital assets to the best possible standards and quality. The objectives of RAFIC annual performance are: -

- To comply with strategic Investment Plan (SIP) and Section 10(2) (k) of the Act as amended by section 37 of the written Laws (Miscellaneous Amendments) Act, No.11 of 2010.
- To outline target to be performed by EASTRIP;
- Monitor and measure performance against targeted output;
- Use Performance Plans as the basic for assessing the suitability of the Project to assess whether the RAFIC has achieved the performance expected.

1.3 Project Components

The project has six components, namely; -

- i) Strengthening Governance and Leadership of the Regional Flagship ICT Centre;
- ii) Institutionalizing Industrial Linkage;
- iii) Developing market relevant and competency based training programs;
- iv) Training of Centre Manager and Instructors;
- v) Upgrading key training facilities and equipment; and
- vi) Outreaching and support for non-project nation TVET.

1.4 Mission

Increase in Internet access, low cost of ICT equipments, Contents and services are moving online, Usage of social media, a shift to the Digital Economy supported by Internet of Things (IoT), Artificial Intelligence (AI). Blockchain and Security.

1.5 Vision

The EASTRIP (RAFIC Project) vision is to become a world-class ICT Centre in professional delivery of industry standard digital skills. The main objective of establishing Regional Flagship ICT Centre is to contribute to development of relevant and qualified skilled workforce in ICT to meet labor market needs in East African Region through provision of high quality and competitive technical education for socioeconomic development.

RAFIC PROJECT has completed three year of implementation 2020/2021. The EASTRIP financial Agreement between World Bank and the Government of Tanzania was finalized and signed on 21st March, 2019 and effective date of commencement of Project was 31st May, 2019. EASTRIP inaugurated on 12th December, 2019. Despite the late disbursement of the funds, the project appreciates the effort of the

Institute to inject pre-financing in the tune of TZS. 115,000,000 which were enabled implementation of some of activities which were crucial to ensure project implementation is smooth.

1.6 Project Financing

The following is the summary of project cost allocation:

No.	Project component	Project cost (TZS)	Percentage
1.1	Strengthening Governance and Leadership of the Regional flagship ICT Centre	1,851,005,000.00	5
1.2	Institutionalizing Industrial Linkage	740,402,000.00	2
1.3	Developing market relevant and competency based training programs	1,480,804,000.00	4
1.4	Training of Centre Manager and Instructors	2,221,206,000.00	6
1.5	Upgrading key training facilities and equipment	29,616,080,000.00	80
1.6	Outreaching and support for non-project nation TVET.	1,110,603,000.00	3

1.7 Institutional and implementation arrangements

DIT is overall implementation agency with judiciary and safeguards responsibility for project execution.

DIT is implementation the project through a defined Project Implementations Unit (PIU). The projection implementation unit comprises of full time employee of DIT including a Project Coordinator, Assistant Project Coordinator, Finance specialist, Procurement specialist, Health and Environmental Safeguards and Industrial Linkage specialist. The overall responsibility PAD and PM implementation lines with DIT.

In general responsibility of DIT including the following: -

- i) Management of the Designated Account (DA).
- ii) Financial management and reporting on the overall project.
- iii) Ensuring the execution of the Audit of the project.
- iv) Preparing of Quarterly financial and biannual progress reports.
- v) Management of the environmental and safeguards aspects and
- vi) Oversight of the procurement and contract management activities of the executing agencies.

1.8 Project implementation period

According to the Project Appraisal document (PAD) the project will be implemented over a five (5) years period.

1.9 Project Implementation Status

The project being the results-based financing, requires achievement of specific targets set in the project's results framework for the in order to access more disbursement from the World Bank.

The main objective of establishing the Regional Centre of Excellence in ICT at DIT main campus include:

The project total financing is 16,250,000 US Dollars equivalent to almost 37 billion TZS. Out of 37 billion, 80% which is equivalent to 13,000,000 US Dollars has been allocated for component number five of the project which is Upgrading key training facilities and equipment. These activities depend much on the procurement of goods and services.

1.9.1 Burning Rate

Table below shows the burning rate for the project in the past three financial years. The project received the 4,875,000 USD equivalent to TZS 11,106,078,750 as an advance payment in March 2020 a year from the project initial signing. This affected implementation of the initial activities especially during the financial year 2019/2020. To date a total of TZS 3,738,673,293.07 has been spent which is equivalent to 10% of total project financing and 33.6% of the advanced payment disbursed.

The low spending in the project across three financial years is attributed to the non- completion of most project procurement. Attachment 1 highlights the current project procurement plan with most activities yet to be completed.

Table showing burning rate

Financial year	Budgeted	Amount Spent (TZS)	Burning Rate (%)
2019/2020	11,203,040,000.00	418,819,790.82	3.7
2020/2021	11,733,582,101.00	1,860,812,069.15	16.3
2021/2022	11,428,830,223.00	1,459,041,433.10	12.8
Total		3,738,673,293.07	

1.9.2 DLI Achievement

Table below shows the achievement of DLI as per results framework as approved by the World Bank and Independent Verification Agency (IVA) up to 30 June 2021 which was the last verification. The results show high achievement for DLI 3.4, Number of MoUs signed with industries and partner institutions with lowest achievement in the DLI 3.3, Number of teaching staff who undertake exchanges in TVET institutes in another country.

Table showing DLI Achievement DLI achievement up to 30 th June 2021 of project implementation as approved by WB and IVA						
DLI No.	Target 3 rd year	Achievement 3 rd year	End target	% Achievement 3 rd year	% Achievement end project	Overall physical performance
DLI 1.1	1	1	1	100	100	
DLI 1.2	1	1	1	100	100	
DLI 2.1	2,550	2,494	4,250	98	58.68	
DLI 3.1	16	11	24	69	45.83	
DLI 3.2	15	12	30	80	40	61.81
DLI 3.3	7	-	8	-	-	
DLI 3.4	6	9	10	150	90	

Table showing DLI Achievement DLI achievement up to 30 th June 2021 of project implementation as approved by WB and IVA						
DLI No.	Target 3 rd year	Achievement 3 rd year	End target	% Achievement 3 rd year	% Achievement end project	Overall physical performance
DLI 3.5	1	3	5	300	60	

1.9.3 Approved Recovered Amount Based on DLI Achievement

Based on the achieved DLI, the project has managed to recover a total of USD 7,668,359 USD which is equivalent to 74.2% of the maximum allocated as per Project Appraisal Document (PAD). However, despite the achievement the funds are yet to be disbursed by the World Bank due to low spending as per eligible expenditure program. The project is expected to spend more funds in the next financial year due to the start of construction and completion of most procurement activities.

Table showing Recovered Funds

Financial performance as per third year of project implementation RAFIC funds recovery based on dli achievement			
DLI No.	PAD Max allocation	IVA and/or WB recommendation	% Achievement
DLI 1.1	812,500.00	812,500.00	100.0
DLI 1.2	812,500.00	812,500.00	100.0
DLI 2.1	1,136,333.00	1,136,333.00	100.0
DLI 3.1	1,618,918.00	565,502.00	34.9
DLI 3.2	1,593,298.00	1,513,240.00	95.0
DLI 3.3	1,400,163.00	-	0.0
DLI 3.4	1,530,332.00	1,403,527.00	91.7
DLI 3.5	1,424,757.00	1,424,757.00	100.0
Total	10,328,801.00	7,668,359.00	74.2

1.9.4 DLI Achievement as 30 June 2022

As of May 2022, the project has managed to achieve the results as indicated in Table below. These results are expected to be approved by the Independent Verification Agency in the next round of verification in July 2022. Based on these results the project has managed to achieve 90.33% of the overall achievement as per the results framework up to the fourth year of project implementation subject to verification by Independent Verification Agency.

Table showing DLI Achievement as of 30 June 2022

DLI achievement up to May 2022 of project implementation						
DLI No.	Target 4 th year	Achievement 4 th year	End target	% Achievement T 4 th year	% Achievement end project	Overall physical performance (%)
DLI 1.1	1	1	1	100	100.00	90.33
DLI 1.2	1	1	1	100	100	
DLI 2.1	3,400	3,868	4,250	113.8	91	
DLI 3.1	22	23	24	105	95.83	
DLI 3.2	30	27	30	90	90	
DLI 3.3	8	2	8	25	25.00	
DLI 3.4	10	11	10	110	110.00	
DLI 3.5	4	4	5	100	80.00	

1.9.5 MOUs

During the financial year 2022, the project has signed two MOUs including with Meru National Polytechnic of Kenya and École Polytechnique Féminine (EPF). EPF was one of the first engineering schools in France to train women. It has been co-educational since 1994. Since then and for more than 90 years, EPF - Graduate School of Engineering, Sceaux (in the southern suburbs of Paris), has been preparing its graduates for a changing and more and more globalized world. EPF has educated decision makers in a variety of disciplines in public and private sectors.

Out of collaboration with Meru Polytechnic the project managed to conduct student exchange program of which a total of twenty-five (25) students from Meru were enrolled for a short course on Graphics Design and 3D Animation. Further a total of 22 students from DIT were enrolled to Meru Polytechnic for a short course on Gypsum Technology.

Collaboration with EPF has resulted in the development of joint Bachelor Degree Program in Sustainable City and Allied Technology which is still under development at DIT and expected to enroll students from the academic year 2023/2024.

1.9.6 Curriculum Review

During the financial year 2021/2022, the project has supported the review of six programs including;

- i) Bachelor in Laboratory Technology
- ii) Bachelor in Civil Engineering,
- iii) Bachelor in Oil and Gas
- iv) Bachelor in Sustainable City and Allied Technology
- v) Diploma Mining
- vi) Diploma in Renewable Energy

vii) Diploma in Biotechnology

All curricular have been submitted to NACTE for validation except for Bachelor in Sustainable City and Allied Technology which awaits the completion of stakeholders' workshop activity.

1.9.7 eLearning Initiatives

For the academic year 2021/2022, the following were the modules being taught using the DIT Digital Learning Platform (DLP).

Table showing students enrolled in eLearning platform

No.	Module name	No. of students	Instructor
1	Television and Video technology	74	Dr Asinta Manyele
2	Television Engineering	96	Dr Asinta Manyele
3	Fault Analysis and Power System Stability	116	Dr Godfrey Moshi
4	Hybrid Renewable Electric System	16	Dr Godfrey Moshi
5	Industrial Automation	155	Mr Emmanuel Kajange
6	Control Engineering Analogue	130	Mr Joel Mushi
7	Control Engineering Design	118	Mr Joel Mushi
8	Principles of Engineering Design	33	Mr Masanja
9	Sensor Networks	33	Emmanuel Kajange
10	Statistics	152	Mr Masanja
11	Project Conceptualization	128	Mr Masanja
12	Advanced Industrial Electronics	76	Dr John Msumba
13	Gas Welding Processes	1	Mr Mabala George

1.9.8 Benchmarking Visit

In the financial year 2021/2022, the project facilitated a visit in Nairobi, Kenya in which a team composed of Principal, Project Coordinator, Deputy Project Coordinator, Industrial Liaison Officer and Public Relation Officer visited GearBox in Nairobi, Kenya. The main objective of the visit was to gain deep understanding of the establishment and operationalization of Makerspace and how the same can be replicated at the Institute.

Gearbox Pan African Network is a research, product development and prototyping organization that aim to improve the lives of hardware entrepreneurs in Africa. The main objective of Gearbox is to house a collection of machines for design and prototyping of all classes of materials, from metals, wood, plastics to electronics, concrete, ceramics and more. The facilities are accessed by a wide variety of users including individual engineers and "makers", SMEs and even established multinational. The

following were main recommendations to the Management upon successful visit to the gearbox facility;

- i. Establishing commercial workshop/shared equipment among informal producers (artisans at Gerezani) - "Could be under the umbrella of DIT Company LTD"
- ii. Strengthening incubation by providing space for the students who have established their companies through the flagship project competition (provision of shared space for these companies established by students in doing so establishing our own network of micro-factories within the Institute)
- iii. Establishing our own Science and Technology Park using existing facilities such as Siemens Laboratory, AHEAD Innovation Hub, Design Studio, Festo Lab (Having a bigger picture of all these labs and create a platform to be utilized as an umbrella of Science and Technology Park)
- iv. Establish space for students and other people from community working space and provide space in rental basis

1.9.9 Environmental and Social Impact Assessment and GRM

Environmental and Social Impact Assessment (ESIA), Institute Environmental, Occupational, Health and Social Policy and Institute Grievance Redress Mechanism are among the activities performed by the project in the Financial Year 2021/2022. This section presents the status of these activities for the year in study.

i) Environmental and Social Impact Assessment (ESIA)

The project has successfully been granted the EIA certificate by NEMC after the submission of final Environmental and Social Impact Assessment (ESIA) that was carried out by the consultant.

ii) Environmental, Occupational, Health and Social Policy

The project has developed the Institute Environmental and Occupational Health and Safety Policy and the same has been approved by the Institute Council. Implementation of the same has already started by the development of EOHS guidelines for DIT workplace.

iii) Grievance Redress Mechanism

GRM unit has been fully established with the focal personnel or representatives (GFPs) from all department as well as local community appointed. Induction course as well as workshops for training of GFPs has been conducted and the Institute wide awareness workshops is planned in August after the end of the academic year 2021/2022.

The activities of GRM includes receiving and processing of complains, is currently performed by head of the unit manually, as the online system is only used to launch complains via e-mail but feedback is given manually. Grievance Redress Committee (GRC) and Grievance Advisory Committee are not yet established.

iv) **Functionality of GRM and reports on resolution of complaints received**

For financial year 2021/2022, GRM office have received 11 grievances, of which three were academic related and 8 were administrative. GRM functionality is not yet understood by the DIT community. Some community members are still using social media to air their grievances. Awareness campaign are being planned for the Institute wide as well as surrounding communities. Table below show the statistical analysis of GRM on receiving and processing complains.

Table showing GRM Cases

SN	Type of cases	Number of cases reported	Status			No. of feedback to people grieved
			Completed	On going	Referred	
1	Administrations	8	5	1	non	3
2	Academics	3	1	2	non	1

Challenges and recommendations

- Absence of office and related working tools for GRM activities hinders the fully establishment of the unit. To address the challenge, DIT management is being contacted to allocate the office for GRM and acquire the working tools like computer.
- As per GRM guideline, Grievance Redress Committee (GRC) is also to be established to handle appeals. As to date the GRC is not appointed. Follow-up is required to establish GRC as currently there some pending complains that are required to be addressed by GRC.
- Grievance Steering Committee (GSC) is still not established. Recommendation is for the management to appoint the GSC member.

1.9.10 Gender Sensitization

The project conducted the STEM Roadshow in five (5) regions (Arusha, Manyara, Shinyanga, Mwanza, Mara) whereby 5,000 female students were sensitised and six (5) STEM secondary school teachers' mentorship groups were formed to support female students. Twenty-two (22) DIT staff were involved in this activity.

1.9.11 ISO Certification

Twenty-five (25) staff attended and were awarded the certificate for the ISO 21001:2018. A total of twenty-two (22) staff attended the ISO documentation training. Furthermore, the Institute managed to produce the education organization management system (EOMS) manual for ISO 21001:2018 standard.

1.9.12 Tracer Study

A tracer study was conducted for the academic year 2021/2022. The study aimed at finding out what happened to the DIT graduates after completed their studies and their opinions on the quality of education and training they received at DIT.

The Cohort 2020 Tracer Study survey was conducted in the period of March to May 2022 through a link to an online questionnaire. The Study targeted all 527 cohorts 2020 students from all programmes who were reachable by phone, email or both throughout the country. However only 209 graduates responded, which is about 39.7% response rate. Data were analysed using statistical package for the social sciences (SPSS Ver. 24) and JASP 0.16.3.

Key Findings:

- i. There were more females graduates 13.4% compared to males at 86.6%.
- ii. 98.1% graduated at age below 35 suggesting young and energetic group entering the Labour market
- iii. 39.4% (3.3% Females, 36.1% Males) of the 209 respondents reported to be employed within the first six months.
- iv. Computer Engineering field had most graduates with self-employment 25% followed by Mechanical Engineering 24% and Electrical Engineering 21.9%.
- v. 93% said present employment/Self-employment related to the course they studied at the DIT; 80% of employers were generally "very satisfied" or "satisfied" with the quality of training.
- vi. The majority of graduates (18.3%) and 50% of the surveyed employers recommended DIT to strengthen practical skills and application of modern tools

1.9.13 Staff Industrial Attachment

During the financial year 2021/2022, the project has supported a total of fifteen (15) staffs to undergo industrial attachment across various industries in the country. Out of fifteen staffs, three which is equivalent to 20% were female and twelve were male.

1.9.14 Procurement Status

Procurement status for each procurable item is shown in Table 8. Generally, there is slow progress in procurement and some of the contracts have been delayed significantly.

1.9.15 Challenges

During the project implementation, there have been a number of challenges. These challenges include (i) delay of disbursement of funds, (ii) COVID19, (iii) Procurement personnel, (iv) Delay in supplying the procured equipment. A number of initiatives have been made to address these challenges. These include forming a technical team that has been instrumental in fast tracking construction activities and requesting the government to deploy competent procurement personnel.

1.9.16 Risks and Mitigations

One of the external risks is the price of construction materials which is likely to affect the overall cost of construction. This is likely to affect the budget allocated for the construction and purchase of equipment. As this is an external factor, the only way to address it is to re-adjust the budget and rescope the design of buildings.

2.0 STATEMENTS OF MANAGEMENT RESPONSIBILITY

Pursuant to Section 25(4) of the Public Finance Act, 2001 (R.E 2020), The Management is required to prepare financial statements for each financial year, which give a true and fair view of receipts and payments of the reporting entity as at the end of the respective financial year. It also requires Management to ensure the reporting entity keeps proper position of the reporting entity. The Management is also responsible for safeguarding the assets of the entity.

The project management accept responsibility for annual financial statement for the year ended 30 June, 2022 which have been prepare using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards Accrual Basis (IPSAS - Accrual) and in the manner required by Section 25(4) of the Public Finance Act, 2001 (R.E. 2020), Section 15(1) of the Executive Agencies Act No. 30 of 1997 (amended 2009), the Agency's Accounting Manual and the Financing Agreement.

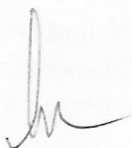
The Project Management is of the opinion that, the financial statements give a true and fair view of the state of the financial affairs of the project. Management, further, accepts responsibility for maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. Management is responsible for safeguarding the assets of the project and hence for taking reasonable steps for prevention and detection of frauds, errors and irregularities. This responsibility includes; designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

To the best of the Management's knowledge, the system of internal control has operated adequately throughout the reporting period and that the records and underlying accounts provide a reasonable basis for the preparation of the financial statements for the financial year 2021/2022. The Management accepts responsible of the integrity of the financial statement, the information it contains and its compliance with the Public Finance Act, 2001 (Revised 2020). The Executive Agencies Act, 1997, Instructions from the Treasury and the Financing Agreement.

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Procurement of goods, works, consultancy and non-consultancy services to the extent that they are reflected in these financial statements have been done in accordance with the Public Procurement Act, 2011, amended 2016 and Public Procurement Regulations, 2013, amended 2016.

At the time of preparation of this report, there was no evidence that came to the attention of the project Management to signify that the Project will cease its operations; therefore, EASTRIP (RAFIC Project) expects to continue in operation as a going concern from the date of this statement.



Prof. Preksedis M. Ndomba
Principal - DIT

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3.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTS

The National Board of Accountants and auditors (NBAA) according to the power conferred under the auditors and Accounts (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 Account to assist the Governing council and Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Governing council as under Governing Council Responsibility statement on the earlier page.

I, CPA (T) Rajabu Mirambo, being the Head of Finance Department of the Dar es Salaam Institute of Technology hereby acknowledge my responsibility of ensuring that EASTRIP (RAFIC Project) financial statements for the year ended 30th June, 2022 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS).

I, thus confirm that the financial statements present a true and fair view position of the RAFIC Project in Dar es Salaam Institute of Technology as on that date and that they have been prepared based on properly maintained financial records.

Signed by:



Position:

Bursar

NBAA membership number: ACPA 1481

Date:

06/01/2023

4.0 COMMENTARY ON THE FINANCIAL STATEMENTS

i) Introduction

The Financial Statements for the year ended 30th June, 2022 provide a record of the EASTRIP Project at DIT Main Campus: Financial Performance, financial Position, Cash flow, change in Net Assets, Statement of comparison of Budget and Actual amounts and Notes to the Financial Statements. }

ii) Overview Of Financial Statements

The financial statement present; Financial Position, financial Performance, Changes in Net Assets, Cash Flows, Comparison of Budget and Actual amounts, and Notes to the Financial Statements of the EASTRIP Project as at 30th June, 2022.

iii) Financial Position

Financial Position comparison; Cash and Cash Equivalents, Receivables, property Plant and Equipment, Work in progress, Payables, Deferred Income and Net Assets.

a) Cash and Cash Equivalents

A total of TZS 7,146,760,273.60 remained as Cash and Cash Equivalent at closing date which comprised TZS 6,106,924,798.92 held in Bank of Tanzania (USD) Designated Account and TZS 1,039,835,474.68 held in CRDB Bank Account (TZS)

b) Receivables

There were no receivables for the year 2021/22 compared to the year 2020/2021 which amounted to TZS 18,750,300 from outstanding staff imprests.

c) Property, Plant and Equipment (PPE)

During the year 2021/22, net book value of PPE was TZS 433,672,875.77 compared to that of the prior year which was TZS 478,668,670.63.

d) Work in progress

During the year 2021/22, work in progress was TZS 410,145,394.36 compared to TZS 99,324,000 of the year 2020/2021. The increase of TZS 310,821,394.36 was for consultancy of construction of a building and ESIA.

e) Payables

During the year 2021/22 there was payable of TZS 31,140,000 in respect of audit reimbursable cost for NAOT compared to the year 2020/2021 which was TZS 20,020,000.

f) Deferred Income

Deferred income for the year 2021/22 was TZS 7,115,620,273.17 compared to TZS 8,860,603,820.46 for the year 2020/2021. The deferred funds for the year under review comprises training, operating expenses and infrastructure costs.

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g) **Net Assets**

During the year 2021/22 net assets was TZS 843,818,270.56 compared to that of the prior year which was TZS 596,742,971.06.

iv) **Finance performance**

a) **Revenue**

Total revenue is TZS 1,728,469,202.49 for the year 2021/22 compared with year 2020/21 which amounted to TZS 1,880,832,069.15.

b) **Expenses**

Total expenses were TZS 1,481,393,902.99 during the year 2021/22 from TZS 1,318,754,698.52 of the year 2020/2021. The increase is caused by increase in other training and operating expenses.

c) **Surplus for the year**

Surplus for the year 2021/22 was TZS 247,075,299.50 compared to TZS 562,077,370.63 for year 2020/2021.

v) **Cash Flow Statement**

a) **Cash Flows from Operating Activities**

Net cash flow from operating activities in the financial year 2021/22 was TZS 1,342,482,982.77 compared to TZS 1,327,269,812.09 for the year 2020/21.

b) **Cash Flows Investing Activities**

Total net cash flow from investing activities was TZS 374,866,219.72 may made of acquiring of non-current assets and work in progress at TZS 64,044,825.36 and TZS 310,821,394.36 respectively.

c) **Related party transactions**

There were no related party transactions during the year.

vi) **Political and Charitable Donations**

The Project had no contributed to any political party or made any charitable donations.

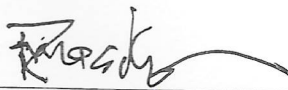
vii) **Procurement**


The project prepared and implemented its procurement plan as per the public procurement Act No. 7 of 2011 and its regulations of 2013 together with its amendments of 2016.

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5.0 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	2021/22 TZS	2020/21 TZS
ASSETS			
CURRENT ASSETS			
Cash and Cash equivalents	11	7,146,760,273.60	8,880,623,820.89
Receivables	12	-	18,750,300.00
Total Current Assets		7,146,760,273.60	8,899,374,120.89
NON- CURRENT ASSETS			
PPE	13	433,672,875.77	478,668,670.63
Work In Progress	14	410,145,394.36	99,324,000.00
Total Non Current Assets		843,818,270.13	577,992,670.63
TOTAL ASSETS		7,990,578,543.73	9,477,366,791.52
LIABILITIES			
CURRENT LIABILITIES			
Payables	15	31,140,000.00	20,020,000.00
Deferred Income	16	7,115,620,273.17	8,860,603,820.46
Total Current Liabilities		7,146,760,273.17	8,880,623,820.46
TOTAL NET ASSETS		843,818,270.56	596,742,971.06
TOTAL NET ASSETS			
Accumulated Surplus		843,818,270.56	596,742,971.06


Eng. Dr. Richard J. Masika
Chairperson - DIT Council


Prof. Preksedis M. Ndomba
Principal - DIT

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6.0 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

	Note	2021/22 TZS	2020/21 TZS
REVENUE			
Amortised Revenue	17	1,728,469,202.49	1,880,832,069.15
TOTAL REVENUE		1,728,469,202.49	1,880,832,069.15
EXPENSES			
Training costs	18	277,117,915.00	292,494,690.72
Operating costs	19A	1,095,235,367.77	1,008,649,821.37
Depreciation	13	109,040,620.22	17,610,186.43
TOTAL EXPENSES		1,481,393,902.99	1,318,754,698.52
SURPLUS		247,075,299.50	562,077,370.63



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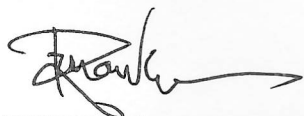


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7.0 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

CASH FLOWS FROM OPERATING ACTIVITIES	Notes	2021/22 (TZS)	2020/21 (TZS)
Receipts			
Receipt from World Bank		-	-
Total Receipts		-	-
PAYMENTS			
Training costs	18	277,117,915.00	292,494,690.72
Operating costs	19B	1,065,365,067.77	1,034,775,121.37
Total Payments		1,342,482,982.77	1,327,269,812.09
Net Cash flows from operating activities		(1,342,482,982.77)	(1,327,269,812.09)
CASH FLOWS FROM INVESTING ACTIVITIES			
Work in Progress	14	310,821,394.36	86,449,000.00
Acquisition of PPE	13	64,044,825.36	496,278,857.06
Total Payments		374,866,219.72	582,727,857.06
Net cash flows from investing activities		(374,866,219.72)	(582,727,857.06)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash flows from financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(1,717,349,202.49)	(1,909,997,669.15)
Cash and cash equivalents at the beginning of the year		8,880,623,820.89	10,753,748,154.43
Effect of exchange gain on Cash and Cash equivalents	20	(16,514,344.80)	36,873,335.61
Cash and cash equivalents at end of the year		7,146,760,273.60	8,880,623,820.89



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8.0 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

Details	TZS Accumulated Surplus	TZS Total
Opening Balance as at 1 July 2021	596,742,971.06	596,742,971.06
Surplus for the year	247,075,299.50	247,075,299.50
Balance as at 30 th June 2021	843,818,270.56	843,818,270.56

Details	TZS Accumulated Surplus	TZS Total
Opening Balance as at 1 July 2020	34,665,600.00	34,665,600.00
Surplus for the year	562,077,371.06	562,077,371.06
Balance as at 30 th June 2021	596,742,971.06	596,742,971.06



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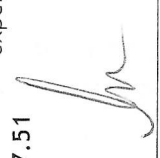
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(EASTRIP) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022

9.0 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

	Original Budget 2022	Final Budget 2022	Actual on Comparable Basis 2022	Variance	Explanation on variances
Revenue					
Receipts from World Bank	TZS 11,475,905,390.00	TZS 11,475,905,390.00	TZS -	TZS 11,475,905,390.00	Delays in concluding procurements related to construction infrastructures which limits funds release
Total revenue	11,475,905,390.00	11,475,905,390.00	-	11,475,905,390.00	
Expenditure					
Total receipts					
Expenditure					
Training costs	2,299,524,376.88	2,299,524,376.88	277,117,915.00	2,022,406,461.88	Delay in regional exchange program due to Covid 19 which limits fund release
Operating costs	1,901,934,646.52	1,901,934,646.52	1,065,365,067.77	836,569,578.75	
Acquisition of PPE	5,974,446,366.60	5,974,446,366.60	64,044,825.36	5,910,401,541.24	Prolonged procurements related to construction of infrastructures which accounts 80% of the fund expenditure
Acquisition of WIP	1,300,000,000.00	1,300,000,000.00	310,821,394.36	989,178,605.64	Prolonged procurements related to construction of infrastructures which accounts 80% of the fund expenditure
Total expenditure	11,475,905,390.00	11,475,905,390.00	1,717,349,202.49	9,758,556,187.51	



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10.0 Notes to the Financial Statement

i) Adoption of the IPSASs-Accrual Basis

The financial statements of the Centre have been prepared in accordance with IPSAS Accrual Basis. The adoption of IPSAS Accrual basis has been accepted for improving the quality, comparability and credibility of financial reporting across the Project.

ii) Statement of Compliance and Basis of preparation

The financial statement of the Project has been prepared in accordance with International Public Sector Accounting Standards (IPSAS - Accrual Basis) and comply with the Public Finance Act, 2001 as revised in 2020, the Executive Agencies Act, 1997 and the Financing Agreement.

The financial statements have been prepared on the basis of historical cost basis, unless stated otherwise. The cash flow statement is prepared using the direct method. The financial statements are prepared on an accrual basis.

iii) Summary of Significant Accounting policies

The accounting policies adopted for preparation of project's financial statements, which will be consistent with those of subsequent years, are shown below;

a) Reporting Period

Financial statements have been prepared to cover for the period of twelve (12) months from 1 July 2021 to 30 June, 2022. DIT confirms that appropriate accounting policies have been used and prudent judgment and estimates have been made in the preparation of the financial statements for the year ended 30 June, 2022.

b) Compliance with Financier's Policy

During the year under review the Project complied with donor disbursement guidelines, Procurement guidelines and grant agreement specific and general terms. The Project received no objections to pursue its various missions as stipulated in the annual work plan and budget for the year 2022.

c) Cash and Cash Equivalent

Cash and bank balances is the statement of financial position comprise cash at banks and in hand and short term deposits with an original maturity of three months or less, and it measured at amortized cost. For the purpose of the cash flow statement, cash and cash equivalent consist of cash and cash equivalent as defined above, net of outstanding bank overdrafts.

d) Revenue Recognition

The Project receives its revenue from the IDA in line with the signed Loan Agreement between the World Bank and the government of Tanzania. Grants Revenue from the World Bank are accounted for on accrual basis. Grants from the World Bank are revenue from non-exchange transactions and are recognized in the financial statements when it is probable that future economic benefit will flow to the project and the benefit is reliably measured.

IPSAS 23 Para 44 requires the inflow of resources from non-exchange transaction to be recognised both as revenue and an asset except to the extent that a liability is also recognized in respect of the same inflow. Grants are recognised as income when such condition have been received and expenses to match expenditure incurred with Grants received.

e) Going concern Assumption

The financial statements have been prepared on the going concern assumption. The validity of this assumption will largely depend on the institute to meet its obligation when they fall due. This indicates that the EASTRIP be able to meet its obligation when they fall due.

f) Events after Reporting Date

The reporting date for this Financial Statement is 30th June, 2022, there have been no material event favourable or unfavourable that occurred between the date of Financial Statements and the date when the Financial Statements were authorised for issue that would have had material impact on the Financial Statements. There no significant event occurred after reporting date of this financial statement.

g) Judgement

The preparation of the Project's financial statements requires management to make judgments, estimates and assumption that affect the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimated could result in outcomes that could require a material adjustment to the carrying amount of the assets or liability affected in the future. In the process of applying the project's accounting policies, management has made no specific judgement.

h) Related parties

The Project regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the project or

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vice versa. Members of the project steering committee and member of the project implementation team are regarded as relate parties.

i) Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the project operates (Functional currency). The financial statements are presented in Tanzanian Shilings. Foreign currency transactions are translated into Tanzanian Shilings using the exchange rate prevailing at the dates of the transaction. Foreign exchange gains and losses are accounted as per IPSAS 2 para 39 that requires that these gains are reported in the cash flow statement in order to reconcile cash and cash equivalents at the beginning and the end of the period. The closing exchange rate of 30 June 2022 as per the BOT was 2,292.73.

j) Property, Plant and Equipment

Property, plant and equipment is stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of any replacement parts in accordance with the related recognition criteria. Depreciation is calculated on a straight-line basis over the useful life of the assets. The annual rates of depreciation which have been applied are; -

Description	Estimated Useful Life
Administration assets	
Buildings	25
Motor Vehicles	
- Heavy duty (5 tons and above)	10
- Light duty (below 5 tons)	5
Plant and Machinery	15
Motor Circle	7
Computer (Desktop and Laptop)	4
Furniture and Fixture	5
Document processing Equipment e.g photocopy	7
Intangible	4
Water Wells Schemes/water systems	15
Drainage systems	15

11. Cash and Cash Equivalents

	2021/22 TZS	2020/21 TZS
BoT Designated Account (USD)	6,106,924,798.92	6,123,445,802.73
DIT EASTRIP Operational Account at CRDB Bank (TZS)	1,039,835,474.68	2,757,178,018.16
Total	7,146,760,273.6	8,880,623,820.89

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12. Receivables

	2021/22 TZS	2020/21 TZS
Staff Imprests	-	18,750,300.00
Total	-	18,750,300.00

13. Property Plant and Equipment for the year ended 30 June 2022

Cost	Motor vehicles	Office furniture	Printers	Total
Opening balance(TZS) At 1st July 2021	496,278,857.06	0	0	496,278,857.06
Additions(TZS)	0	59,294,825.36	4,750,000.00	64,044,825.36
Total cost (TZS)	496,278,857.06	59,294,825.36	4,750,000.00	560,323,682.42
Accumulated Depreciation				
Opening balance(TZS) At 1st July 2021	17,610,186.43	0	0	17,610,186.43
Charge during the year (TZS)	99,255,771.41	8,894,223.80	890,625.00	109,040,620.22
Total depreciations (TZS)	116,865,957.84	8,894,223.80	890,625.00	126,650,806.65
Net book value (TZS) as at 30 June 2022	379,412,899.22	50,400,601.56	3,859,375.00	433,672,875.77

Property Plant and Equipment for the year ended 30 June 2021

Cost	Motor vehicles	Total
Opening balance(TZS) At 1st July 2020	0	0
Additions(TZS)	496,278,857.06	496,278,857.06
Total cost (TZS)	496,278,857.06	496,278,857.06
Accumulated Depreciation		
Opening balance(TZS) At 1st July 2020	0	0
Charge during the year (TZS)	17,610,186.43	17,610,186.43
Total depreciations (TZS)	17,610,186.43	17,610,186.43
Net book value (TZS) as at 30 June 2021	478,668,673.59	478,668,673.59

14. Work in Progress (WIP)

	2020/21 TZS	Additions 2022 TZS	2021/22 TZS
Opening 1 July 2021 (A)	12,875,000		
Add: Additions 2021			
Consultancy building	53,720,000	263,824,400.00	
ESIA	9,195,000.00	46,996,994.36	
ICT infrastructure	23,534,000.00	-	
Total additions (to cash flow) (B)	86,449,000	310,821,394.36	
Total (A+B)	99,324,000	310,821,394.36	410,145,394.36

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15. Payables

	2021/22 TZS	2020/21 TZS
Opening balance	20,020,000.00	-
Add: Payables during the year	31,140,000.00	20,020,000.00
Total	51,160,000.00	20,020,000.00
Less: Paid during the year	20,020,000.00	-
Balance	31,140,000.00	20,020,000.00

16. Deferred Revenue

Details	2021/22	2020/21
Opening balance	8,860,603,820.46	10,704,562,554.20
Add: Exchange gain	14,037,193.08	36,873,335.61
Total funds available	8,874,641,013.54	10,741,435,889.81
Amortized Revenue	1,728,469,202.49	1,880,832,069.15
Closing balance	7,146,171,811.05	8,860,603,820.66

17. Amortized Revenue

Details	2021/22	2020/21
Recurrent expenses	1,342,482,982.77	1,287,781,912.09
Development expenditure	374,866,219.72	582,727,857.06
Add: Payables during the year	31,140,000.00	-
Less: Payables settled during the year	(20,020,000.00)	-
Imprests (Receivables)	-	10,322,300.00
Total	1,728,469,202.49	1,880,832,069.15

18. Training Costs

	2021/22 TZS	2020/21 TZS
Component 1.1: Strengthening centre governance and management	94,841,106.00	-
Component 1.4: Train School Managers and Teachers	182,276,809.00	292,494,690.72
Total	277,117,915.00	292,494,690.72

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ENDED 30 JUNE 2022

19. Operating Costs

	2021/22 TZS	2020/21 TZS
Component 1.1: Strengthening center governance and management	568,035,965.57	289,732,619.37
Component 1.2: Institutionalizing industry links	201,318,349.20	68,079,402.00
Component 1.3: Developing/implementing market relevant and competency-based training capacity building	113,397,000.00	444,926,800.00
Component 1.5: Upgrading Key Training Infrastructure	117,703,053.00	202,926,000.00
Component 1.6: Outreaching and support for non-project national TVET	94,781,000.00	2,985,000.00
Total to financial performance (A)	1,095,235,367.77	1,008,649,821.37
Less: Accrued expense during the year	31,140,000	20,020,000.00
Retired Imprests during the year	18,750,300.00	21,790,600.00
Add: Payable paid during the year	20,020,000.00	49,185,600.00
Imprest issued	-	18,750,300.00
Total (to cash flow) (B)	1,065,365,067.77	1,034,775,121.37

20. Foreign Exchange Loss

	2021/22		
	Amount (USD)	Exchange rate	Amount (TZS)
Cashbook book balance as at 30 June 2021	2,663,604.00	2,298.93	6,123,439,143.72
Less: Cashbook book balance as at 30 June 2022	2,663,604.00	2,292.73	6,106,924,798.92
Foreign exchange loss			(16,514,344.80)

21. Reconciliation of Net Cash Flows from Operating Activities to Surplus

Details	2021/22	2020/21
Surplus during the year	247,075,299.50	551,755,070.63
Add: Non cash Items		
Depreciation	109,040,620.22	176,101,86.43

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 ENDED 30 JUNE 2022

Exchange loss	16,514,344.80	(36,873,335.61)
Working Capital Movements		
Increase/(Decrease) in Deferred Income	(1,744,983,547.29)	(1,833,636,433.54)
Increase/(Decrease) in Payables	11,120,000.00	(29,165,600)
(Increase)/Decrease in Receivables	18,750,300.00	3,040,300
Net cash flow from operating activities	(1,342,482,982.77)	(1,327,269,812.09)

22. Reconciliation of Actual Amounts on a Comparable Basis and Actual Amounts in the Financial Statement

	Amount (TZS)			
	Operating	Financing	Investing	Total
Actual amount on comparable basis as presented in the budget and actual comparative statement	1,342,482,982.77	-	374,866,219.72	1,747,219,502.49
Basis differences	-	-	-	-
Timing differences	-	-	-	-
Entity differences	-	-	-	-
Actual amount in the cash flow statement	1,342,482,982.77	-	374,866,219.72	1,717,349,202.49

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ENDED 30 JUNE 2022

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	Amount (TZS)			
	Operating	Financing	Investing	Total
Actual amount on comparable basis as presented in the budget and actual comparative statement	1,342,482,982.77	-	374,866,219.72	1,747,219,502.49
Basis differences	-	-	-	-
Timing differences	-	-	-	-
Entity differences	-	-	-	-
Actual amount in the cash flow statement	1,342,482,982.77	-	374,866,219.72	1,717,349,202.49