



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



ISO 9001:2015 Certified

VOCATIONAL EDUCATION AND TRAINING AUTHORITY

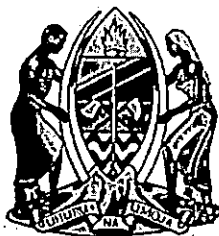
REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL AND  
COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

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March 2024

AR/PAD/VETA/2023





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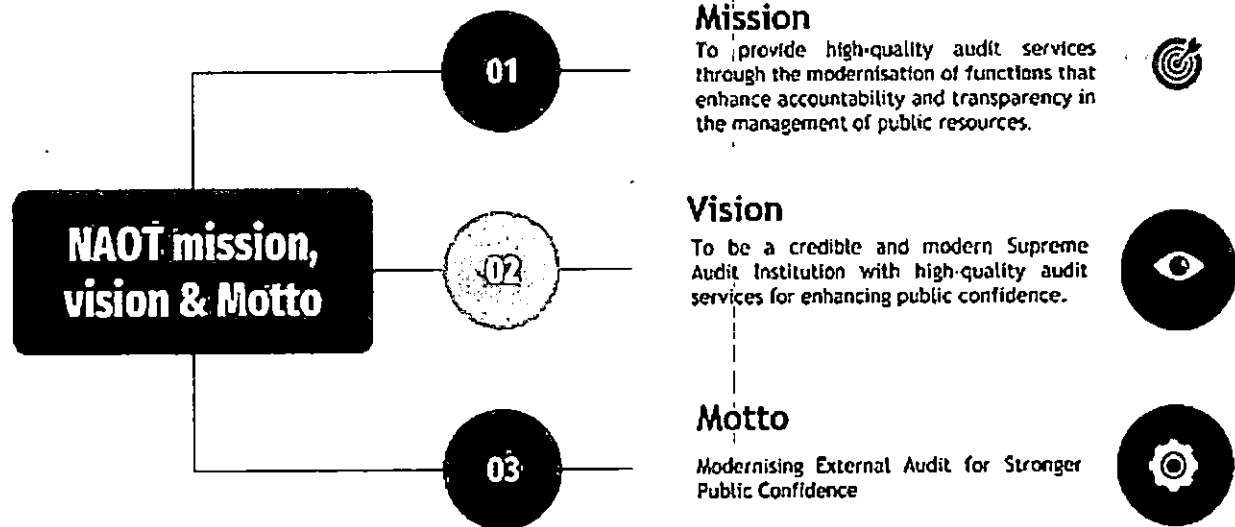
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## About the National Audit Office

### 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[R.E 2021]



### Independence and objectivity

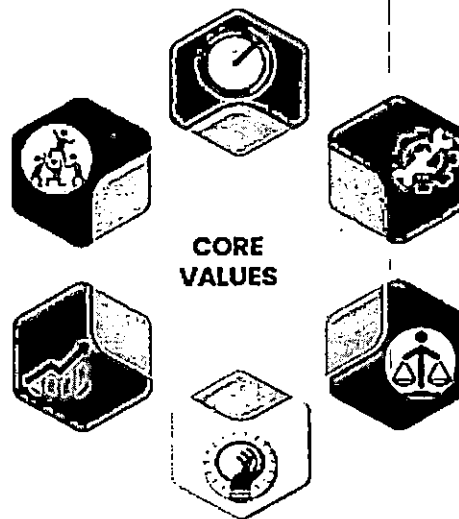
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

### 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.

© This audit report is intended to be used by VETA and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

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## Abbreviations

<b>CAG</b>	Controller and Auditor General
<b>DVTC</b>	District vocational training centre.
<b>IGA</b>	Income Generating Activities
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>ISSAIs</b>	International Standard of Supreme Audit Institutions
<b>PPE</b>	Property, Plant and Equipment
<b>PPR</b>	Public Procurement Regulations
<b>RAAWU</b>	Researchers, Academicians and Allied Workers
<b>RVTSCs</b>	Regional Vocational Training and Service Centres
<b>SDL</b>	Skills Development Levy
<b>TFRS</b>	Tanzania Financial Reporting Standards
<b>VET</b>	Vocational Education and Training
<b>VETA</b>	Vocational Education and Training Authority
<b>VTCs</b>	Vocational Training Centres

## **1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL**

Chairman of VETA Board,  
Vocational Education and Training Authority,  
P.O. Box 802,  
DODOMA.

### **1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS**

#### **Unqualified Opinion**

I have audited the financial statements of Vocational Education and Training Authority, 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 Vocational Education and Training Authority 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 International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Vocational Education and Training Authority 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 VET Board responsibilities and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

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

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

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

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

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



In addition, Section 10 (2) of the Public Audit Act, Cap 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, Cap 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

## **1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS**

### **1.2.1 Compliance with the Public Procurement laws**

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

I performed a compliance audit on procurement of works, goods and services in the Vocational Education and Training Authority for the financial year 2022/23 as per the Public Procurement laws.

#### **Conclusion**

Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of Vocational Education and Training Authority is generally in compliance with the requirements of the Public Procurement laws.

**Mwanza RVTSC used single source method without justification and approval of tender board for procurements worth TZS 128,201,166 million**

Review of procurement at VETA found Mwanza RVTSC continued to renovate offices, workshops, dinning and kitchen buildings by use of force account method. Mwanza RVTSC used materials worth TZS 128,201,165.67 purchased from single sourced suppliers without justification for the use of such method and approval of tender board. This is contrary to Regulation 159(1) of Public Procurement Regulations, 2013 which directs procuring entity to engage in a single-source procurement by soliciting proposal or price quotation from single supplier but, subject to prior approval of the tender board.

**Unapproved minor value procurements TZS 47,510,195 at Mwanza RVTSC**

Regulation 165(a) of PPR, 2013 requires procuring entity to procure goods, services or minor works directly from a tenderer if the value does not exceed TZS 10 million. Further, section CAP410 (R.E 2022) requires tender boards to approve procurement and disposal by tender procedures.

Contrary to the above cited requirements, my review of payment vouchers and their related documents revealed that, Mwanza RVTSC made minor value procurements worth TZS 47,510,195 without the approval of the tender board.



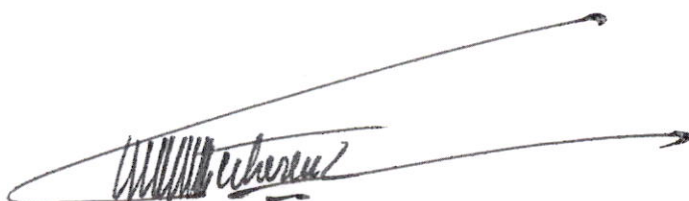
### 1.2.2 Compliance with the Budget Act and other Budget Guidelines

#### Subject matter: Budget formulation and execution

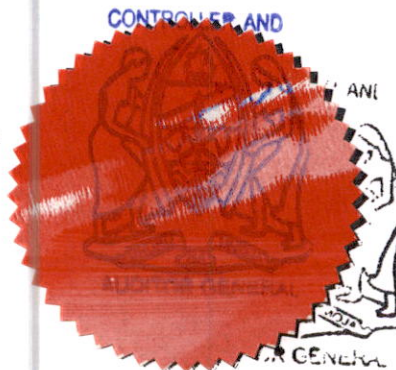
I performed a compliance audit on budget formulation and execution in the Vocational Education and Training Authority for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

#### Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Vocational Education and Training Authority 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.  
March, 2024



## 2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

### 2.1 INTRODUCTION

The Vocational Education and Training Board (VET Board) is pleased to present their financial statements for the year ended 30 June 2023, which disclose the state of affairs of VETA. The financial statements presented have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) and Tanzania Financial Reporting Standards (TFRS 1), on the report from Those Charged with Governance as per Vocational Education and Training Act CAP 82 (R.E 2019).

### 2.2 VETA PROFILE

#### 2.2.1 Establishment

VETA is an autonomous Government Agency established under Vocational Education and Training Act, CAP 82 (R.E 2019). Following its establishment, the Authority took over the functions of the National Vocational Training Division of the Government, which previously operated under the repealed Vocational Training Act of 1974.

### 2.3 MAIN ACTIVITIES

Principal activities of the Authority are to oversee the Vocational Training functions in Tanzania through: Provision, Promotion; and Financing.

#### 2.3.1 Authority's financing

The Authority maintains VET Fund financed through the following sources: -

- a) All Assets owned by VETA;
- b) 1/3 of the 4.0 % Skills Development Levy (SDL) collections;
- c) Government Funding, Grants and donations from sources within and outside Tanzania;
- d) Other income includes Income generated from Services; and
- e) Income generated from training on live projects (IGA).

VETA is a public institution, which is not for profit and for that reason; there is no declaration of dividends. According to its Corporate Plan the surplus generated, if any, shall be used for financing its future activities.

### 2.4 AUTHORITY'S VISION

Tanzania with sufficient and competent artisans.

### 2.5 AUTHORITY'S MISSION

To ensure quality Vocational skills to Tanzanians through providing and promoting Vocational Education and Training for social economic development.

**2.6 AUTHORITY'S CORE VALUES**

- a) Service Excellence;
- b) Transparency;
- c) Team Work and
- d) Integrity.

**2.7 CORPORATE GOVERNANCE**

The Board of Directors consists of eleven members. The Board determines and regularly reviews the philosophy, policies and objectives of the Authority. The Board holds four regular meetings every year and may hold more meetings if the business of the authority so requires. In particular, the Board sets the strategic objectives agrees performance criteria and delegates to management the detailed planning and implementation of agreed policies. The Board monitors compliance with policies, and achievements against objectives by holding management accountable for its actions through the measurement and control of operations.

The Board delegates the day-to-day management of the Authority's operation to Director General assisted by a management team of nine members, of which eight are at the head office and the Principal of Morogoro Vocational Teachers Training Collage (MVTTC). There are nine Regional Directors managing nine zonal offices. The Director General is responsible to the VET Board, which has the overall mandate of managing the Authority.

The Authority operates from its Head Office located at Plot No. 18, Central Business Park (CPB) VETA Road, Dodoma. Currently, there are 9 Zonal Offices, 15 Regional Vocational Training and Service Centres (RVTSCs), 15 Vocational Training Centres (VTCs), 1 Morogoro Vocational Teachers Training Collage (MVTTC), 2 special centres (Kipawa and VHTTI) and 16 District Vocational Training Centre.

The Authority is committed to the principles of effective corporate governance. The Directors, also recognize the importance of integrity, transparency and accountability. The Board of Directors has four (4) Board's committees to ensure a high standard of corporate governance throughout the organization, namely, Human Resources and Administration committee, Quality Assurance committee, Audit committee, Planning and Finance committee.

Name: CA ANTHONY N. KASORE, Acting Director General, Signature: 

Date: .....



# VOCATIONAL EDUCATION AND TRAINING AUTHORITY

## 2.8 COMPOSITION OF THE VET BOARD

Members of the VET Board at the date of this report who served during the period unless otherwise stated are:

S/N	NAME	POSITION	AGE	NATIONALITY	INSTITUTIONAL AFFILIATION	QUALIFICATIONS
1	Mr. Peter Maduki	VET Board Chairman from 17 December 2016 to January 2023	64	Tanzanian	Presidential appointment	- Masters of Arts in Education;
2	Dr. Ethel Kasembe	Member from February 2020 to February 2023	50	Tanzanian	Ministry of Education, Science and Technology	- PhD Engineering.
3	Dr. Michael Daniel Mawondo	Member from February 2020 to February 2023	60	Tanzanian	Employees Association - RAAWU	- Doctor of Business Administration, Marketing;
4	Ms. Leah L. Ulaya	Member from February 2017 to February 2023	53	Tanzanian	Employees Association - CWT	- Bachelor of Education;
5	Rev. Fr. Dr. Francis Xavier Ng'atigwa	Member from February 2020 to February 2023	57	Tanzanian	VET Provider	- PhD in Media Studies
6	Ms. Anna Costantini Kimaro	Member from February 2020 to February 2023	37	Tanzanian	Employers Association - CTI	- Master Degree of Economics; - Master of Business Administration in Corporate Management;
7	Mr. Nuhu Jabir Mruma	Member from February 2020 to February 2023	46	Tanzanian	VET Provider BAKWATA	- Bachelor Degree in Social Work;
8	Mr. Ally A. Msaki	Member from February 2017 to February 2023	50	Tanzanian	Prime Minister's Office, Youth, Labour and people with Disabilities	- MBA - Corporate Management; - MA in Statistics;
9	Mrs. Clotilda Timothy Ndezi	Member from February, 2020 to date	58	Tanzanian	VET Provider - CCT	- MA in Community Development;
10	Mr. Paul Faraj Koyi	Member from February, 2020 to February 2023	62	Tanzanian	Employers Association - TCCIA	- Bachelor of Science in Electronics;
11	Ms. Magdalena Anthony Hall	Member since June 2022 to February, 2023	53	Tanzanian	Fair Competition Commission (FCC) under the Ministry of Industry and Trade	- Master of Business Administration in International Business and Management - Master in International Business
12	CPA. Anthony M. Kasore	Board Secretary From 16 March 2022 to date	40	Tanzanian	Acting Director General - VETA	- Masters of Science in Finance and Investment

## 2.9 COMMITTEES OF THE VETA'S BOARD

The VET Board functions through four committees, namely:

- a) Planning and Finance Committee (PFC);
- b) Quality Assurance Committee (QAC);
- c) Human Resource and Administration Committee (HRAC); and
- d) Board Audit Committee (BAC) are:

S/N	Committee Name and Members	Objectives
1	<b>Planning and Finance Committee (PFC):</b> <ul style="list-style-type: none"> <li>a) Dr. Michael Daniel Mawondo - Member from February, 2020 to February 2023</li> <li>b) Mr. Ally A. Msaki - Member from February 2017 to February 2023</li> <li>c) Mrs. Leah Ulaya - Member from February 2017 to February 2023</li> <li>d) Mrs. Anna Costantini Kimaro - Member from February 2020 to February 2023</li> <li>e) Mr. Paul Faraj Koyi - Member from February 2020 to February 2023</li> <li>f) Ms. Magdalena Anthony Hall - Member since June 2022 to February, 2023</li> <li>g) CPA. Anthony M. Kasore Secretary From 16 March 2022 to date</li> </ul>	The objectives of the PFC Committee are to: <ul style="list-style-type: none"> <li>a) Review roles of the authority as stipulated in the VET policy and the VET Act and recommend the Act's amendments to match national needs;</li> <li>b) Guide the Management in the development of Strategic Action Plans for the Authority to implement its roles;</li> <li>c) Review various means to source funds to implement the Strategic Plan;</li> <li>d) Review annual budgets and supplementary budgets of the Authority;</li> <li>e) Review Plans for the various Directorates to implement the Strategic Plan;</li> <li>f) Review Quarterly Progress Reports of the implementation of the planned activities;</li> <li>g) Review various investments for the Authority;</li> <li>h) Review Audit reports of the Authority, annually;</li> <li>i) Make recommendations to the VET Board on all the tasks listed above, for the Board to deliberate on;</li> </ul>
2	<b>Quality Assurance Committee (QAC)</b> <ul style="list-style-type: none"> <li>a) Dr. Ethel Kasembe Member from February 2020 to February 2023</li> <li>b) Rev. Fr. Dr. Francis Xavier Ng'atigwa - Member from February 2020 to February 2023</li> <li>c) Mrs. Clotilda Timothy Ndezi - Member from February 2020 to February 2023</li> <li>d) Mr. Nuhu Jabir Mruma - Member from February 2020 to February 2023</li> <li>e) Mrs. Anna Costantini Kimaro - Member from February 2020 to February 2023</li> <li>f) CPA. Anthony M. Kasore Secretary From 16 March 2022 to date</li> </ul>	The objectives of the QAC Committee are to: <ul style="list-style-type: none"> <li>a) Review proposals on new curricula and implementation;</li> <li>b) Review proposals on quality assurance policies and guidelines;</li> <li>c) Review proposals and performance regarding the following issues:               <ul style="list-style-type: none"> <li>i Trainee admission criteria and administration of the system;</li> <li>ii Conducting the administration of continuous internal assessment;</li> <li>iii Setting and moderating examinations and assessment schemes;</li> <li>iv Appointing setters, moderators, supervisors, invigilators, assessors, verifiers and markers;</li> <li>v Assessing examinations facilities and means amenable to safe custody and transmission of examinations and assessment items to designated centres;</li> <li>vi Publishing examinations and assessment</li> </ul> </li> </ul>

# VOCATIONAL EDUCATION AND TRAINING AUTHORITY

S/N	Committee Name and Members	Objectives																				
		results; vii Evaluating implementation of examinations and assessment programmes; viii Certification. d) Review proposals on total quality management plans for VET system, make recommendations to the Board and supervise implementation; e) Review proposals on performance indicators for VTCs; f) Review consolidated labour market needs identification reports in relation to national and sectoral skills development priorities; g) Review annual and quarterly training plans; Undertake any other task that the Board may assign to the Committee.																				
3.	<b>Human Resource and Administration Committee (HRAC)</b>  a) Mrs. Clotilda Timothy Ndezi - Member from February 2020 to February 2023 b) Mrs. Leah Ulaya - Member from February 2017 to February 2023 c) Dr. Ethel Kasembe Member from February 2020 to February 2023 d) Dr. Michael Daniel Mawondo - Member from February 2020 to February 2023 e) Mr. Nuhu Jabir Mruma - Member from February 2020 to February 2023	The objectives of the HRAC Committee are to: a) Review human resources management policies and procedures; b) Review collective bargaining agreement; c) Review supplies Manual d) Consider disciplinary and appeal matters, e) Conduct or outsource interviews for Directors and Centre Managers; f) Consider productivity improvement plans and staff incentives; g) Undertake any other task that the Board may assign.																				
4	<b>Board Audit Committee (BAC):</b>  The overall objective of the Audit Committee is to ensure that VETA is creating and maintaining effective control systems within the Authority and that Management demonstrates and stimulates the necessary respect of the internal control structure amongst all parties. The committee is also to ensure that the Board Audit Committee members, as well as the internal and external auditors work closely and have unlimited access to whatever information they require in performing their duties. The Audit Committee is also responsible for ensuring that both the internal and external auditors are independent.																					
		<table><tr><th>S/N</th><th>NAME</th><th>POSITION</th><th>QUALIFICATIONS</th></tr><tr><td>1</td><td>Mr. Ally A. Msaki</td><td>Chairperson from February 2017 to 26 February 2023</td><td>- MBA - Corporate Management; - MA in Statistics; - BA in Statistics.</td></tr><tr><td>2</td><td>Ms. Dorah Mweta</td><td>Secretary from July 2022 to 26 February 2023</td><td>- Bachelor of Laws (LL. B) - Post Graduate Diploma in Legal Practice</td></tr><tr><td>3</td><td>Rev. Fr. Dr. Francis Xavier Ng'atigwa</td><td>Member from February 2020 to 26 February 2023</td><td>- PhD in Media Studies - Master of Arts in Media Studies - Advanced Diploma in Journalism.</td></tr><tr><td>4</td><td>CPA. Alphonse Hussein Muro</td><td>Member from February 2017 to 26 February 2023</td><td>- Certified Internal Auditor (CIA); - CPA(T); - MBA (Banking and Finance).</td></tr></table>	S/N	NAME	POSITION	QUALIFICATIONS	1	Mr. Ally A. Msaki	Chairperson from February 2017 to 26 February 2023	- MBA - Corporate Management; - MA in Statistics; - BA in Statistics.	2	Ms. Dorah Mweta	Secretary from July 2022 to 26 February 2023	- Bachelor of Laws (LL. B) - Post Graduate Diploma in Legal Practice	3	Rev. Fr. Dr. Francis Xavier Ng'atigwa	Member from February 2020 to 26 February 2023	- PhD in Media Studies - Master of Arts in Media Studies - Advanced Diploma in Journalism.	4	CPA. Alphonse Hussein Muro	Member from February 2017 to 26 February 2023	- Certified Internal Auditor (CIA); - CPA(T); - MBA (Banking and Finance).
S/N	NAME	POSITION	QUALIFICATIONS																			
1	Mr. Ally A. Msaki	Chairperson from February 2017 to 26 February 2023	- MBA - Corporate Management; - MA in Statistics; - BA in Statistics.																			
2	Ms. Dorah Mweta	Secretary from July 2022 to 26 February 2023	- Bachelor of Laws (LL. B) - Post Graduate Diploma in Legal Practice																			
3	Rev. Fr. Dr. Francis Xavier Ng'atigwa	Member from February 2020 to 26 February 2023	- PhD in Media Studies - Master of Arts in Media Studies - Advanced Diploma in Journalism.																			
4	CPA. Alphonse Hussein Muro	Member from February 2017 to 26 February 2023	- Certified Internal Auditor (CIA); - CPA(T); - MBA (Banking and Finance).																			

S/N	Committee Name and Members			Objectives
5	Mr. Paul Faraj Koyi	Member from February 2020 to 26 February 2023	<ul style="list-style-type: none"> <li>- Bachelor of Science in Electronics;</li> <li>- Advanced Diploma in Software Engineering;</li> <li>- IT and Data Networks Security.</li> </ul>	
6	CPA. Rest Nyambuche	Member from February 2020 to 26 February 2023	<ul style="list-style-type: none"> <li>- CPA(T);</li> <li>- Masters of business Administration (MBA)</li> </ul>	

## 2.10 MEETINGS OF THE VET BOARD AND ITS COMMITTEES

The VET Board held two ordinary meetings during 2022/23. In addition, there were various meetings of the VET Board committees. All members of the VET Board showed themselves to be willing and they devoted their time required for the VETA Board meetings. Below is a summary indicating the number of meetings attended by Members of the VET Board/Committee from 1 July 2022 to 30 June 2023.

No	Members	Board	Committee Meetings			
			PFC	QAC	HRAC	BAC
1	Mr. Peter Maduki	2				
2	Ms. Leah L. Ulaya	2	2		2	
3	Mr. Ally A. Msaki	2	1			1
4	Dr. Ethel Kasembe	2		2	2	
5	Dr. Michael Daniel Mawondo	2	2		2	
6	Rev. Fr. Dr. Francis Xavier Ng'atigwa	2		2		2
7	Ms. Anna Costantini Kimaro	2	2	2		
8	Mr. Nuhu Jabir Mruma	2		2	2	
9	Mrs. Clotilda Timothy Ndezi	2		2	2	
10	Mr. Paul Faraj Koyi	2	2			2
12	CPA. Alphonse Hussein Muro					2
13	CPA. Rest Nyambuche					2
14	Ms. Magdalena Anthony Hall	2				
15	CPA Anthony M. Kasore	2	2	2	2	2

### KEY:

- PFC - Planning and Finance Committee  
 QAC - Quality Assurance Committee  
 HRAC- Human Resource and Administration Committee  
 BAC - Board Audit Committee

## 2.11 MANAGEMENT

The Authority is divided into five Directorates headed by functional Directors and One operational Directorate headed by the Principal of Morogoro VETA Teachers Training Collage. The functional Directorates, which cover all aspects of the Authority's activities, are:

- a) Directorate of Vocational Education and Training;
- b) Directorate of Assessment and Certification;
- c) Directorate of Human Resources and Administration;
- d) Directorate of Labour Market Planning and Development; and
- e) Directorate of Finance.

There are five units functioning under the Director Generals' Office as follows:

- a) Internal Audit Unit;
- b) Legal Unit;
- c) Public Relations Unit;
- d) Procurement Management Unit; and
- e) Information, Communication, and Technology Unit

## 2.12 ASSESSMENT AND CERTIFICATION

As at 30 June 2023, VETA had produced a total of 36,124 successful candidates at the NABE All Stage, CBA Graded, VT Certificate and VT Diploma of VETA Assessment. The following is a breakdown of the above number of successful candidates into the qualification categories.

Description	2022/23		2021/22	
	Attempted	Certified	Attempted	Certified
NABE all Stage	1,161	250	1,401	441
Competence Based Assessment (Graded)	51,075	33,788	42,116	26,708
Integrated Mining Technical Training (IMTT)	98	80	78	46
Dual Apprenticeship Training System	137	85	133	70
Recognition of Prior Learning (RPL)	1,342	1,338	2,644	2,537
Vocational Teachers (VT) Certificate	86	66	66	64
Diploma (Vocational Teachers and Textile and Fashion Design)	43	5	15	0
Certificate NTA Level IV (VHTTI)	215	214	104	103
Certificate NTA Level V (VHTTI)	29	29	0	0
Diploma NTA Level VI (VHTTI)	270	269	54	54
<b>Total</b>	<b>54,456</b>	<b>36,124</b>	<b>46,611</b>	<b>30,023</b>



### 2.13 VET STUDENTS ENROLMENT

VETA Institutions' Capacities and Actual Enrolments by gender were as shown in the table below: -

VET student enrolments for the year 2022/23					
VET Institutions Ownership	Capacity	Actual Enrolments		Total	Capacity Utilization %
		Male	Female		
VETA	100,000	51,770	17,577	69,347	69.3%
	100,000	51,770	17,577	69,347	69.3%

### 2.14 KEY CHALLENGES/SHORTFALLS AND THE WAY FORWARD

The Authority encountered various challenges in the course of discharging its functions during the year under review. Key challenges encountered included the following;

No.	Challenges	Way forward
1.	The increase in the costs of construction materials and technical costs compared to the previously submitted costs (schedule of materials) thus affecting the implementation of construction and the rehabilitation projects of the Authority's.	Setting priorities for the completion of work based on availability of funds and considering the urgency requirement of some buildings.
2.	Inadequacy of vehicles for office use and training.	The Authority continued to allocate budget in phases for procuring motor vehicles for office use and training.
3.	Shortage of staff. As of recent, the Authority has a shortage of 1,227 employees, of which 615 are teachers and 612 are non-teachers	As of June, 2023, the authority received a total of 177 new recruits. Verification of their educational qualification has been completed and they have been assigned to Work in various VETA centres.
4.	High cost of rehabilitating dilapidated buildings in 28 old VETA Centres.	The authority has set aside funds in 2023/24 budget for rehabilitation of VETA Centre in phases due to budget constraints.

### 2.15 SOLVENCY

The VET Board confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The VET Board has reasonable expectation that VETA has adequate resources to continue in operational existence for the foreseeable future.

### 2.16 CAPITAL

The capital of VETA includes capital grant, development fund, reserves and retained surplus. VETA complied with all requirements relating to maintenance of capital. Capital is maintained through national budget allocation to VETA through the Ministry of Education and Vocational Training. As at 30 June 2023 the capital balance stood at:

DESCRIPTION	2022/2023	2021/2022
	TZS	TZS
Accumulated Funds	158,046,565,200	139,553,248,473
Taxpayer's Fund	128,859,816,445	128,859,816,445
<b>Total</b>	<b>286,906,381,645</b>	<b>268,413,064,917</b>

## 2.17 FINANCIAL PERFORMANCE FOR THE YEAR 2022/23

During the year ended 30 June 2023, VETA recorded a surplus of TZS 18,493,316,726 as compared to previous year's surplus of TZS. 13,641,487,420 The surplus recognized is made up with the construction of 25 District Vocational training Centres and Rehabilitation of exist VETA Centres.

## 2.18 COMMENTARY IN THE FINANCIAL STATEMENT

### 2.18.1 INTRODUCTION

The Financial Statements for the year 2022/23 provide a record of the Vocational Education and Training Authority, Statement of Financial Position, Statement of Financial Performance, Cash flow Statement, Statement of Changes in Net Asset Statement of Comparison of Budget and Actual and Notes to the Financial Statement.

### 2.18.2 STATEMENT OF FINANCIAL POSITION

Financial Position comprises; Current Assets, Non-current Assets, Current Liabilities, Non-current Liabilities and Equity.

### 2.18.3 Current Assets:

#### a) Cash and Cash Equivalent

Cash and Cash equivalents for the year 2022/23 amounted to TZS 12,211,888,125 being balance at the year-end for own source recurrent and development expenditure while TZS 18,941,173,118 was the balance for the financial year 2021/22.

#### b) Receivables and Prepayments

Receivables as at 30 June 2023 was TZS 1,596,135,169 and for the previous year June 2022 was TZS 2,128,095,790. Prepayments as at 30 June 2023 was TZS 459,565,878 and for the previous year June 2022 was TZS 1,301,494,582. Balance as at 30 June 2023 includes prepayment made for procurement of construction materials for new Centers and fuel of the Authority, long outstanding imprest and staff loan which are in the process of being incurred /expensed (written off).

**c) Inventories**

Inventories as at 30 June 2023 was TZS 1,106,145,110 as consumable remained during the period under review while TZS 1,010,788,806 was for previous as 30 June 2022. The balance includes training materials for trainees who continue with Short course and Long courses and construction materials.

**2.18.4 Non-current asset****a) Property, Plant and Equipment (PPE)**

During the period under review of the year 2022/23, PPE had a balance of TZS 195,768,646,586 which is greater than the amount of TZS 186,848,333,968 for the previous year of 2021/22. In the year 2022/23 there were additional PPE made in respect of ongoing construction project of District Vocational Centres; Procurement of Motor vehicles, Machinery, scientific Equipment, hardware; desk tops and laptops and recognition of land.

**b) Intangible Assets**

During the period under review of the year 2022/23, Intangible had a balance of TZS 34,527,947 and the amount of TZS 38,353,387 for the previous year of 2021/22.

**c) Long Term Receivables**

During the period under review of the year 2022/23, Long term receivables had a balance of TZS 518,455,717 and the amount of TZS 516,210,377 for the previous year of 2021/22.

**d) Work in Progress**

During the period under review of the year 2022/23, work in Progress (WIP) had a balance of TZS 88,667,906,955 and the amount of TZS 72,025,086,210 for the previous year of 2021/22 of which most of them contributed by construction of 25 District Vocational training Centres.

**2.18.5 Current Liabilities****a) Payables & Accruals**

As at 30 June 2023 there was payables & accruals amounting to TZS 7,026,246,524 while balance for the previous year was TZS 7,313,861,772. The balance was due to unpaid Creditors mainly in construction projects whereby payments are made after verification of works and acceptance of goods or service supplied.

**b) Provisions**

There were no changes in provision during the period under review as the amount remained the same as provided from previous years of TZS 727,709,937.

**c) Deferred Income**

During the period under review there was a remaining amount of TZS 4,370,910,613 for development fund deferred to the next financial year to carry out the intended purposes while TZS 3,509,713,711 was for the previous years of 2021/22.

**d) Deposits**

During the period under review there was a remaining amount of TZS 1,734,317,230 committed for development activities for project (constructions of DVTC and rehabilitation of workshop) that were not budget for, to be carried forward to next financial year while TZS 3,289,736,229 was for the previous years of 2021/22.

**2.18.6 Fund Balance/Equity**

**e) Taxpayers/Share Capital**

As at 30 June 2022, the Authority had a Tax payers fund of TZS 128,859,816,445 for the year 2022/23 which remained the same in the current financial year.

**2.19 FINANCIAL PERFORMANCE**

**2.19.1 REVENUE**

**a) Revenue from non-exchange transactions**

Revenue from non-exchange transaction including transfer during the year was TZS 116,963,615,854 while during the previous year was TZS 106,232,208,672. Revenue for the year includes SDL, Grants (Development projects and training programs) and other revenue

**b) Revenue from Exchange Transactions**

Revenue from exchange transaction during the year was TZS 14,244,064,428 while for the previous year was TZS 11,366,686,980. Revenue for the year includes short courses, IGA income and income from tender. The gradual increase of revenue is attributed to increase in number of trainees in short courses and tailor-made courses during the year.

**2.19.2 EXPENSES**

**a) Wages, salaries and employee benefits**

During the year Wages, Salaries and other benefits expenses was TZS 38,262,229,543 while previous year was TZS 31,134,489,828. The increase was due to recruitments of new staffs, recruitment expenses, increase of allowances rate such as extra duty and per diem, transfer benefits and medical expenses

**b) Amortization of intangible Assets**

During the year Amortization of Intangible asset was TZS 3,825,439 while previous year was TZS 14,772,156. The decrease is due to some of Assets has been fully exhausted and computation of amortization is allowable.

**c) Depreciation of Property, Plant and Equipment's**

During the year depreciation on PPE was TZS 9,629,411,071 while previous year was TZS 5,759,278,277. The increase is due to acquisition of new assets i.e., motor vehicles, hardware (Desktops and Laptops) and capitalisation of buildings.

**d) Maintenance expenses**

During the year maintenance expenses was 3,320,308,613 while previous year was TZS 4,912,559,171, the decrease was result of fewer maintenance activities done in accordance to availability of funds.

**E) Other Expense**

During the year other expenses was 3,659,001,170 while previous year was TZS 3,298,365,210, the increase is due to increase of security expenses because of establishment of new centres, increase in audit fee and contribution to the consolidated fund.

**e) Social Benefits**

During the year there was no social benefit expenses incurred while previous year was TZS 3,248,800 due to payment of convalescent leave.

**f) Use of Goods and Services**

During the year use of goods and services expenses was 41,427,515,231 while previous year was TZS 38,066,637,570. The increase is due to increase of utility bills i.e. electricity, water, internet, telephone and diesel, examination printing expenses at NECTA, payment of land rents, travelling expenses, staff training expenses and training material expenses.

**g) Grants and Transfers**

During the year Grants and Transfers was TZS 31,390 while previous year was TZS 82,336,663.

**h) Other Transfers**

During the year use of other transfer was TZS 16,412,041,098 while previous year was TZS 20,531,964,525 the decrease was due to less expenditures incurred from training projects funds that were receive from the government bodies were less of the amount compared to previous years i.e. PMO, RPL and SUMUKUVU.

**i) Subsidies**

During the year use of subsidies was zero while previous year was TZS 153,756,034



**j) Surplus/Deficit for the year**

Surplus of the year 2022/23 was TZS 18,493,316,726 after charging depreciation and incurred expenses during the period under review while TZS 13,641,487,420 was for the previous year of 2021/22. The surplus obtained during the year is mainly made up with funds received for construction of 25 District Vocational training centres.

**2.20 CASH FLOW STATEMENT**

During the period under review, amount which were received and used were as follows;

**2.20.1 Cash flow from Operating Activities**

Net Cash flow from operating activities was TZS 28,486,330,502 after considering receipt and payments from operating activities resulting from normal Authority operations.

**2.20.2 Cash flow from Investing Activities**

During the period under review, Net Cash outflow from Investing Activities was TZS - 35,215,615,508 of which were attributed to acquisition of property, plant and equipment TZS 18,572,794,763 and Work In Progress of TZS 16,642,820,745.

**2.20.3 Cash flow from Financing Activities**

There were no Financing activities during the period under review.

**2.21 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL**

The Vocational Education and Training Authority final budget for the year under review was TZS 141,828,451,619 while the Actual Receipts for the year under review was 131,806,202,220 and Actual payment for the year under review was TZS 138,536,113,580

**2.21.1 Personal Emoluments (PE)**

Final budget for Employee's compensation for the financial year 2022/23 was TZS 42,771,262,970 while the actual expenditure as at 30 June 2023 was TZS 38,278,996,428 which is equal to 89% of its budget. Variation was due to less number of staff recruited as per permit granted by the Government compared to budgeted number of staff expected to be recruited during the year.

**2.21.2 Other Charges (OC)**

Budgeted amount of OC was TZS 57,054,542,887 compared to the actual amount TZS 65,041,501,644 which is equal to 114% of its budget.

### 2.21.3 Capital and Development (CAPEX)

Final budget for capital and development was TZS 42,002,645,762 during the year ended 30 June 2023 and the actual expenditure was TZS 35,215,615,508 which is equal to 84% of its budget.

### 2.22 RISK MANAGEMENT AND INTERNAL CONTROLS

VET Board accepts final responsibility for the risk management and internal control systems of VETA. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- a) The effectiveness and efficiency of operations;
- b) The safeguarding of the VETA assets;
- c) Compliance with applicable laws and regulations;
- d) The reliability of accounting records;
- e) Business sustainability under normal as well as adverse conditions; and
- f) Responsible behaviours towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, VETA's system is designed to provide VETA with reasonable assurance that the procedures in place are operating effectively. VETA assessed the internal control systems throughout the financial year ended 30 June 2023 and is of the opinion that they met accepted criteria.

VETA carries risk and internal control assessment through the Audit Committee. The key elements of the system of internal control are as follows:

#### a) Delegation

Overall objectives of VETA are agreed by the VET Board, which delegates the day-to-day operations to Management for execution. There is a clear organization structure, detailing lines of authority.

#### b) Budgets

Detailed annual budgets are prepared by the Management for review by the Planning and Finance Committee of the VET Board and approved by the VET Board. The annual budgets are derived from the VETA Corporate Plan.

#### k) Competence

Staff skills are maintained both by a formal recruitment process and a performance appraisal system, which identifies training needs. Also, necessary training both in house and externally, helps to consolidate existing staff skills and competences.

**l) Internal audit**

An internal audit unit assesses risk and reviews controls. The unit ensures that recommendations to improve controls are followed up by the Management. The Chief internal auditor reports functionally to the Audit Committee and administratively to the Director General.

**m) Appropriation of reserves/surplus**

VETA is a public institution that is not for profit and for that reason; there is no declaration of dividends. According to its Corporate Plan the surplus generated, if any, shall be used for financing future activities of VETA.

**2.23 GENDER PARITY**

VETA is equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion and disability which does not impair ability to discharge duties. As at 30th June 2023 and 2022 VETA had 1,518 and 1,412 staff respectively under the following distribution of employees by gender.

Gender	2022/23	2021/22
Female	465	439
Male	1,053	973
Total	1,518	1,412

**2.24 RELATED PARTY TRANSACTIONS**

All related party transactions and balances, including directors' emoluments are disclosed in Note 26 to these financial statements.

**2.25 ACCOUNTING POLICIES**

A summary of key accounting policies is in Note 3 to the financial statements.

**2.26 EMPLOYEES WELFARE****a) Relationship between Management and Employees**

The relationship between employees and management continued to be good. The Workers/Management Negotiation Council worked smoothly during the accounting period. Workers through Master Workers Council were fully involved in the planning and evaluation of the Authority's targets.

**b) Employees Benefit**

Authority currently provides retirement benefits for its employees based on Government circulars, rules and regulations as defined in the contributions plans. This follows suspension of the voluntary agreement (Collective Bargaining Agreement).

**c) Staff Development**

The Authority had 52 (Men 33 Women 19) employees; who are continuing with Long Course Training at Diploma, Degree and Master's Degree levels in various colleges and training institutions in the country. 211 (145 Men and 66 Women) employees were facilitated to study various short courses based on the areas of their profession. In addition, several in-house training sessions were conducted on information technology and public relations issues

**d) Medical assistance**

All the Members of Staff together with a maximum number of four beneficiaries (dependents) for each employee were availed with medical insurance where the employer contributes 3 percent of the employee's basic salary, currently, these services are provided by the NHIF. Other medical assistance not covered by the insurance are provided as per VETA Medical Policy 2015.

**e) Trade Union**

A healthy relationship continues to exist between management, personnel and the Researchers, Academicians and Allied Workers Union (RAAWU).

**f) HIV in Place of Work**

The Authority is sensitive on addressing HIV issues. At every department meeting HIV is one of the agenda. Also, seminars are carried out at Head Office and Regions to address the HIV issues. HIV training is also in the students' training curriculum.

**g) Financial assistance to staff**

This is available to all confirmed employees depending on the assessment by Management of the need and circumstance and ability to make payment in accordance with the existing VETA Staff and Financial Regulations. Management has influenced staff to establish and join the Savings and Credit Co-operative Society (SACCOS) to assist in promoting the welfare of its employees.

**h) Persons with disabilities**

It is the policy of VETA not to discriminate persons with disability in recruitment.

**2.27 LEGAL AND REGULATORY REQUIREMENTS**

VETA is an Autonomous regulatory body for VET profession in Tanzania. VETA reports to the Ministry of Education and Vocational Training and is required to comply with the Government procedures and laws of the country. During the year under review, VETA complied with the applicable laws.

## 2.28 PREJUDICIAL ISSUES

VETA faces a number of challenges including Acting in higher levels (leadership position) for a very long period, Static budget ceiling, large number of vacant positions for both permanent & pensionable and short-term workers due to increase in number of District Vocational Centre's-DVTCs and trades, worn out/outdated training equipment specifically in old Vocational Centres-RVTSCs and VTCs and tough Restrictions and Conditions posed by guarantor.

## 2.29 REGISTERED OFFICE

During the year to 30 June 2023 the Authority operated from its main registered office that is situated in Plot No. 18, Central Business Park (CPB) VETA Road, Dodoma.

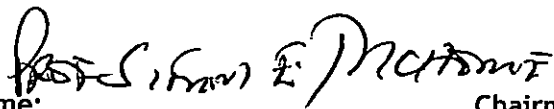
## 2.30 BANKERS

The Authority's Bankers are Bank of Tanzania (BOT), CRDB Bank Ltd, NBC (T), TCB and NMB.

## 2.31 INDEPENDENT AUDITORS

The Controller and Auditor General is the Statutory Auditor of the Vocational Education and Training Authority (VETA) by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under Section 32 (1) of the Public Audit Act Cap 418 [R.E. 2021].

By order of the VET Board

  
Name: ....., Chairman,

  
Signature: .....

Date: .....



**3.0 STATEMENT OF VET BOARD RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2023**

The Board is required under Section 24 of the VET Act CAP 82 R.E 2006 to prepare and submit to the Minister a report on the activities and operations of the Authority together with the audited accounts for each financial period that give a true and fair view of the state of affairs of the Authority at the end of the financial period and of its income and expenditure for that period.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Authority and which enable them to ensure that the financial statements comply with the VET Act CAP 82 R.E 2006. They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of receipts and payments during the reporting period. Although these estimates are based on the Directors' best knowledge of current events and conditions, actual results may differ from those estimates.

The Directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgment and estimates have been made in the preparation of the Financial Statements for the year ended 30 June 2023. The Directors also confirm that International Public Sector Accounting Standards (IPSAS) have been followed and that financial statements have been prepared on a going concern basis.

Name: Prof. Sibusiso E. Mlambe, Chairman, Signature: , Date: .....

Name: CRA. ANTHONY M. KALIRE, Ag. Director General, Signature: , Date: .....

#### 4.0 DECLARATION OF THE HEAD OF FINANCE OF VOCATIONAL EDUCATION AND TRAINING AUTHORITY

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/Accounting 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/Governing Body/Management to discharge the responsibility<sup>1</sup> 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 Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page.

I, CPA, George Petro being the Head of Finance/Accounting of Vocational Education and Training Authority 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 position of Vocational Education and Training Authority as on that date and that they have been prepared based on properly maintained financial records.

Signed by:                     *P.J.*                    

**Position: Acting Director of Finance**

**NBAA Membership No.: ACPA 4427**

Date: \_\_\_\_\_

## 5.0 FINANCIAL STATEMENT

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

ASSETS		2022/23	2021/22
			RESTATED
Current Asset		TZS	TZS
Cash and Cash Equivalents	16	12,211,888,125	18,941,173,118
Inventories	17	1,106,145,110	1,010,788,806
Loan Receivables	18	402,294,465	444,550,298
Prepayments	19	459,565,878	1,301,494,582
Receivables	20	1,596,135,169	2,128,095,790
Total Current Asset		<u>15,776,028,747</u>	<u>23,826,102,594</u>
Non-Current Asset			
Intangible Assets	21	34,527,947	38,353,387
Property, Plant and Equipment	22	195,768,646,586	186,848,333,968
Receivables (Long Term)	23	518,455,717	516,210,377
Work In Progress	24	88,667,906,955	72,025,086,210
Total Non-Current Asset		<u>284,989,537,205</u>	<u>259,427,983,942</u>
TOTAL ASSETS		<u>300,765,565,952</u>	<u>283,254,086,536</u>
LIABILITIES			
Current Liabilities			
Deferred Income	25	4,370,910,614	3,509,713,711
Deposits	26	1,734,317,230	3,289,736,229
Payables and Accruals	27	7,026,246,526	7,313,861,775
Provisions	28	727,709,936	727,709,937
Total Current Liabilities		<u>13,859,184,306</u>	<u>14,841,021,652</u>
TOTAL LIABILITIES		<u>13,859,184,306</u>	<u>14,841,021,652</u>
Net Assets		286,906,381,645	<u>268,413,064,917</u>
NET ASSETS			
Capital Contributed by:			
Taxpayers/Share Capital		128,859,816,445	128,859,816,445
Accumulated Surpluses / Deficits		158,046,565,200	139,553,248,473
TOTAL NET ASSETS		<u>286,906,381,645</u>	<u>268,413,064,917</u>

  
 Name:....., Chairman, Signature:....., Date:.....

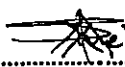
  
 Name: CPA ANTHONY M. KASORE, Ag. Director General, Signature:....., Date:.....

# VOCATIONAL EDUCATION AND TRAINING AUTHORITY

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2023

		2022/23	2021/22
		TZS	TZS
REVENUE			RESTATED
Revenue			
Fees, Fines, Penalties and Forfeits	1	0	117,666,920
Other Revenue	2	2,681,215,075	7,138,865,643
Revenue from Exchange Transactions	3	14,244,064,428	11,366,686,980
Revenue Grants	4	10,914,244,551	7,200,717,012
Subvention from other Government entities	5	103,368,156,228	91,774,959,097
Total Revenue		131,207,680,282	117,598,895,652
<b>TOTAL REVENUE</b>		<b>131,207,680,282</b>	<b>117,598,895,652</b>
EXPENSES AND TRANSFERS			
Expenses			
Amortization of Intangible Assets	6	3,825,439	14,772,156
Depreciation of Property, Plant and Equipment	7	9,629,411,071	5,759,278,277
Maintenance Expenses	8	3,320,308,613	4,912,559,171
Other Expenses	9	3,659,001,170	3,298,365,210
Social Benefits	10	0	3,248,800
Use of Goods and Service	11	41,427,515,231	38,066,637,570
Wages, Salaries and Employee Benefits	12	38,262,229,543	31,134,489,828
Total Expenses		96,302,291,067	83,189,351,010
Transfer			
Grants and Transfers	13	31,390	82,336,663
Other Transfers	14	16,412,041,098	20,531,964,525
Subsidies	15	0	153,756,034
Total Transfer		16,412,072,488	20,768,057,222
<b>TOTAL EXPENSES AND TRANSFERS</b>		<b>112,714,363,556</b>	<b>103,957,408,232</b>
Surplus / Deficit		18,493,316,726	13,641,487,420


 Name:....., Chairman, Signature:....., Date:.....


 Name: CPA Anthony M. Kashe, Ag. Director General, Signature:....., Date:.....

Controller and Auditor General

AR/PAD/VETA/2022/23

## CASHFLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2023

Name: Prof. Sheikh E. Mahmud, Chairman, Signature: [Signature], Date:                     

Name: CPA ANTHONY M. KASOBE Ag. Director General, Signature: [Signature], Date: .....

# STATEMENT OF CHANGES IN NET ASSET FOR THE PERIOD ENDED 30 JUNE 2023

	Tax Payer's Fund	Accum.	Foreign	Fair Value	Deferred Tax	Define	Other	Minority	Revaluation	Total
	TZS	Surplus/(Deficit)	Currency	Reserve	Reserve	Benefit	Reserve	Interest	Surplus	
		TZS	Revaluation	TZS	TZS	Reserve	TZS	TZS	TZS	TZS
Opening Balance as at 01 Jul 2022	128,859,816,445	139,553,248,474	0	0	0	0	0	0	0	268,413,064,919
Addition Capital Injected	0	0	0	0	0	0	0	0	0	0
Other Reserve	0	0	0	0	0	0	0	0	0	0
Other Appropriations	0	0	0	0	0	0	0	0	0	0
Minority Interest	0	0	0	0	0	0	0	0	0	0
Surplus/ Deficit for the Year	0	18,493,316,726	0	0	0	0	0	0	0	18,493,316,726
Closing Balance as at 30 Jun 2023	128,859,816,445	158,046,565,200	0	0	0	0	0	0	0	286,906,381,645
Opening Balance as at 01 Jul 2021	128,859,815,445	64,813,680,831	0	0	0	0	0	0	0	193,673,497,276
Addition Capital Injected	0	0	0	0	0	0	0	0	0	0
Other Reserve	0	0	0	0	0	0	0	0	0	0
Other Appropriations	0	61,098,080,220	0	0	0	0	0	0	0	61,098,080,220
Minority Interest	0	0	0	0	0	0	0	0	0	0
Surplus/ Deficit for the Year	0	13,641,487,423	0	0	0	0	0	0	0	13,641,487,423
Closing Balance as at 30 Jun	128,859,816,445	139,553,248,474	0	0	0	0	0	0	0	268,413,064,917

Name: REGINALD E. MURONGI, Chairman, Signature: [Signature] Date: .....

Name: CAP. ANTHONY M. KASURE, Ag. Director General, Signature: [Signature] Date: .....

# STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD ENDED 30 JUNE 2023

	Budgeted Amount		Actual Amount on Comparison Basis (A)		Variances	
	Original Budget	Reallocations/ Adjustments	Final Budget (B)		Amount	%
	TZS	TZS	TZS	TZS	TZS	
<b>RECEIPTS</b>						
Other Revenue	238,217,376	0	238,217,376	256,196,195	(17,978,819)	-8%
Revenue from Exchange Transactions	21,072,693,636	0	21,072,693,636	16,791,877,117	4,280,816,519	20%
Revenue Grants	0	0	0	0	0	0%
Subvention from other Government entities	90,199,021,070	30,318,519,537	120,517,540,607	114,758,128,908	5,759,411,699	5%
<b>Total Receipts</b>	<b>111,509,932,082</b>	<b>30,318,519,537</b>	<b>141,828,451,619</b>	<b>131,806,202,220</b>	<b>10,022,249,399</b>	
<b>PAYMENTS</b>						
Decrease in Deposit	0	0	0	0	0	0%
Grants and Transfers	0	0	0	0	0	0%
Maintenance Expenses	3,454,774,465	0	3,454,774,465	3,322,076,053	132,698,412	4%
Other Expenses	5,250,932,021	0	5,250,932,021	5,089,822,363	161,109,658	3%
Other Transfers	16,000,000,000	0	16,000,000,000	16,404,010,486	-404,010,486	-3%
Social Benefits	0	0	0	0	0	0%
Subsidies	0	0	0	0	0	0%
Use of Goods and Service	30,744,492,841	1,604,343,560	32,348,836,401	40,225,592,742	6,382,200,734	20%
Wages, Salaries and Employee Benefits	42,771,262,970	0	42,771,262,970	38,278,996,428	4,492,266,542	11%
Acquisition of Property, Plant and Equipment	23,288,469,785	18,714,175,977	42,002,645,762	35,215,615,508	6,787,030,254	16%
<b>Total Payment</b>	<b>121,509,932,082</b>	<b>20,318,519,537</b>	<b>141,828,451,619</b>	<b>138,536,113,580</b>	<b>3,292,338,039</b>	
<b>Net Receipts/Payments</b>	<b>(10,000,000,000)</b>	<b>10,000,000,000</b>	<b>0</b>	<b>(6,729,285,989)</b>	<b>6,729,285,989</b>	

Name: PROF. SIMON E. MURRAY, Chairman, Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name: CPA. ANTHONY - M. KARRE, Ag. Director General, Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **6.0 NOTES TO FINANCIAL STATEMENTS FOR THE YEAR 2023**

### **6.1 GENERAL INFORMATION**

The Vocational Education and Training Board (VET Board) is pleased to present their financial statements for the year ended 30 JUNE 2023, which disclose the state of affairs of VETA. The financial statements presented have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) and Tanzania Financial Reporting Standards (TFRS 1), on the report from the Governing Board as per Vocational Education and Training Act CAP 82 R.E 2006.

### **6.2 STATEMENT OF COMPLIANCE**

The adoption of IPSAS has resulted in changes to the Authority's accounting policies.

#### **TFRS 1 The Report by those charged with governance has no equivalent to IPSAS**

The Authority has applied TFRS 1, except for the parts referring to as related party transactions, which it has deemed to be superseded by IPSAS No. 20 Related Party Disclosures.

### **6.3 Adoption of International Public Sector Accounting Standards (IPSAS)**

#### **i. Standards, amendments and interpretations effective in the current period**

VETA Accounting Policy have been amended to comply with IPSAS requirements as per issued Treasury Circular No.12 of 2014/15, which required all public entity other than business entity to migrate from IFRS to IPSAS Accrual basis reporting.

#### **ii. Early adoption of standards**

The Authority did not adopt any new or revised standards in 2019/20 prior to their effective date.

## **7.0 BASIS OF PREPARATION**

These financial statements have been prepared in accordance with and comply with International Public Accounting Standards (IPSAS), continuing Tanzania Financial Reporting Standards (TFRSs) 1 on Directors Report and the Vocational Education and Training Act 1994 R.E 2006 CAP 82. The Financial Statements are presented in Tanzanian Shillings. The accounting policies have been consistently applied to all the years presented. The financial statements are prepared under the historical cost convention, unless otherwise indicated in this summary of significant accounting policies. The Cash Flow Statement is prepared using direct method.

### **7.1 SIGNIFICANT ACCOUNTING POLICIES**

#### **7.1.1 Consolidation of VETA Centres Controlled Centres**

The controlled Centres are all those Centres over which the Authority has the power to govern the financial and operating policies. The controlled Centres are those Centre's,



which were transferred to VETA from NVTD or currently establishment. Inter-company transactions, balances and unrealized gains and losses on transactions between members of the Centres are eliminated in full unless otherwise. The accounting policies of the controlled Centres are consistent with the policies adopted by the Authority.

#### **7.1.2 Revenue Recognition**

Principal income comprises Skills Development Levy, School Fees, Self-Reliance Activities and Rental Income. Recognition basis are as follows:

##### **a) Revenue from Non-Exchange Transactions**

The Authority recognizes revenues from Skills Development Levy (SDL), Government Counterpart Funds, revenue grants, rental from facilities and long course fees when the event occurs and the asset recognition criteria are met. To the extent that, any unutilized funds during the reporting period would give rise to a liability to be released and matched with next period expenses, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

##### **b) Revenue from Exchange Transactions**

- i) **Fees** - Revenue from short courses is recognized at the commencement of the course whereas revenue from long courses is recognized systematically in proportion to the period of instruction.
- ii) **Other Services** - Sales of other services are recognized in the accounting period in which the services are rendered by reference to the stage of completion of the specific transaction, assessed on the basis of the actual service provided as a proportion of the total service to be provided.
- iii) **Other Incomes**- Recognized on accrual basis when earned

#### **7.1.3 Property, Plant and Equipment**

All items of property, plant and equipment are initially recorded at cost, which comprises expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequently, items of property, plant and equipment are stated at replacement cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on a straight-line basis and is calculated separately for each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item. Applicable depreciation rates are as follows:

<u>Particulars</u>	<u>Years</u>
Land	N/A
Buildings	50
Workshop Machinery and Equipment	15
Furniture, Fittings and Office Equipment	5
Motor Vehicles	5
Motor Vehicle Heavy Duty	10
Motorcycles	7
Plants	15
Boat	25
Workshop Tools	4
EDP Equipment	4
Utility equipment	4
Computer software	7

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. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. No depreciation is charged if the residual value of an item is equal to or greater than its carrying value.

- (a) The authority revised economic useful life (EUL) of Non-current assets (PPE). Therefore, PPE opening balances were adjusted.
- (b) During the year the Authority adjusted the value of PPE which were previously physically disposed but not adjusted in the financial statement.
- (c) The Authority received Non-current assets without value from Kongwa district council, therefore were not included in the financial statement.

#### 7.1.4 Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred. The useful life of the intangible assets is assessed as either finite or indefinite. An intangible asset with a finite life is amortized over its useful life.

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired.

The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset. Gains or losses arising from de-recognition of an

intangible asset are measured. The difference between the net disposal proceeds and the carrying amount of the asset are recognized in the surplus or deficit when the asset is derecognized.

## **7.2 Impairment of non-cash-generating assets**

The Authority assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use. Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

### **7.2.1 Inventories**

Inventory is measured at cost upon initial recognition. After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Authority. Cost is determined using first-in-first-out (FIFO) method.

### **7.2.2 Provisions**

Provisions are recognized when the Authority has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Authority expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

### **7.2.3 Contingent liabilities**

Authority does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is Remote. The Authority has a total of TZS 2,269,172,996.33 Staff claims as arrears of which mainly derived from change in Scheme of service 2019 derived from 601 existing staff owed a total arrears of TZS 2,219,829,183.82 (98%) while TZS 49,343,812.51 (2%) is from 14 employees who have retired. The amount of Arrears has been logged in HCMIS and are in various authorization stage outside VETA like POPSM - UTUMISHI and Commissioner of Budget and close follow up are still made by the Authority for the matter.

#### **7.2.4 Employee benefits Retirement benefit plans**

Following suspension of the Collective Bargaining Agreement (CBA), the Authority currently provides retirement benefits for its employees based on Government circulars, rules and regulations as defined in the contributions plans which are post-employment benefit plans under which an entity pays fixed contribution into separate funds (NSSF and PSSSF) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefit relating to employee services in the current and prior periods.

The contribution to fund obligation for the payment of retirement benefits are charged against income in the year in which they become payable.

#### **7.2.5 Foreign currency transactions**

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

#### **7.2.6 Related parties**

The Authority 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 Authority, or vice versa. Members of key management are regarded as related parties and comprise the Board Members, Director General, VET Board committee members, PS MoEST, VETA Directors and Centre Principals and other senior managers, and close relatives of key management staff.

#### **7.2.7 Budget information**

The annual budget is prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Authority. As a result of the adoption of the accrual basis for budgeting purposes, there are no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts. Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated, followed by details of overspending or under spending on line items.

The annual budget figures included in the financial statements are for the Authority. These budget figures are those approved by the VET Board at the beginning of the financial year.

#### **7.2.8 Significant judgments and sources of estimation uncertainty**

The preparation of the Authority's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affects the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions

and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

#### **7.2.9 Financial Risk Management**

##### **i) Credit Risk**

The Authority's principal financial assets are cash and bank balances, and trade and other receivables. The Authority's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables estimated by the management based on the long outstanding balances and the assessment of the current economic environment.

##### **ii) Foreign Currency Risk**

As a result of bank balances (favourable and unfavourable) denominated in foreign currency, the Authority's financial position and results can be affected by movement in exchange rates. However, the Authority does not consider that there is a downside risk on holding foreign currencies balances arising from exchange rate movements, no specific financial risk management measures have been initiated.

#### **7.2.10 Comparative Figures**

Previous year's figures have been restated with some reclassified to match with the current year's presentation as per IPSAS' requirements and Government directive on preparation of Public entities financial statements.

**NOTES TO THE FINANCIAL STATEMENT FOR THE PERIOD ENDED 30 JUNE 2023**

	<b>2022/23</b>	
<b>2021/22</b>	<b>TZS</b>	<b>RESTATED</b>
<b>01 - Fees, Fines, Penalties and Forfeits</b>		
Receipt from Annual Fees.	0	117,666,920
	0	117,666,920
<b>02 - Other Revenue</b>		
Application fee	265,630,000	222,155,000
Miscellaneous Receipts	0	3,117,739,161
Products made at vocational schools	0	3,175,000
Receipts from Examination Fees	738,155,000	2,384,761,209
Receipts from Full Registration	0	50,000
Receipts from Tuition Fees	1,442,383,400	1,401,596,500
Revenue from Rent of Government Quarters	235,046,675	9,388,773
<b>03 - Revenue from Exchange Transactions</b>		
Receipt from Annual Fees	1,180,000	0
Receipt from Inspection Fees	1,020,000	45,000
Receipt from Vocational Workshop Production	889,684,483	1,371,770,878
Receipts from Examination Fees	245,135,000	0
Short course	0	1,681,453,193
Vocational Short and Tailor-made course fees	13,088,566,945	8,310,302,909
Tender documents	18,478,000	3,115,000
	<b>14,244,064,428</b>	<b>11,366,686,980</b>
<b>04 - Revenue Grants</b>		
Government Grant Development Foreign	88,836,254	0
Government Grant Development Local	910,221	1,248,785,751
Government Grant Other Charges	85,968,400	1,029,084,298
Revenue Transfer	10,738,529,676	4,922,846,963
	<b>10,914,244,551</b>	<b>7,200,717,012</b>
	<b>2,681,215,075</b>	<b>7,138,865,643</b>
<b>05 - Subvention from other Government entities</b>		
Government Grant Development Foreign	765,459,049	299,998
Government Grant Development Local	34,761,854,581	24,472,946,717
Revenue Grants Capital-Non-Monetary	385,468,775	0
Revenue Grants - Non-Monetary	0	0
Subvention for Other Charges	39,579,862,080	44,720,892,349
Subvention for Personal Emolument	27,875,511,743	22,580,820,032
	<b>103,368,156,228</b>	<b>91,774,959,096</b>

Controller and Auditor General

AR/PAD/VETA/2022/23

<b>06 Amortization of Intangible Assets</b>		
Amortization of intangible asset	3,825,439	14,772,156
	3,825,439	14,772,156
<b>07 - Depreciation of Property, Plant and Equipment</b>		
Agriculture and Livestock Extension System	0	12,581,343
Colleges and other tertiary institutions	21,159,548	0
Computers and Photocopiers	0	30,772,095
Depreciation Hardware servers and equipment (incl. desktops, Laptops	123,215,602	6,465,375
Depreciation Motor Vehicles (Administrative)	2,302,587,305	694,523,701
Depreciation of Hardware: servers and equipment (incl. desktops, laptops etc.)	0	6,740,407
Depreciation Office buildings and structures	2,481,916,971	2,312,430,044
Depreciation-Furniture and Fittings	32,526,851	146,172,163
Electricity - Transmission Assets	3,210,777,066	1,018,511,492
Hardware: servers and equipment (incl. desktops, laptops, UPS etc.)	0	235,681,576
Office Furniture and Fittings	1,450,456,528	601,193,814
Plant and Machinery	0	21,242,176
Scientific Instruments and Tools-charge for the year	0	207,932,403
Ships, boats and ferries	6,771,200	6,771,200
Telecommunications infrastructure, networks and equipment-charge for the year	0	458,260,488
	<b>9,629,411,071</b>	<b>5,759,278,277</b>
<b>08 - Maintenance Expenses</b>		
Air conditioners	23,047,661	51,279,789
Cement, Bricks and Building Materials	189,384,947	726,048,650
Cement, bricks and construction materials	734,351,202	1,906,204,215
Cold Room Units	0	9,378,000
Computers, printers, scanners, and other computer related equipment	206,568,469	57,629,141
Direct Labour (contracted or casual hire)	689,569,040	530,776,318
Electrical and Other Cabling Materials	41,525,529	6,346,501
Electrical and Telephone Cable Installations	(4,860,000)	0
Fax machines and other small office equipment	31,661,200	25,497,897
Fire Protection Equipment	97,671,878	116,335,982
Mechanical, electrical, and electronic spare parts	6,569,480	73,016,479
Metal Fence and Posts	790,000	1,000,000
Motor Vehicles and Water Craft	406,614,020	412,013,271
Oil and Grease	8,017,613	45,889,977
Oil, grease, and other chemical materials	1,765,200	190,000
Outsource	980,000	0
Outsource maintenance contract services	261,760,526	127,893,242
Paint and Weather Protection Coatings	21,576,507	14,465,929
Panel and body shop repair materials and services	14,980,456	12,030,982

Photocopiers	40,984,429	44,347,333
Pipes and Fittings	0	1,891,400
Plumbing Supplies and Fixtures	44,237,696	18,237,980
Repair and Maintenance of Furniture	83,733,012	61,536,035
Repair and Maintenance of Sewerage System	26,687,249	3,644,490
Roofing Materials	11,606,212	13,377,529
Servers	0	3,782,951
Small Car Mechanics Tools	1,143,000	7,799,023
Small tools and equipment	11,786,580	188,179,469
Small Tools and Implements	15,005,000	22,802,524
Spare Parts	173,582,425	220,371,932
Telephone Equipment (ground line)	0	1,600,000
Telephone Equipment (mobile)	4,190,500	930,600
Telephones and Office PABX systems	1,025,359	1,640,000
TV sets and Radios	1,536,000	2,800,000
Tyres and Batteries	159,965,653	196,742,536
Water Pumps	5,114,670	5,180,000
Weather Protection Coatings	600,000	0
Wood and Timber Supplies	7,137,100	1,699,000
	<b>3,320,308,613</b>	<b>4,912,559,175</b>

#### 09 - Other Expenses

Agency fees	30,500,000	34,234,243
Audit fees	245,000,000	200,000,000
audit supervision expenses	70,800,000	89,523,539
Bank Charges and Commissions	29,007,052	79,329,312
Burial Expenses	88,477,194	57,697,788
consultancy fees	860,494,132	720,389,153
Contingencies Item	0	20,000
Director's Fee	101,875,000	39,175,000
Dividend	0	500,000,000
education supervision expenses	410,541,188	498,160,611
Facilitation Fees	300,000	0
Honorariums (expert opinion)	6,499,449	2,400,000
Insurance Expenses	295,019,341	41,218,463
Legal fees	47,554,075	148,197,459
National Expenses	550,035,673	0
Other Payments	0	23,711,601
Port charges	0	3,000,000
Registration Fees	29,466,811	8,930,000

Controller and Auditor General

AR/PAD/VETA/2022/23



Reimbursable Costs	0	1,425,988
Reserve for Safety Regulator's Costs	15,000	0
Sales Commission, Discount and Revenue Share	3,746,144	0
Security Services	861,297,122	717,007,015
Sticker Charges	155,000	0
Sundry Expenses	0	10,580,815
Surveys	321,340	0
Taxes Levied by another Level of Government	20,884,649	33,449,750
Transportation Cost by Ground	6,077,000	15,130,000
Transportation Cost by Water	0	72,395,236
Vehicles Insurance	935,000	2,481,000
Water Bill Allowance	0	132
Withholding Tax	0	(91,894)
	<b>3,659,001,170</b>	<b>3,298,365,211</b>
<b>10 - Social Benefits</b>		
Convalescent Leave	0	3,248,800
	0	3,248,800
<b>11 Use of Goods and Service</b>		
Accommodation	33,374,052	43,850,317
Advertising and Publication	60,893,366	145,146,070
Agricultural Implements	0	611,420
Air Travel Tickets	186,677,868	153,993,998
Animal Feeds	0	25,449,540
Books, Reference and Periodicals	28,621,000	12,814,396
Bottled Gas	9,300,000	0
Capitation Costs	0	400,000
Catering Services	548,342,505	534,475,268
Charcoal	19,020,480	16,963,244
Classroom Teaching Supplies	0	6,493,020
Cleaning Supplies	203,698,431	197,683,735
Communication Network Services	8,802,800	16,689,740
Computer Software	1,600,000	0
Computer Supplies and Accessories	167,166,483	51,909,711
Conference Facilities	255,974,526	173,562,815

Controller and Auditor General

AR/PAD/VETA/2022/23

Consumable Medical Supplies	2,246,621	0
Contract based training services	2,733,131,441	2,999,450,332
Courier Services	60,855,968	44,209,948
Diesel	1,674,469,969	1,574,959,690
Drugs and Medicines	1,040,000	0
e Training Materials	780,292,865	646,028,044
Educational Radio and TV broadcasting programming	98,974,337	141,722,867
Electricity	1,001,968,597	994,024,319
Entertainment	61,925,969	38,803,600
Examination Expenses	2,125,598,263	3,456,563,066
Exhibition, Festivals and Celebrations	256,146,663	211,390,902
Fertilizers	0	9,700,000
Field Equipment (Mechanical)	0	1,175,000
Firewood	4,520,000	1,987,700
Food and Refreshments	576,992,535	476,585,432
Fumigation	239,014,760	169,192,945
Furniture and Appliances	20,419,000	350,867,985
Gifts and Prizes	24,219,568	28,329,367
Ground Transport (Bus, Train, Water)	294,046,950	148,149,548
Ground travel (bus, railway taxi, etc)	851,676,334	802,593,377
Health Insurance	10,000,000	1,000,000
Hiring of Training Facilities	34,996,000	36,748,539
Illuminating kerosene (Paraffin)	0	5,566,375
Inspection Fees	250,000	0
Internet and Email connections	392,496,832	342,572,423
Laboratory small non-durable equipment	0	21,618,600
Land Rent Expenses	104,062,518	91,004,112
Land Scaping	3,237,710	300,000
Laundry and Cleaning	2,880,000	4,921,009

Lubricants	26,899,420	22,974,904
Lunch Allowance	0	0
Marine Fuel	1,250,000	152,500
Medical Gases and Chemicals	70,570	0
MISSING	0	1,200,000
Mobile Charges	491,816,367	448,707,930
Motor Oil	4,555,000	2,559,500
Natural Gas	66,044,508	32,590,992
News Services Fees	5,900,000	4,800,000
Newspapers and Magazines	10,952,202	5,852,621
Office Consumables (papers, pencils, pens and stationaries)	1,021,032,818	981,490,759
Operation and Training Fuels	0	14,059,750
Other Gas	577,500	1,067,400
Outsourcing Costs (includes cleaning and security services)	660,544,534	908,716,913
Passport Printing Materials	0	915,224
Per Diem Domestic	8,747,961,502	6,819,331,857
Per Diem Foreign	35,245,115	11,339,000
Petrol	67,447,254	10,308,758
Posts and Telegraphs	680,000	709,000
Printing accessories	0	1,160,000
Printing and Photocopy paper	867,749,980	8,638,025
Printing and Photocopying Costs	181,824,872	574,080,139
Printing Material	53,125,786	3,992,190
Production and Printing of Training Materials	1,149,677,134	266,226,903
Programs Transmission Fees	0	800,000
Protective Clothing, footwear and gears	35,715,290	13,779,262
Publicity	5,416,000	11,951,891
Purchased Electricity TANESCO	33,748,474	0
Remuneration of Instructors	18,440,000	13,400,000

Rent Housing	1,000,000	24,460,000
Rent Office Accommodation	15,500,000	24,844,960
Research and Dissertation	101,975,400	20,860,000
Sewage Charges	22,916,892	9,791,930
Small engineering tools and equipment.	0	8,925,650
Software License Fees	22,161,555	15,300,000
Special Foods (diet food)	0	906,700
Special Uniforms and Clothing	67,358,423	103,134,290
Sporting Supplies	8,140,843	10,771,045
Staff Training and Development Expenses	0	80,000
Student meals	3,666,272,171	3,135,382,936
Subscription Fees	110,451,165	34,411,051
Technical Materials	6,661,154,201	5,778,690,644
Technical Service Fees	235,929,987	965,595,474
Telephone charge	0	2,788,370
Telephone Charges (Land Lines)	59,211,587	76,326,819
Testing Facilities	0	12,427,184
Towels and Other Related supplies	0	11,986,000
Training Aids	4,127,039	9,571,000
Training Allowances	475,961,196	438,506,297
Training Materials	2,383,743,268	2,231,307,291
Tuition Fees	388,721,049	255,919,375
Uniforms	61,800,949	48,800,510
Uniforms and Ceremonial Dresses	132,327,420	46,326,685
Upkeep of Grounds and Amenities	76,201,235	74,351,220
Visa Application Fees	1,800,000	0
Water and Waste Disposal (Garbage)	4,457,969	11,296,672
Water Charges	550,116,413	512,457,696
Water Transport	0	8,473,200

## Wire, Wireless, Telephone, Telex Services and Facsimile

9,434,086

52,630,598

41,427,515,231

38,066,637,569

**12 - Wages, Salaries and Employee Benefits**

Acting Allowance	36,490,000	12,643,797
Ambassador's Entertainment Allowance	0	7,200,000
Casual Labour	74,999,645	19,637,299
Casual Labourers	15,465,000	13,241,434
Civil Servants	23,681,063,550	22,544,376,383
Civil Servants Contracts	15,156,180	86,842,108
Civilian Staff Allowance	240,550,000	0
Court Attire Allowance	2,500,000	2,000,000
Diesel Allowance for Judges	(500,000)	11,450,333
Diesel Allowances	0	10,090,000
Donations and Contributions	1,200,000	820,000
Electricity	31,016,511	59,986,791
Electricity Allowance	163,939,700	161,019,794
Extra-Duty	3,684,336,171	2,614,579,669
Facilitation Allowance	347,361,913	404,206,197
Field (Practical Allowance)	379,438,639	56,273,232
Food and Refreshment	75,538,200	173,908,799
Furniture	377,785,678	93,000,000
Heavy Teaching Load Allowance	200,000	4,048,000
Honoraria	91,249,768	41,476,180
Household Appliances	5,400,000	37,190,694
Housing Allowance	450,559,035	363,624,017
Internship Allowance	48,700,000	23,540,000
Invigilators Allowances	18,660,000	30,171,325
Leave Travel	281,846,615	404,161,682
Local Based Staff Salary	42,568,039	163,792,251
Local Staff Salaries	221,045,031	340,586,792
Medical and Dental Refunds	124,594,906	51,705,187
Moving Expenses	769,486,530	481,913,099
National Health Insurance Fund (NHIF)	19,927,807	1,502,400
National Health Insurance Schemes (NHIF)	701,717,495	607,210,000
National Social Security Fund (NSSF)	3,588,000	10,043,691
Operational Service Staff	441,289,302	235,766,250
Outfit Allowance	7,200,000	0
Professional Allowances	20,730,340	99,203,936
PSSSF	10,717,219	2,534,078
Public Servants Social Security Fund (PSSSF)	20,368,822	44,399,807
Public Service Pension Fund (PSPF)	3,450,925,334	0

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Public Service Social Security Fund (PSSSF)	200,000	0
Responsibility Allowance	467,638,200	520,637,174
Risk Allowance	6,000,000	3,763,002
Sitting Allowance	1,426,277,800	1,049,626,888
Special Allowance	102,950,000	100,468,000
Spouse Allowance	143,860,877	12,615,645
Subsistence Allowance	14,730,000	71,835,169
Telephone	2,015,416	13,039,598
Telephone Allowance	73,793,165	21,780,000
Transport	0	21,165,000
Transport Allowance	8,390,000	51,496,367
Uniform Allowance	32,967,000	12,604,500
Water Allowance	10,994,905	40,744,589
Water and Waste Disposal	0	568,675
Workers Compensation Fund	115,296,751	0
	<b>38,262,229,544</b>	<b>31,134,489,832</b>
<b>13 - Grants and Transfers</b>		
Defence	0	62,929,356
Internal Drainage Basin Water Board (IDBWB)	0	1,558,249
Occupational Safety Health Authority (OSHA)	31,390	8,125,616
Tanzania Electrical, Mechanical & Electronics Services Agency (TEMESA)	0	400,000
Water Basin Boards	0	9,323,442
	<b>31,390</b>	<b>82,336,663</b>
<b>14 - Other Transfers</b>		
Revenue Transfer	16,412,041,098	20,531,964,525
	<b>16,412,041,098</b>	<b>20,531,964,525</b>
<b>15 - Subsidies</b>		
Dar es Salaam Water Supply Authority (DAWASA)	0	8,400,000
National Insurance Corporation (NIC)	0	67,775,328
Tanzania Electric Supply Company Limited (TANESCO)	0	77,580,706
	<b>0</b>	<b>153,756,034</b>
<b>16 - Cash and Cash Equivalents</b>		
BoT Own source Collection Account	4,573,937,369	9,382,149,668
Cash in hand	139,610,670	0
CRDB CASH ACCOUNT	91,545	91,545
Deposit General Cash Account	2,763,451,102	3,930,888,788
Development Expenditure Cash Account	908,142,979	1,204,060,296
imprest cash account	230,712,973	0
Own source Collection Account - CRDB	327,485,187	146,088,986
Own source Collection Account - NMB	0	(261,000)
Own source Development Expenditure	10,454,579	0
<b>Controller and Auditor General</b>	<b>AR/PAD/VETA/2022/23</b>	

Own source Recurrent Expenditure GF	730,355,404	801,241,332
Petty Cash	191,200	191,200
Recurrent Expenditure Cash Account	2,248,629,473	3,233,617,477
Unapplied Cash Account	231,869,731	195,753,835
USD Recurrent Expenditure	46,955,913	47,350,989
	<b>12,211,888,125</b>	<b>18,941,173,116</b>
<b>17 - Inventories</b>		
Building Materials - Inventory	188,185,288	0
Cleaning supplies	6,025,800	0
Consumables	303,602,246	452,768,682
Fuel	42,452,339	36,136,878
IT and Computer Accessories	552,494,637	552,494,637
Learning Materials	4,704,000	0
Office consumable (Stationaries, etc.)	1,652,300	0
Other Raw Materials	3,942,500	0
Spare parts and tyres	1,144,000	(30,611,391)
Uniforms	1,942,000	0
	<b>1,106,145,110</b>	<b>1,010,788,806</b>
<b>18 - Loan Receivables</b>		
Prepayment	24,778,841	37,693,569
Staff Loan	377,515,624	406,856,729
	<b>402,294,465</b>	<b>444,550,298</b>
<b>19 - Prepayments</b>		
Advance Payment	0	357,051,754
Prepayment - Expenses	459,309,878	944,186,828
Prepayments - Assets	256,000	256,000
	<b>459,565,878</b>	<b>1,301,494,582</b>
<b>20 - Receivables</b>		
Imprest Receivable	978,442,332	1,419,579,750
Levies	934,100	3,884,100
Receivable from exchange transactions	8,670,499	128,514,309
Receivables from exchange transactions	76,381,562	101,426,262
Trade Receivables	531,706,676	451,665,004.35
Advance for Work in Progress	0	382,200
Advance Supplies of goods and services	0	22,644,165
	<b>1,596,135,169</b>	<b>2,128,095,790</b>
<b>21 - Intangible Assets</b>		
Accumm. Amortization Computer Software	(555,057,294)	(551,231,855)
Computer Software	589,585,241	589,585,241
Provision for doubtful Debts	0	1
	<b>34,527,947</b>	<b>38,353,387</b>

**22 - Property, Plant and Equipment**

Scientific Equipment	229,946,000	1,222,100,710
	0	(211,827,909)
Acc. Depr. Server.	(361,397,547)	(361,397,547)
Acc. Depreciation Hardware: servers and equipment (incl. desktops, laptops, PS etc.)	(937,737,501)	(1,055,274,121)
Acc. Depreciation on Disposal - Electronic Data Processing Equipment	119,416,757	149,681,142
Acc. Deprec. Hardware: servers and Equipment (Incl. desktops, Laptops, UPS etc)	(123,215,602)	0
Accumulated Depreciation - Furniture	(2,235,728,160)	(2,226,390,160)
Accumulated Depreciation - Library Books	(10,072,885)	(11,303,062)
Accumulated Depreciation - Utility	(3,078,714)	(3,078,714)
Accumulated depreciation college and other tertiary institutions	(21,159,549)	0
Accumulated depreciation Electricity - Transmission Assets	(20,464,590,193)	(17,877,600,607)
Accumulated Depreciation Office buildings and structures	(58,453,169,849)	(52,064,821,084)
Accumulated Depreciation Office Furniture and Fittings	(9,405,450,000)	(8,624,045,159)
Accumulated Depreciation on Disposal of Motor Vehicle	(1,012,306,951)	(1,232,302,951)
Accumulated Depreciation on Disposal Workshop Machines and Equipment	(373,890,566)	(373,890,566)
Accumulated Depreciation on Disposal Workshop tools	50,130,450	50,130,450
Accumulated Depreciation Plant and Machinery	(2,822,824,821)	(2,881,060,524)
Accumulated Depreciation Servers	1,327,502	0
Acquisition of land	57,508,262,899	56,333,021,899
Bearer Plants- cost	285,355,800	285,355,800
Colleges and other tertiary institutions	1,552,691,678	72,176,280
Commercial Building	0	(216,505,918)
Computers and Photocopiers	343,361,211	8,636,000
Disposal of Motor Vehicles (Administrative)	144,137,917	144,137,917
Electricity - Transmission Assets	36,211,399,373	32,901,087,381
Fire Fighting Equipment	10,661,622	6,848,000
Hardware: servers and equipment (incl. desktops, laptops etc.)	1,493,371,235	150,838,816
Hardware: servers and equipment (incl. desktops, laptops, UPS etc.) -Disposal	(80,664,823)	(104,423,823)
Land	153,480,000	0
Land levelling and fencing (civil works)	412,257,488	412,257,488
Library Books- cost	1,324,663,767	1,318,848,167
Motor Vehicles	(54,358,885)	(10,006,000)
Motor Vehicles (Administrative)	(14,714,834,134)	(12,488,573,687)
Motor vehicles,	22,715,236,703	19,454,078,325
Office buildings and structures	163,980,298,421	156,374,520,153
Office buildings and structures-Disposal	(362,880,887)	(362,880,887)
Office equipment	312,999,976	312,999,976
Office Furniture	293,149,365	0

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Office Furniture and Fittings	13,004,030,851	12,194,885,110
Office Furniture and Fittings-Disposal	2,938,092,682	2,984,270,280
Plant and Machinery	2,775,363,986	2,176,404,604
Plant and Machinery-Addition Nonmonetary	55,016,816	0
Plant and Machinery-Disposal	141,050,806	235,878,283
Plant and Machinery-Transfer	917,661,626	0
Scientific Instruments and Tools- cost	95,974,457	112,395,007
Scientific Instruments and Tools-Acc. Depreciation	(206,545,217)	(271,369,783)
Scientific Instruments and Tools-Disposal	(800,000)	(1,750,000)
Ships, boats and ferries	148,966,400	155,737,600
Transfer of Motor Vehicles (Administrative)	49,500,000	25,000,000
Workshop tools	145,547,082	145,547,082
	<b>195,768,646,586</b>	<b>186,848,333,968</b>
<b>23 - Receivables (Long Term)</b>		
Staff loans	518,455,717	516,210,377
	<b>518,455,717</b>	<b>516,210,377</b>
<b>24 - Work In Progress</b>		
Other structure - WIP	14,320,849,844	15,469,375,720
WIP-Other Building Structure	6,042,777,339	5,882,399,687
Work-In-Progress- cost	30,439,317,936	32,170,292,754
Work-In-Progress-Addition Monetary	37,864,961,839	18,501,638,049
Site preparation	0	1,380,000
	<b>88,667,906,955</b>	<b>72,025,086,210</b>
<b>25 - Deferred Income</b>		
Deferred Subvention Capital	1,566,025,401	978,844,482
Deferred Subvention Current	2,361,364,183	3,868,451,556
Development Deferred Income	(69,078,385)	(534,554,728)
Recurrent Deferred Income	512,599,414	(803,027,599)
	<b>4,370,910,613</b>	<b>3,509,713,711</b>
<b>26 - Deposits</b>		
Deposit General	1,504,110,330	3,114,844,133
Unapplied Deposit Account	230,206,901	174,892,096
	<b>1,734,317,231</b>	<b>3,289,736,229</b>
<b>27 - Payables and Accruals</b>		
Accrued expenses	0	56,266,912
Advance for Work in Progress	0)	0
Advance Payments for Contract Works	1,522,903	0
Advance Utility	0	(500,000)
Advances received	34,924,202	42,331,102
Misc Deduction	390,000	1,604,693
Other Accounts Payable	128,833,147	205,641,449

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Other accounts payables	62,372,575	90,450,325
Retention	94,073,514	18,165,713
Staff Claim	141,831,009	(50,923,134)
Supplies of goods and services	77,408,162	298,205,445
VAT Payable	600,000	600,000
Withholding tax	11,430,012	5,456,172
Withholding Tax Payable	98,202,802	135,700,600
	<b>651,588,326</b>	<b>916,177,174</b>
<b>28 - Provisions</b>		
Provision for Bad and Doubtful debts	727,709,936	727,709,937
	<b>727,709,936</b>	<b>727,709,937</b>

**NOTES TO THE FINANCIAL STATEMENT FOR THE  
PERIOD ENDED 30 JUNE 2023  
CASH FLOW NOTES**

	2023	2022
<b>29 - Subvention from other Government entities</b>		
Government Grant Development Foreign	765,459,049	299,998
Government Grant Development Local	34,761,854,581	24,472,946,717
Subvention for Other Charges	39,579,862,081	44,720,892,349
Subvention for Personal Emolument	27,875,511,744	22,580,820,032
<b>Total</b>	<b>102,982,687,455</b>	<b>91,774,959,096</b>
<b>Movements</b>		
Opening Deferred Subvention Capital	978,844,482	978,844,482
Closing Deferred Subvention Capital	1,566,025,401	
<b>Sub Total</b>	<b>587,180,919</b>	
Opening Deferred Subvention Current	3,868,451,556	3,868,451,556
Closing Deferred Subvention Current	2,361,364,183	
<b>Sub Total</b>	<b>(1,507,087,373)</b>	
<b>Net Effect</b>	<b>(919,906,454)</b>	
<b>Subvention from other Government entities Cash Flow</b>	<b>102,062,781,001</b>	
<b>30 - Revenue Grants</b>		
Revenue Transfer	10,914,244,551	4,922,846,963
<b>Movement</b>		
Opening Development Deferred Income	(534,554,728)	
Closing Development Deferred Income	(69,078,385)	(534,554,728)
<b>Sub Total</b>	<b>465,476,343</b>	
Opening Recurrent Deferred Income	512,599,414	(803,027,599)
Closing Recurrent Deferred Income	(803,027,599)	
<b>Sub Total</b>	<b>1,315,627,013</b>	
<b>Net Effect</b>	<b>1,781,103,356</b>	
<b>Revenue Grant CF</b>	<b>12,695,347,907</b>	
<b>31 - Revenue from Exchange Transactions</b>		
Receipt from Vocational Workshop Production	889,684,483	1,371,770,878
Short course		

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	-	1,681,453,193
Vocational Short and Tailor-made course fees	13,088,566,945	8,310,302,909
Tender documents	18,478,000	3,115,000
Products made at vocational schools	-	3,175,000
<b>Cash Flow</b>	<b>13,996,729,428</b>	<b>11,369,816,980</b>

### 32 - Revenue from Non-Exchange Transactions

Receipt from Annual Fees	1,180,000	-
Receipt from Inspection Fees	1,020,000	45,000
Receipts from Examination Fees	245,135,000	-
Receipt from Annual Fees.	-	117,666,920
Application fee	265,630,000	222,155,000
Receipts from Examination Fees	738,155,000	2,384,761,209
Receipts from Full Registration	-	50,000
Receipts from Tuition Fees	1,442,383,400	1,401,596,500
Revenue from Rent of Government Quarters	235,046,675	9,388,773
<b>Total</b>	<b>2,928,550,075</b>	<b>4,135,663,402</b>

### Cash Flow Movement

Opening Receivable from exchange transactions	8,670,499
Closing Receivable from exchange transactions	128,514,309
Movement	119,843,810
<b>Cash Flow</b>	<b>3,048,393,885</b>

### 33 - Levies Movement

Closing Levies	934,100	3,884,100
Opening Levies	3,884,100	
<b>Cash flow</b>	<b>2,950,000</b>	

### 35 - Wages, Salaries and Employee Benefits

Acting Allowance	36,490,000	12,643,797
Ambassador's Entertainment Allowance	-	7,200,000
Casual Labour	74,999,645	19,637,299
Casual Labourers		

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	15,465,000	13,241,434
Civil Servants	23,681,063,550	22,544,376,383
Civil Servants Contracts	15,156,180	86,842,108
Civilian Staff Allowance	240,550,000	-
Court Attire Allowance	2,500,000	2,000,000
Diesel Allowance for Judges	(500,000)	11,450,333
Diesel Allowances	-	10,090,000
Donations and Contributions	1,200,000	820,000
Electricity	31,016,511	59,986,791
Electricity Allowance	163,939,700	161,019,794
Extra-Duty	3,684,336,171	2,614,579,669
Facilitation Allowance	347,361,913	404,206,197
Field (Practical Allowance)	379,438,639	56,273,232
Food and Refreshment	75,538,200	173,908,799
Furniture	377,785,678	93,000,000
Heavy Teaching Load Allowance	200,000	4,048,000
Honoraria	91,249,768	41,476,180
Household Appliances	5,400,000	37,190,694
Housing Allowance	450,559,035	363,624,017
Internship Allowance	48,700,000	23,540,000
Invigilators Allowances	18,660,000	30,171,325
Leave Travel	281,846,615	404,161,682
Local Based Staff Salary	42,568,039	163,792,251
Local Staff Salaries	221,045,031	340,586,792
Medical and Dental Refunds	124,594,906	51,705,187
Moving Expenses	769,486,530	481,913,099
National Health Insurance Fund (NHIF)	19,927,807	1,502,400
National Health Insurance Schemes (NHIF)	701,717,495	607,210,000
National Social Security Fund (NSSF)	3,588,000	10,043,691
Operational Service Staff	441,289,302	235,766,250
Outfit Allowance	7,200,000	-

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Professional Allowances	20,730,340	99,203,936
PSSSF	10,717,219	2,534,078
Public Servants Social Security Fund (PSSSF)	20,368,822	44,399,807
Public Service Pension Fund (PSPF)	3,450,925,334	-
Public Service Social Security Fund (PSSSF)	200,000	-
Responsibility Allowance	467,638,200	520,637,174
Risk Allowance	6,000,000	3,763,002
Sitting Allowance	1,426,277,800	1,049,626,888
Special Allowance	102,950,000	100,468,000
Spouse Allowance	143,860,877	12,615,645
Subsistence Allowance	14,730,000	71,835,169
Telephone	2,015,416	13,039,598
Telephone Allowance	73,793,165	21,780,000
Transport	-	21,165,000
Transport Allowance	8,390,000	51,496,367
Uniform Allowance	32,967,000	12,604,500
Water Allowance	10,994,905	40,744,589
Water and Waste Disposal	-	568,675
Workers Compensation Fund	115,296,751	-
	<b>38,262,229,544</b>	<b>31,134,489,832</b>
<b>Add/Less (Change in Working Capital)</b>		
Gross Wages, Salaries and Employee Benefits Expenses	<b>38,262,229,544</b>	
Opening balance	<b>(50,923,134)</b>	
Closing balance Staff Claim	<b>141,831,010</b>	
Movement	<b>(192,754,144)</b>	
<b>Wages, Salaries and Employee Benefits Expenses Cash Flow</b>	<b>38,069,475,400</b>	

### 36 - Use of Goods and Service

Accommodation	33,374,052	43,850,317
Advertising and Publication		

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	60,893,366	145,146,070
Agricultural Implements	-	611,420
Air Travel Tickets	186,677,868	153,993,998
Animal Feeds	-	25,449,540
Books, Reference and Periodicals	28,621,000	12,814,396
Bottled Gas	9,300,000	-
Capitation Costs	-	400,000
Catering Services	548,342,505	534,475,268
Charcoal	19,020,480	16,963,244
Classroom Teaching Supplies	-	6,493,020
Cleaning Supplies	203,698,431	197,683,735
Communication Network Services	8,802,800	16,689,740
Computer Software	1,600,000	-
Computer Supplies and Accessories	167,166,483	51,909,711
Conference Facilities	255,974,526	173,562,815
Consumable Medical Supplies	2,246,621	-
Contract based training services	2,733,131,441	2,999,450,332
Courier Services	60,855,968	44,209,948
Diesel	1,674,469,969	1,574,959,690
Drugs and Medicines	1,040,000	-
e Training Materials	780,292,865	646,028,044
Educational Radio and TV broadcasting programming	98,974,337	141,722,867
Electricity	1,001,968,597	994,024,319
Entertainment	61,925,969	38,803,600
Examination Expenses	2,125,598,263	3,456,563,066
Exhibition, Festivals and Celebrations	256,146,663	211,390,902
Fertilizers	-	9,700,000
Field Equipment (Mechanical)	-	1,175,000
Firewood	4,520,000	1,987,700
Food and Refreshments	576,992,535	476,585,432

Controller and Auditor General

AR/PAD/VETA/2022/23

Fumigation	239,014,760	169,192,945
Furniture and Appliances	20,419,000	350,867,985
Gifts and Prizes	24,219,568	28,329,367
Ground Transport (Bus, Train, Water)	294,046,950	148,149,548
Ground travel (bus, railway taxi, etc)	851,676,334	802,593,377
Health Insurance	10,000,000	1,000,000
Hiring of Training Facilities	34,996,000	36,748,539
Illuminating kerosene (Paraffin)	-	5,566,375
Inspection Fees	250,000	-
Internet and Email connections	392,496,832	342,572,423
Laboratory small non-durable equipment	-	21,618,600
Land Rent Expenses	104,062,518	91,004,112
Land Scaping	3,237,710	300,000
Laundry and Cleaning	2,880,000	4,921,009
Lubricants	26,899,420	22,974,904
Lunch Allowance	-	-
Marine Fuel	1,250,000	152,500
Medical Gases and Chemicals	70,570	-
MISSING	-	1,200,000
Mobile Charges	491,816,367	448,707,930
Motor Oil	4,555,000	2,559,500
Natural Gas	66,044,508	32,590,992
News Services Fees	5,900,000	4,800,000
Newspapers and Magazines	10,952,202	5,852,621
Office Consumables (papers, pencils, pens and stationaries)	1,022,176,464	981,490,759
Operation and Training Fuels	-	14,059,750
Other Gas	577,500	1,067,400
Outsourcing Costs (includes cleaning and security services)	660,544,534	908,716,913
Passport Printing Materials	-	915,224
Per Diem - Domestic	8,747,961,502	6,819,331,857

Controller and Auditor General

AR/PAD/VETA/2022/23



Per Diem - Foreign	35,245,115	11,339,000
Petrol	67,447,254	10,308,758
Posts and Telegraphs	680,000	709,000
Printing accessories	-	1,160,000
Printing and Photocopy paper	867,749,980	8,638,025
Printing and Photocopying Costs	181,824,872	574,080,139
Printing Material	53,125,786	3,992,190
Production and Printing of Training Materials	1,149,677,134	266,226,903
Programs Transmission Fees	-	800,000
Protective Clothing, footwear and gears	35,715,290	13,779,262
Publicity	5,416,000	11,951,891
Purchased Electricity - TANESCO	33,748,474	-
Remuneration of Instructors	18,440,000	13,400,000
Rent - Housing	1,000,000	24,460,000
Rent - Office Accommodation	15,500,000	24,844,960
Research and Dissertation	101,975,400	20,860,000
Sewage Charges	22,916,892	9,791,930
Small engineering tools and equipment	-	8,925,650
Software License Fees	22,161,555	15,300,000
Special Foods (diet food)	-	906,700
Special Uniforms and Clothing	67,358,423	103,134,290
Sporting Supplies	8,140,843	10,771,045
Staff Training and Development Expenses	-	80,000
Student meals	3,666,272,171	3,135,382,936
Subscription Fees	110,451,165	34,411,051
Technical Materials	6,661,154,201	5,778,690,644
Technical Service Fees	235,929,987	965,595,474
Telephone charge	-	2,788,370
Telephone Charges (Land Lines)	59,211,587	76,326,819
Testing Facilities	-	12,427,184

Controller and Auditor General

AR/PAD/VETA/2022/23

Towels and Other Related supplies	-	11,986,000
Training Aids	4,127,039	9,571,000
Training Allowances	475,961,196	438,506,297
Training Materials	2,383,743,268	2,231,307,291
Tuition Fees	388,721,049	255,919,375
Uniforms	61,800,949	48,800,510
Uniforms and Ceremonial Dresses	132,327,420	46,326,685
Upkeep of Grounds and Amenities	76,201,235	74,351,220
Visa Application Fees	1,800,000	-
Water and Waste Disposal (Garbage)	4,457,969	11,296,672
Water Charges	550,116,413	512,457,696
Water Transport	-	8,473,200
Wire, Wireless, Telephone, Telex Services and Facsimile	9,434,086	52,630,598
	41,427,515,231	38,066,637,569
Add/Less (Change in Working Capital)		
Gross Use of Goods and Services Expenses	41,427,515,231	38,066,637,569
Add		
Inventory	1,106,145,110	1,010,788,806
Opening Payables	7,159,143,457	7,313,861,772
Closing Receivable	1,988,825,035	2,128,095,790
long rec	518,455,717	
Loan Receivable	402,294,465	444,550,298
Pre-payment	459,565,878	1,301,494,582
Sub Total A	11,634,429,662	12,198,791,248
Less		
Closing Payables	7,144,892,773	
long rec	516,210,377	
Inventory	1,010,788,806	
Opening Receivable	2,417,221,314	
Loan Receivable	444,550,298	
Pre-payment	1,301,494,582	
Sub Total B	12,835,158,150	

Controller and Auditor General

AR/PAD/VETA/2022/23

Total(A-B)	(1,200,728,488)	
CF	40,226,786,743	
<b>37 - Subsidies</b>		
Dar es Salaam Water Supply Authority (DAWASA)	-	8,400,000
National Insurance Corporation (NIC)	-	67,775,328
Tanzania Electric Supply Company Limited (TANESCO)	-	77,580,706
CF	-	153,756,034
<b>38 - Social Benefits</b>		
Convalescent Leave	-	3,248,800
CF	-	3,248,800
<b>39 - Other Transfers</b>		
Revenue Transfer	16,412,041,098	20,531,964,525
CF	16,412,041,098	20,531,964,525
<b>40 - Other Expenses</b>		
Agency fees	30,500,000	34,234,243
Audit fees	245,000,000	200,000,000
audit supervision expenses	70,800,000	89,523,539
Bank Charges and Commissions	29,007,052	79,329,312
Burial Expenses	88,477,194	57,697,788
consultancy fees	860,494,132	720,389,153
Contingencies Item	-	20,000
Director's Fee	101,875,000	39,175,000
Dividend	-	500,000,000
education supervision expenses	410,541,188	498,160,611
Facilitation Fees	300,000	-
Honorariums (expert opinion)	6,499,449	2,400,000
Insurance Expenses	295,019,341	41,218,463
Legal fees	47,554,075	148,197,459
National Expenses	550,035,673	-

Controller and Auditor General

AR/PAD/VETA/2022/23

Other Payments	-	23,711,601
Port charges	-	3,000,000
Registration Fees	29,466,811	8,930,000
Reimbursable Costs	-	1,425,988
Reserve for Safety Regulator's Costs	15,000	-
Sales Commission, Discount and Revenue Share	3,746,143	-
Security Services	861,297,122	717,007,015
Sticker Charges	155,000	-
Sundry Expenses	-	10,580,815
Surveys	321,340	-
Taxes Levied by another Level of Government	20,884,649	33,449,750
Transportation Cost by Ground	6,077,000	15,130,000
Transportation Cost by Water	-	72,395,236
Vehicles Insurance	935,000	2,481,000
Water Bill Allowance	-	132
Withholding Tax	-	(91,894)
<b>Total</b>	<b>3,659,001,169</b>	<b>3,298,365,211</b>
<b>Movement</b>		
Opening Other Accounts Payable	205,641,449	
Closing Other Accounts Payable	128,833,148	
Net Effect	76,808,301	
<b>Other Expenses- Cash Flow</b>	<b>3,735,809,470</b>	
<b>41 - Maintenance Expenses</b>		
Air conditioners	23,047,661	51,279,789
Cement, Bricks and Building Materials	189,384,947	726,048,650
Cement, bricks and construction materials	734,351,202	1,906,204,215
Cold Room Units	-	9,378,000
Computers, printers, scanners, and other computer related equipment	206,568,469	57,629,141
Direct Labour (contracted or casual hire)	689,569,040	530,776,318
Electrical and Other Cabling Materials	41,525,529	6,346,501

Controller and Auditor General

AR/PAD/VETA/2022/23

Electrical and Telephone Cable Installations	(4,860,000)	-
Fax machines and other small office equipment	31,661,200	25,497,897
Fire Protection Equipment	97,671,878	116,335,982
Mechanical, electrical, and electronic spare parts	6,569,480	73,016,479
Metal Fence and Posts	790,000	1,000,000
Motor Vehicles and Water Craft	406,614,020	412,013,271
Oil and Grease	8,017,613	45,889,977
Oil, grease, and other chemical materials	1,765,200	190,000
Outsource	980,000	-
Outsource maintenance contract services	261,760,526	127,893,242
Paint and Weather Protection Coatings	21,576,507	14,465,929
Panel and body shop repair materials and services	14,980,456	12,030,982
Photocopiers	40,984,429	44,347,333
Pipes and Fittings	-	1,891,400
Plumbing Supplies and Fixtures	44,237,696	18,237,980
Repair and Maintenance of Furniture	83,733,012	61,536,035
Repair and Maintenance of Sewerage System	26,687,249	3,644,490
Roofing Materials	11,606,212	13,377,529
Servers	-	3,782,951
Small Car Mechanics Tools	1,143,000	7,799,023
Small tools and equipment	11,786,580	188,179,469
Small Tools and Implements	15,005,000	22,802,524
Spare Parts	173,582,425	220,371,932
Telephone Equipment (ground line)	-	1,600,000
Telephone Equipment (mobile)	4,190,500	930,600
Telephones and Office PABX systems	1,025,359	1,640,000
TV sets and Radios	1,536,000	2,800,000
Tyres and Batteries	159,965,653	196,742,536
Water Pumps	5,114,670	5,180,000
Weather Protection Coatings	600,000	-

Wood and Timber Supplies	7,137,100	1,699,000
	<b>3,320,308,613</b>	<b>4,912,559,175</b>
<b>42 - Grants and Transfers</b>		
Defence	-	62,929,356
Internal Drainage Basin Water Board (IDBWB)	-	1,558,249
Occupational Safety Health Authority (OSHA)	31,390	8,125,616
Tanzania Electrical, Mechanical & Electronics Services Agency (TEMESA)	-	400,000
Water Basin Boards	-	9,323,442
CF	<b>31,390</b>	<b>82,336,663</b>
<b>43- Deposits</b>		
Deposit General	1,504,110,330	3,114,844,133
Unapplied Deposit Account	230,206,896	174,892,096
	<b>1,734,317,226</b>	<b>3,289,736,229</b>
CF	<b>1,555,419,003</b>	

#### 44 - Salary Arrears TZS 2,269,172,996

Salary arrears has been disclosed through this note of Financial Statements also in Part of 7.2.3 of Financial Statements it has been disclosed, since the Authority has term it as Contingent Liability they are not recognized as liabilities because they are either: Possible obligations, as it has yet to be confirmed whether the entity has a present obligation that could lead to an outflow of resources embodying economic benefits or service potential as per IPSAS 19 part 21 B (i); the tune of settlement is not yet clear. The Authority has disclosed details of contingencies in the notes no 95 of the financial statements, unless there is possibility of an outflow of resources embodying economic benefits or service potential is Remote. The Authority has a total of TZS 2,269,172,996.33 Staff claims as arrears of which mainly derived from change in Scheme of service 2019 derived from 601 existing staff owed a total arrears of TZS 2,219,829,183.82 (98%) while TZS 49,343,812.51 (2%) is from 14 employees who have retired. The amount of Arrears has been logged in HCMIS and are in various authorization stage outside VETA like POPSM - UTUMISHI and Commissioner of Budget and close follow up are still made by the Authority for the matter

THE UNITED REPUBLIC OF TANZANIA  
VOCATIONAL EDUCATION TRAINING AUTHORITY(VETA)  
NOTES TO THE FINANCIAL STATEMENT - ASSET MOVEMENT  
FOR THE YEAR ENDED 30 JUNE 2023

PPE MOVEMENT SCHEDULE FOR THE YEAR ENDED 30 JUNE 2023

Note 22 - Property Plant and Equipment

VOCATIONAL EDUCATION TRAINING AUTHORITY  
CONSOLIDATED PPE SCHEDULE FOR THE YEAR 2022-23

DESCRIPTION	Cost/Revaluation						Accumulated Depreciation and Impairment			Carry Value
	At 01 July	Additions (Monetary)	Additions (non- monetary)	Trans fers	Disposal	At 30 June	At 01 July Depreciation	Charge during Year Depreciation Year	At 30th June	At 30 June
Acquisition of Land	56,568,383,387	1,505,617,000.00		-	-	58,074,000,387.00	-	-	-	58,074,000,387
Bearer Plant	285,355,800	-	-	-	-	285,355,800.00	-	-	-	285,355,800
Building	156,995,867,112	8,537,122,987.41		-		165,532,990,099.00	52,765,568,291.00	2,503,076,518.50	55,268,644,809.50	110,264,345,289
Hardware: servers and equipment (incl. desktops, laptops etc.)	1,147,124,635	2,141,363,099.83	-	-	(23,071,073.70)	3,265,416,661.13	967,491,175.00	123,215,602.00	1,090,706,777.00	2,174,709,884
Library Books	362,845,487	-	-	-	-	362,845,487.00	11,303,062.00	11,303,062.00	22,606,124.00	340,239,363
Motor Vehicles	20,658,609,049	1,841,445,739.00	-			22,500,054,788.04	14,389,322,120.00	2,302,587,305.70	16,691,909,425.70	5,808,145,362
Office Furniture and Fittings	15,401,584,020	506,117,508.00				15,907,701,527.54	9,239,066,589.00	32,526,851.46	9,271,593,440.46	6,636,108,087
Plant and machinery	34,562,490,076	1,721,019,061.72				36,283,509,137.54	22,051,551,781.00	3,210,777,065.76	25,262,328,846.76	11,021,180,291
Scientific Instruments and Workshop Tools	783,405,604	2,320,109,367.04				3,103,514,971.04	641,994,583.00	1,439,153,465.90	2,081,148,048.90	1,022,366,922
Ships, boats and ferries	155,737,600					155,737,600.00	6,771,200.00	6,771,200.00	13,542,400.00	142,195,200
Total	286,921,402,769	18,572,794,763.00	-	-	(23,071,073.70)	305,471,126,458.29	100,073,068,801.00	9,629,411,071.32	109,702,479,872.32	195,768,646,586
RECOMPUTATION	286,921,402,769	18,572,794,763.00	-	-	(23,071,073.70)	305,471,126,458.29	100,073,068,801.00	9,629,411,071.32	109,702,479,872.32	195,768,646,586
DIFFERENCE	-	-	-	-	-	-	-	-	-	-

Property Plant and Equipment June 2022

NOTE: 22

DESCRIPTION	Cost/Revaluation					Accumulated Depreciation and Impairment						Carry Value
	At 01 July	Additions (Monetary)	Additions (Non-monetary)	Disposal	At 30 June	At 01 July Depreciation	Charge during Year Depreciation Year	Evaluation Adjustments	Acc Depreciation 30th June	Acc Implemented 30th June	At 30th June	At 30 June
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
30-Jun-22												
Acquisition of Land	16,517,890,000	-	40,050,493,387.00		56,568,383,387		-				-	56,568,383,387.00
Bearer Plant	-	285,355,800.00	-		285,355,800						-	285,355,800.00
Building	149,118,717,000	7,497,814,071.29	379,336,040.29	-	156,995,867,112	50,452,672,326	2,312,430,044.00		465,921		52,765,568,291.00	104,230,298,820.59
Hardware: servers and equipment (incl. desktops, laptops etc.)	1,876,551,000	1,104,786,000.00	-	-1,845,515,427	1,135,821,573	293,456,784	268,356,391.00	405,678,000			967,491,175.00	168,330,398.00
Library Books	308,000	373,840,549.00	-		374,148,549		11,303,062.00				11,303,062.00	362,845,487.00
Motor Vehicles	21,371,269,000	1,702,733,362.02	939,945,362.02	-3,355,338,675	20,658,609,049	13,574,906,419	694,523,701.00		119,892,000		14,389,322,120.00	6,269,286,929.04
Office Furniture and Fittings	-15,220,111,000	-1,199,352,314.77	-397,624,314.77	-6,415,503,610	10,401,584,020	8,750,437,612	747,365,977.00		-258,737,000		9,239,066,589.00	1,162,517,430.54
Plant and machinery	21,805,343,000	12,607,262,171.91	149,884,903.91		34,562,490,076	21,011,952,113	1,039,753,668.00		154,000	-308,000	22,051,551,781.00	12,510,938,294.82
Scientific Instruments	11,003,510,336	4,071,153,043.00	-	-9,291,257,775	5,783,405,604	373,890,566	678,774,234.00			-410,670,217	641,994,583.00	5,141,411,021.00
Ships, boats and ferries	-	155,737,600.00	-		155,737,600		6,771,200.00				6,771,200.00	148,966,400.00
Total	236,913,699,336	28,998,034,912	41,917,284,008	-20,907,615,487	286,921,402,769	94,457,315,820	5,759,278,277	405,678,000	-138,225,079	-410,978,217	100,073,068,801	186,848,333,968



NOTE: 24

**VOCATIONAL EDUCATION TRAINING AUTHORITY  
CONSOLIDATED WIP SCHEDULE FOR THE YEAR 2022-23**

DESCRIPTION	Cost/Revaluation								Accumulated Depreciation and Impairment							Carry Value		
	At 01 July	Additions (Monetary)	Additions (Non-monetary)	Revaluation Adjustments	Adjustments	Transfer	Disposal	At 30 June	At 01 July 2021 Depreciation	Charge during the year - depreciation	Charge during the year - Impairment	Revaluation Adjustments	Adjustments	Transfer	Acc for disposal	Acc Depreciation 30th June	Disposal-Acc depreciation	Acc depr as At 30th June
	TZS	TZS	TZS				TZS	TZS	TZS	TZS		TZS				TZS	TZS	TZS
Work in progress	72,025,086,210	16,642,820,745						88,667,906,955									88,667,906,955	
Ships, boats and ferries																		
<b>Total</b>	<b>72,025,086,210</b>	<b>16,642,820,745</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,667,906,955</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>88,667,906,955</b>	<b>0</b>

**VOCATIONAL EDUCATION TRAINING AUTHORITY  
CONSOLIDATED WIP SCHEDULE FOR THE YEAR 2022-23**

DESCRIPTION	Cost/Revaluation								Accumulated Depreciation and Impalament							Carry Value		
	At 01 July	Additions (Monetary)	Additions (Non-monetary)	Revaluation Adjustments	Adjustments	Transfer	Disposal	At 30 June	At 01 July 2021 Depreciation	Charge during the year - depreciation	Charge during the year - Impairment	Revaluation Adjustments	Adjustments	Transfer	Acc Depreciation 30th June	Disposal-Acc depreciation	Acc depr as At 30th June	At 30 June
	TZS	TZS	TZS				TZS	TZS	TZS	TZS		TZS			TZS	TZS	TZS	TZS
Work in progress (WIP)	50,055,926,408	21,969,159,802						72,025,086,210								72,025,086,210		72,025,086,210
Ships, boats and ferries								0										
Total	50,055,926,408	21,969,159,802	0	0	0	0	0	72,025,086,210	0	0	0	0	0	0	0	72,025,086,210	0	72,025,086,210

**45 RELATED PARTY TRANSACTIONS**

During the year under review, the Authority had the following transactions in relation to the related parties:

	2023	2022
	TZS '000'	TZS '000'
Board Directors Fees	53,250	84,243
Directors and principals	1,160,664	1,010,520
<b>Number of Persons</b>	<b>38</b>	<b>23</b>

Key Management Personnel (KMP) includes all Directors, Centre Principals and other members having the authority and responsibility for planning, directing, and controlling the activities of the Authority.

**46 LOCAL & INTERNATIONAL RELATIONS**

VETA continued to maintain its relations with the general public, local and international organizations. VETA maintained close working relationships with Employers, other International and Local Organizations such that, these relations have promoted employment to youth.

For the financial year under review, the following collaboration where initiated and various activities conducted as follows:

**VETA and Chamber of Mining and Energy** has established a partnership for training apprentices, which is carried at Moshi RVTSC.

The programme is known as Integrated Mining Technical Training (IMTT) and its main goal is to produce number of apprentices who will be able to work in the mining sector in the areas of Platter welding, Auto Electrical, Electrical, Heavy Duty Moving Equipment and Fitting.

The project is coordinated by Chamber, financed by mining companies and VETA Moshi employs the skills. During the year under review, total of 281(male 248 and female 38) Trainees were enrolled for the programme in 2022/23

- a) **VETA through its centre Kipawa ICTC** has collaborated with Airtel Tanzania to formulate a mobile application known as VSOMO which is freely available at Google store. This application has a number of short courses used to address various skills in response to market demand. The application bears the theory part where all tests and examinations are being made but finally it is complemented with practical session and a closest VETA Centre after being verified that the candidate has successfully completed and passed theory part. The course fee is paid through Airtel money

- b) VETA through its centre Singida VTC has collaboration with Tanzania Education Authority (TEA) provides Funds for Training Animal Husbandry to selected individual at Singida. During the period 40 individual were enrolled and 39 students were certified.

- c) E4D project

VETA collaborated with KOICA, GIZ and EU in conducting a training project known as E4DT i.e; Employment for Development Tanzania. The major objective is to improve employability and economic situations of young Tanzanians (Men and Women) through the provision of demand driven skills development and matching services incorporation with private sector. The target number of trainees is 4000 in the following distribution; Dodoma RVTSC (2200); Manyara RVTSC (800); Lindi RVTSC (700) and Kipawa ICTC (300). Short courses taught in the project are; Industrial plumbing, domestic plumbing, Industrial welding, domestic welding and Mechatronics.

- d) VETA and PMO

VETA collaborated with the Prime Minister's Office (PMO) in enhancing vocational skills to youth in the following sectors; Mechanical, civil, cosmetology, electrical, automotive and agriculture. During the financial year 2022/23, 3323 trainees were beneficiaries in the 32 VETA Centres. The duration of the short course is six (6) months at the centre and two (2) months field attachment.

# VOCATIONAL EDUCATION TRAINING AUTHORITY

The Authority also had the following pending litigation against it as at 30 June 2023 which has not been provided for in the financial statements due to uncertainty relating to their outcome before the court.

## 47 PENDING MATTERS BEFORE COURTS OF LAW AND QUASI - JUDICIAL BODIES AS AT 30 JUNE 2023

NO.	BEFORE HON.	CASE NO.	PARTIES	CLAIM	WHEN FILED	HANDLED BY	STATUS
<b>CASES BEFORE THE CMA</b>							
1.	Hon. Ngalika, Med.	CMA/DSM/TMK/039/2023 at Dar es salaam	Hoisia L. Mtui v. VETA	The Applicant has applied for extension of time, if allowed, she will lodge a complaint that her termination for reason of forging a Secondary School Certificate was not fair	17 February, 2023	VETA Legal Officers	Ruling on Notice
2.	Hon.	CMA/BMC/14/2021/7/2021/ARB at Kagera	Hosea William Nkwamuzi (Administrator of Misoji Bernard Shilingi)	The Complainant claims to be paid TZS. 6,124,324.80 being subsistence amount to be paid for the Authority being late in paying repatriation costs to the Complainant as per Agreement.	2 March, 2023	VETA Legal Officers	Ruling on Notice
Total number of cases at CMA is 2							
<b>CASES BEFORE THE HIGH COURT</b>							
1.	HC - Dar es Salaam	Civil Case No. 26 of 2009	VETA v. M/S Gema Security Services				Follow ups are being made at the High Court as the case file was misplaced at the court

**VOCATIONAL EDUCATION TRAINING AUTHORITY**

2.	Dr. Mlyambina, J.	Labour Revision No. 425 of 2022 At Dar es salaam	Eunice Ndesario Urrio & Scholastica Mbena v. VETA & AG	The Applicants has filed an application for Revision against the Ruling of striking out the application for extension of time through CMA/DSM/TMK/193/2022 after CMA finds that it has no jurisdiction to determine the particular dispute	12 December, 2022	State Attorney from the Office of the Solicitor General assisted by VETA Legal Officers	Hg. On 25 July 2023
3.	Malewo Dr.	LabourExecution No. 30 of 2022 at Iringa	Charlse Magese Kambira v. VETA	The Applicant has filed an application for extension of time to file Revision against the Ruling of dismissing his Application CMA/DSM/TEM/436/2020 after CMA Iringa.	13 May, 2022	VETA Legal Officers	M. 12 July 2023
3.	Laltaika, J.	Land Case No. 1 of 2021 at Mtwara	Gaudensia George Milanzi and 19 Others v. Masasi District Council, AG and VETA	The Plaintiffs claims against the Defendants for compensation to the tune of TZS. 100,000,000/= being compensation to the Plaintiff following the 3 <sup>rd</sup> Defendant's unlawful acquisition of their land for construction of a Vocational Education and Training Centre	5 March, 2021	Office of the Solicitor General; Mr. Ayubu Rashid from Mtwara office assisted by VETA Legal Officers	Hg. 17 July, 2023

**VOCATIONAL EDUCATION TRAINING AUTHORITY**

4.	HC - Dar es Salaam	Civil Case No. 73 of 2023	Law Care v. VETA & AG	The Plaintiff claims against the Defendant an amount to the tune of TZS. 86 million being legal fees for representing the 1st Defendant in courts of law and <i>quasi - judicial</i> bodies	December 2022 August,	Office of the Solicitor General assisted by VETA Legal Officers	M. 5 August, 2023
5.	Malata, J.	Misc. Labour Appl. No. 13 of 2023 at Morogoro	Karatina Joseph Chengelela v. VETA and AG	Applies for extension of time to apply for judicial review against the decision of the Authority in terminating the Applicant's employment	6/30/2023	Office of the Solicitor General assisted by VETA Legal Officers	Hg. 6/7/2023
Total number of cases at the High Court is 5							
<b>CASES BEFORE THE COURT OF APPEAL</b>							
1.	(To be known later when Notice for hearing are issued if the Appellant files a Memorandum of Appeal)	Civil Appeal No. _____ of 2013 at Tanga	Stephen Karoli Katala v. VETA	Appeal from the decision of the HC - Tanga, dated 21.09.2012 in Civil Case No. 08 of 2005			The Appellant filed only the Notice of Appeal. That is why there is no Case-No.-Awaiting to be served with the Memorandum of Appeal. We are about to make an application to strike out the appeal
2.	(To be known later when Notice for hearing are issued if the Appellant files a Memorandum of Appeal)	Civil Appeal No. _____ of 2022/23 at Dar es salaam	Salehe Hassan Mjinja v. VETA	Appeal from the decision of the HC - Dar Es Salaam, dated 1.11.2022 in Labour Revision Case No. 302 of 2022		Office of the Solicitor General & VETA LOs	Awaits to be served with the summons and Memorandum of Appeal

**VOCATIONAL EDUCATION TRAINING AUTHORITY**

3.	(To be known later when Notice for hearing are issued if the Appellant files a Memorandum of Appeal)	Civil Appeal No. _____ of 2022/23 at Dar es salaam	Abeid Shekimweri & 2 Others v. VETA & AG	Appeal from the decision of the HC - Dar Es Salaam, in Labour Revision Case No. 423 of 2022		Office of the Solicitor General & VETA LOs	Awaits to be served with the summons and Memorandum of Appeal
	Total number of cases at the Court of Appeal is 3						
CASES BEFORE THE DISTRICT LAND AND HOUSING TRIBUNAL							
1	Kanyerinyeri, Chairman	Execution No. 26 of 2021 at Simiyu	Commissioner for Lands v. VETA	The Commissioner for Lands claims for the attachment and auction / sale of Plot No. 1, Block A owned by VETA for failure to pay land rent to the tune of TZS. 212,648,100/=	9 February, 2021	Office of the Solicitor General; Mr. Solomon Lwenge assisted by VETA Legal Officers	Hg. 16 May, 2022
	Total number of cases at the District Land and Housing Tribunal is 1						

**Abbreviations:**

1. CMA - Commission for Mediation and Arbitration
2. CBA - Collective Bargaining Agreement
3. Hg. - Hearing
4. RAAWU - Researchers, Academicians and Allied Workers Union
5. RM - Resident Magistrate
6. N/A - Not Applicable
7. HC - High Court
8. Arb. - Arbitrator
9. Med. - Mediator
10. Adv. - Advocate
11. J. - Judge
12. M. - Mention
13. PO - Preliminary Objection
14. JJA-Justices of Court of Appeal

# VOCATIONAL EDUCATION TRAINING AUTHORITY

## 48. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/ (DEFICIT) FOR THE PERIOD ENDED 30 JUNE 2023

	2022/23	2021/22
	TZS	TZS
Surplus/ Deficit for the Period	18,493,316,726.00	13,641,487,420
Add/ (Less) Non-Cash Item		
Amortization of Intangible Assets	3,825,439.00	14,772,156.00
Depreciation of Property, Plant and Equipment	9,626,067,218.00	5,759,278,275.00
Non-Monetary Revenue - Capital	(168,954,316)	0.00
Add/ (Less) Change in Working Capital		
Deferred Income	648,026,296.00	2,191,612,144.00
Deposit	(1,555,419,003.00)	3,482,627,875.00
Inventories	(95,356,304.00)	248,535,996.00
Payables and Accruals	128,964,514.00	3,791,214,725.00
Prepayments	841,928,704.00	(863,297,551.00)
Receivables	563,931,228.00	(199,035,683.00)
Net Cash Flow from Operating Activities	28,486,330,502	28,067,195,357



# VOCATIONAL EDUCATION TRAINING AUTHORITY

ENTITY NAME: VOCATIONAL EDUCATION TRAINING AUTHORITY				
FINANCIAL YEAR: 2022/23				
49. LIST OF TRANSACTIONS/BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE 2023				
S/N	Name of entity provided goods/services		Amount paid	Payable balance
			45,000,000.00	45,000,000.00
1	AIR TANZANIA CORPORATION LIMITED		10,760,000.00	10,760,000.00
2	ARUSHA TECHNICAL COLLEGE		3,000,000.00	3,000,000.00
3	ASSOCIATION OF TANZANIA EMPLOYERS		27,970,732.06	27,970,732.06
4	AUWSA COLLECTION ACCOUNT		35,533,098.90	35,533,098.90
5	BUWASA		280,000,000.00	280,000,000.00
6	CAG COLLECTION ACCOUNT		3,961,160.00	3,961,160.00
7	CEREALS AND OTHER PRODUCE BOARD		12,672,000.00	12,672,000.00
8	Chuo cha Maendeleo ya Jamii Ufundi		2,260,000.00	2,260,000.00
9	CHUO CHA UJENZI MOROGORO		50,325,000.00	50,325,000.00
10	Cps Miscellaneous Deposit Expenditure Electronic		91,000,000.00	91,000,000.00
11	DAR ES SALAAM INSTITUTE OF TECHNOLOGY		8,180,000.00	8,180,000.00
12	DAR JUDICIARY MIRATHI ELECTRONIC ACCOUNT		30,177,912.26	30,177,912.26
13	DAWASA		75,686,166.66	75,686,166.66
14	DUWASA		30,149,000.00	30,149,000.00
15	e GOVERNMENT AUTHORITY		1,143,750.00	1,143,750.00
16	ENGINEERS REGISTRATION BOARD			
17	GPSA UNUNUZI WA MAGARI PAMOJA COLLECTION ACCOUNT		3,827,197,635.42	3,827,197,635.42
18	IRINGA SUB TREASURY MISC DEPOSIT EXP AC		1,200,000.00	1,200,000.00
19	IRINGA URBAN WATER SUPPLY AND SEWERAGE AUTHORITY		31,600,000.00	31,600,000.00
20	KIGOMA TREASURY MISC DEP ELECTRONIC ACCOUNT		500,000.00	500,000.00
21	KIGOMA URBAN WATER SUPPLY AND SANITATION AUTHORITY		16,337,255.00	16,337,255.00
22	LINDI SUBTREASURY MISCELLANEOUS DEPOSIT ACCOUNT		500,000.00	500,000.00
23	LINDI URBAN WATER SUPPLY AND SANITATION AUTHORITY		31,580,361.00	31,580,361.00
24	Maji na usafi wa mazingira Korogwe		1,140,007.20	1,140,007.20
25	Makete Urban Water Authority		4,344,570.00	4,344,570.00
26	Makonde Water Authority Newala District		2,806,345.00	2,806,345.00
27	MAMLAKA YA MAJI MJI WA CHATO		18,557,075.00	18,557,075.00
28	MAMLAKA YA MAJI SAFI KISHAPU		4,805,630.50	4,805,630.50
29	MAMLAKA YA MAJI SAFI NA TAKA NAMTUMBO		2,240,180.00	2,240,180.00
30	MAMLAKA YA MAJI SAFI NA USAFI WA MAZINGIRA IGUNGA		2,280,499.20	2,280,499.20
31	MATI MLINGANO SHF		1,212,231.31	1,212,231.31
32	MBEYA UNIVERSITY OF SCIENCE AND TECHNOLOGY		1,100,000.00	1,100,000.00
33	Mbeya Urban Water Supply and Sanitation Authority		4,643,576.00	4,643,576.00
34	MINISTRY OF LANDS REVENUE COLLECTION ACCOUNT		94,322,146.00	94,322,146.00
35	MOROGORO JUDICIARY MIRATHI ELECT ACCOUNT		4,838,294.00	4,838,294.00
36	Morogoro Municipal Council		1,800,000.00	1,800,000.00

Controller and Auditor General

AR/PAD/VETA/2022/23

**VOCATIONAL EDUCATION TRAINING AUTHORITY**

37	Morogoro urban water supply	45,511,461.80	45,511,461.80
38	MOSHI TECHNICAL SEC SCHOOL	300,000.00	300,000.00
39	MOSHI URBAN WATER SUPPLY AND SANITATION AUTHORITY	24,000,000.00	24,000,000.00
40	Mpanda Water Supply and Sanitation Authority	9,817,240.00	9,817,240.00
41	MTWARA URBAN WATER SUPPLY AND SEWERAGE AUTHORITY	27,639,473.26	27,639,473.26
42	Musoma Water Supplies and Sewerage Authority	4,614,702.12	4,614,702.12
43	MWAUWASA	27,717,850.00	27,717,850.00
44	NATIONAL COUNCIL FOR TECHNICAL EDUCATION	15,075,000.00	15,075,000.00
45	NATIONAL ECONOMIC EMPOWERMENT COUNCIL	500,000.00	500,000.00
46	National Environment Management Council NEMC	5,000,000.00	5,000,000.00
47	NATIONAL HEALTH INSURANCE FUND CONTR	144,399,364.31	144,399,364.31
48	NATIONAL INSTITUTE FOR PRODUCTIVITY	975,000.00	975,000.00
49	NATIONAL INSURANCE CORPORATION T LIMITED	172,289,998.26	172,289,998.26
50	NATIONAL SOCIAL SECURITY FUND	86,113,262.03	86,113,262.03
51	NBAA	16,265,750.00	16,265,750.00
52	OSHA IMPREST ACCOUNT	6,250,000.00	6,250,000.00
53	PPRA	12,600,000.00	12,600,000.00
54	PSPTB	5,695,000.00	5,695,000.00
55	PSSSF	267,475,218.04	267,475,218.04
56	Public Service Management and Good Governance	500,000.00	500,000.00
57	RUVUMA AND SOUTHERN COAST BASIN WATER COLLECTION ACCOUNT	300,000.00	300,000.00
58	RUVUMA SUB TREASURY MSC DEPOSIT EXP ELECT AC	200,000.00	200,000.00
59	SHUWASA	30,356,964.00	30,356,964.00
60	SONGEA URBAN WATER SUPPLY	6,000,000.00	6,000,000.00
61	SUMAJKT GUARD LTD	220,066,471.44	220,066,471.44
62	TABORA SUB TREASURY MISCELLANEOUS DEPOSIT EXPENDITURE ELECTRONIC ACCOUNT	480,938,498.69	480,938,498.69
63	Tabora Urban Water Supply and Sanitation Authority	49,260,148.90	49,260,148.90
64	TANESCO	2,898,200,001.76	2,898,200,001.76
65	TANGA URBAN WATER SUPPLY AND SANITATION AUTHORITY - UNAPPLIED (Account Name Missmatch)	27,934,519.40	27,934,519.40
66	TANROADS REVENUE COLLECTION ACCOUNT	2,318,200.00	2,318,200.00
67	TANZANIA ALBINO SOCIETY	400,000.00	400,000.00
68	TANZANIA BROADCASTING CORPORATION	10,340,000.00	10,340,000.00
69	TANZANIA BUILDINGS AGENCY	319,374,771.74	319,374,771.74
70	TANZANIA COUNSELLING AND GUIDANCE ASSOCIATION	300,000.00	300,000.00
71	TANZANIA DAIRY BOARD	500,000.00	500,000.00
72	TANZANIA EDUCATION AUTHORITY	1,315,085.00	1,315,085.00
73	TANZANIA INSTITUTE OF QUANTITY SURVEYORS	165,000.00	165,000.00
74	TANZANIA INTEGRATED ENVIRONMENTAL MANAGEMENT LTD	1,123,200.00	1,123,200.00
75	TANZANIA LIBRARY ASSOCIATION	1,250,000.00	1,250,000.00
76	TANZANIA NATIONAL ROAD AGENCY	332,850.00	332,850.00

**VOCATIONAL EDUCATION TRAINING AUTHORITY**

77	TANZANIA NUTRITION AND DIETETICS ASSOCIATION	60,000.00	60,000.00
78	TANZANIA POSTS CORPORATION	42,678,421.00	42,678,421.00
79	TANZANIA PUBLIC SERVICE COLLEGE	30,360,000.00	30,360,000.00
80	Tanzania Records and Archives Management Professional Association	4,950,000.00	4,950,000.00
81	TANZANIA TRADE DEVELOPMENT AUTHORITY	39,239,040.01	39,239,040.01
82	TAPSEA	6,750,000.00	6,750,000.00
83	TEMEKE MUNICIPAL DIRECTOR	300,000.00	300,000.00
84	TEMESA	104,028,522.44	104,028,522.44
85	TRA	1,005,825,078.63	1,005,825,078.63
86	TREASURY REGISTRAR	200,000,000.00	200,000,000.00
87	TTCL	241,233,034.02	241,233,034.02
88	UNIVERSITY OF DAR ES SALAAM	2,095,000.00	2,095,000.00
89	URBAN WATER AND SEWERAGE MBEYA	29,386,747.00	29,386,747.00
90	VALUERS REGISTRATION BOARD	550,000.00	550,000.00
91	WORKERS COMPESATION FUND	1,061,900.97	1,061,900.97
	<b>TOTAL</b>	<b>11,392,757,400.33</b>	<b>11,392,757,400.33</b>