



**THE UNITED REPUBLIC OF TANZANIA**



**NATIONAL AUDIT OFFICE**

**TANZANIA FERTILIZER REGULATORY AUTHORITY**

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

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March 2025

AR/CG/TFRA/2023/24



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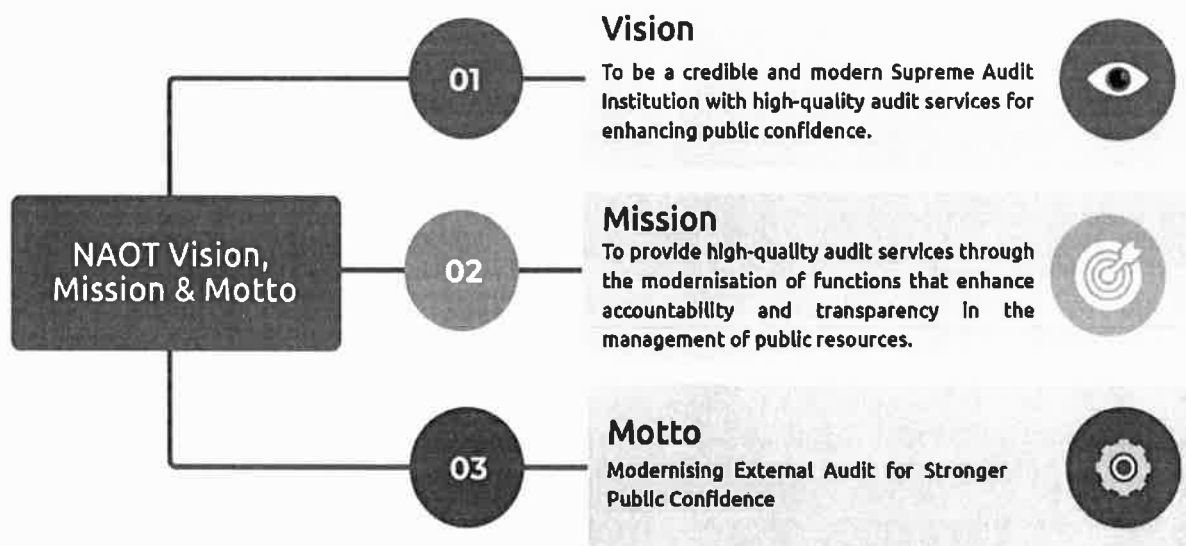
March 2025

AR/CG/TFRA/2023/24

## About the National Audit Office

### Mandate

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



### Independence and objectivity

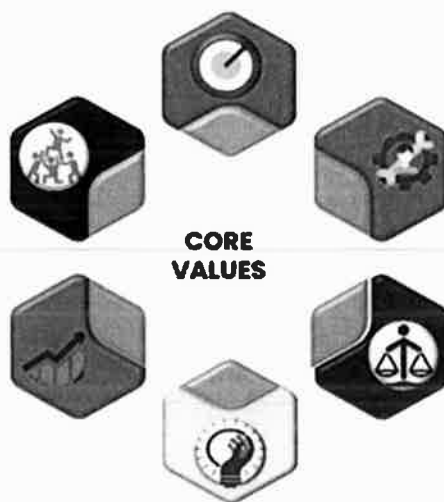
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

### 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 Tanzania Fertilizer Regulatory Authority 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>Board</b>	Board of Directors of TFRA
<b>CAG</b>	Controller and Audit General
<b>GPSA</b>	Government Procurement Services Agency
<b>IITA</b>	International Institute of Tropical Agriculture
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>ISSAI</b>	International Standards on Supreme Audit Institutions
<b>NAO</b>	National Audit Office
<b>NBAA</b>	National Board of Accountant and Auditors
<b>SUA</b>	Sokoine University of Agriculture
<b>TBS</b>	Tanzania Bureau of Standards
<b>TFRA</b>	Tanzania Fertilizer Regulatory Authority
<b>TFRS</b>	Tanzania Financial Reporting Standard
<b>TORITA</b>	Tobacco Research Institute of Tanzania
<b>TPRI</b>	Tropical Pesticides Research Institute
<b>TRIT</b>	Tea Research Institute of Tanzania

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

Chairperson of the Board of Directors,  
Tanzania Fertilizer Regulatory Authority,  
P.O. Box 732,  
DAR ES SALAAM.

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

#### **Unqualified Opinion**

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

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

#### **Basis for Opinion**

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements".

I am independent of Tanzania Fertilizer Regulatory 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 Directors' Report, statement of directors' responsibility, Declaration by the Head of Finance, and but does not include the financial statements and my audit report thereon which I obtained before the date of this audit 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 before 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 to design audit procedures that are appropriate in the circumstances but not to express an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with



them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, 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 the procurement of works, goods, and services in the Tanzania Fertilizer Regulatory Authority for the financial year 2023/24 as per the Public Procurement laws.

#### **Conclusion**

Based on the audit work performed, I state that, except for the matter described below, the procurement of goods, works and services by the Tanzania Fertilizer Regulatory Authority is generally in compliance with the requirements of the Public Procurement laws.

#### **Provision of Services without valid contracts**

My audit revealed the presence of service providers for security, cleaning, and catering at the TFRA headquarters without valid contracts. TFRA had entered into contracts with these service providers, but the contracts expired more than 12 months ago, and no new agreements were implemented contrary to Regulation 44 of the Public Procurement Regulation, 2013 which requires procuring entity to monitor the progress and timely completion of works per the terms of each contract.

According to procurement procedures, once a contract expires, the entity must initiate a new procurement process to allow all vendors to participate in a competitive bidding process. I am concerned about the absence of valid contracts for critical services like security, cleaning, and catering, which exposes TFRA to legal and financial risks.

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

#### **Subject matter: Budget formulation and execution**

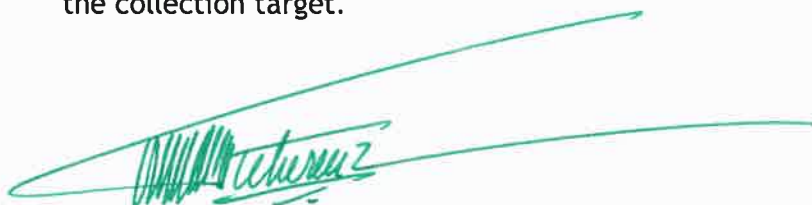
I performed a compliance audit on budget formulation and execution in Tanzania Fertilizer Regulatory Authority for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

#### **Conclusion**

Based on the audit work performed, I state that, except for the matters described below, the Budget formulation and execution of the Tanzania Fertilizer Regulatory Authority is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

**Under collection of budgeted revenue from exchange transaction TZS 5,655,584,000**  
Section 58(b) of the Budget Act 2015 requires a person vested with authority for public revenue collection to be accountable for efficient collection, accounting, and reporting based on applicable law and taking precautions to prevent mismanagement of the revenue.

My audit of budget implementation for the financial year 2023/24 noted that TFRA planned to collect TZS 15,384,450,000 from its own revenue sources through exchange transactions. However, only TZS 9,728,866,000 was collected, equivalent to 62% of the target. As a result, the Authority fell short by TZS 5,655,584,000, equivalent to 38% of the collection target.



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



## **2.0 FINANCIAL STATEMENTS**

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

#### **1.0 Introduction**

Those Charged with Governance present the report together with the audited Financial Statements for the year ended 30 June 2024, which disclose the operating results and state of affairs of the Tanzania Fertilizer Regulatory Authority (TFRA). The report has been prepared in compliance with TFRS 1, which became effective on 1 July 2021.

The report is intended to inform users and other stakeholders about the main factors underlying TFRA operations, such as financial performance, financial position, budget implementation, cash flows, and budget review.

#### **2.0 Establishment**

TFRA was established by the Fertilizer Act, No. 9 of 2009, to regulate the manufacturing, importation, exportation, distribution, sale, and utilization of agricultural fertilizer and related matters. Since its inception in 2012, deliberate efforts have been made to create a conducive working environment to support the institutional mandates provided in the Act.

#### **3.0 Capital Structure**

The Authority is a government-owned Institution under the Ministry of Agriculture. Its capital depends wholly on the Government. The Authority strongly measures its liquidity position, and the Finance and Accounts Section handles daily cash flow management to ensure that the institution holds sufficient funds to continue with its operations.

#### **4.0 Vision**

Quality Fertilizer to all farmers for agriculture sustainability.

#### **5.0 Mission**

To regulate the fertilizer industry by ensuring the availability, accessibility, and affordability of quality fertilizer and fertilizer supplements to all farmers for Sustainable Agriculture Productivity.

#### **6.0 Principal Functions**

- To regulate all matters relating to the quality of fertilizers and sterilizing plants;
- To conduct registration of all fertilizer and fertilizer supplements dealers and their premises;
- To license fertilizer dealers;

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- To provide permits for importation and exportation of fertilizer and fertilizers supplements;
- To inspect fertilizer and fertilizer supplements for quality assurance;
- To conduct regular training of stakeholders on fertilizer matters; and
- To provide technical advice to the government and other institutions on all matters relating to fertilizer and fertilizer supplements management and control.

## 7.0 Composition of the Board

According to section 6(1) of the Fertilizer Act No. 9 of 2009, TFRA operations are overseen by the Board. The Board is comprised of 10 members, including the Executive Director, who also serves as secretary. All of them are Tanzanians.

The Chairman of the Board is appointed by the President of the United Republic of Tanzania for three years; Board members are appointed by the Minister responsible for Agriculture as provided in the Fertilizer Act of 2009.

The President appoints the Executive Director of the Authority on the advice of the Minister of Agriculture from among persons who possess relevant qualifications and competence to manage efficiently and effectively the affairs of the Authority. The Board members who served during the reporting period are indicated below:

**Table 1: TFRA Board Members currently serving on the Board**

NO	NAME	TITLE	AGE	EDUCATION	STARTING YEAR	END DATE
1	Dr. Anthony M. Diallo	Chairman	68	PhD in Business Administration	9 February, 2023	8 February, 2026
2	Dr. Catherine J. Senkoro	Member	61	PhD in Soil Science	14 March, 2023	13 March, 2026
3	Dr. Shimo P. Shimo	Member	48	PhD in Agro Product Quality and Food Safety	14 March, 2023	13 March, 2026
4	Eng. Juma O. Mdeke	Member	45	MSc in Water Science and Engineering	14 March, 2023	13 March, 2026
5	Ms. Lilian G. Peter	Member	38	MSc in Public Health and Food Safety	14 March, 2023	13 March, 2026
6	Mr. Patrick A. Mwalunenge	Member	48	Certificate of Secondary Education	14 March, 2023	13 March, 2026
7	Ms. Hadija J. Pheri	Member	32	BBA in Accounting	14 March, 2023	13 March, 2026
8	Dr. Thobias M. Richard	Member	35	PhD in Natural Resource Management and Assessment	14 March, 2023	13 March, 2026
9	CPA. John M. Cheyo	Member	60	Master of Science in Finance Management	14 March, 2023	13 March, 2026

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NO	NAME	TITLE	AGE	EDUCATION	STARTING YEAR	END DATE
10	**Mr. Joel R. Laurent	Secretary	51	Masters of Law in Corporate Law and Finance	29 September 2023	To date

\*\* TFRA had two Board secretaries who served in the reporting financial year with different start and end dates. Dr Stephan Ngailo served until September 29, 2023; Mr. Joel Laurent assumed office on September 29, 2023.

## 7.1 Responsibilities of the Board

The board's overall responsibilities include general oversight of the Authority's operations, identifying key risk areas, appointing key staff, reviewing the performance of management business plans and budgets, and approving the Authority's Strategic Plan. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative and in compliance with sound corporate governance principles.

The Board is required to meet once per quarter for ordinary meetings and may call for extraordinary meetings when there is sufficient business to transact. The Board delegates the day-to-day management of the Authority to the Executive Director, assisted by Management members.

The Authority is committed to effective corporate governance principles, namely integrity, transparency, and accountability. During the year that ended 30 June 2024, four Ordinary Meetings and one Extraordinary Board Meeting were held.

Key issues transacted by the Board during the year were;

- (i) Reviewed and set forth policies for guiding the Management in the conduct of its day-to-day activities;
- (ii) Reviewed and approved statutory performance reports and financial statements;
- (iii) Entered into a performance contract with the Director General and Treasury Registrar and monitored its implementation to ensure that the agreed performance targets were effectively and efficiently achieved;
- (iv) Decided on the necessary steps to protect the Authority's financial position and the ability to meet its debts and other obligations that fall due during the period;
- (v) Approved, monitored, and oversee the implementation of TFRA's strategic plan, annual budget, internal audit plan, and annual procurement plan; and
- (vi) Approved, monitored, and oversaw the implementation of key TFRA projects such as the construction of the TFRA administration building and Fertilizer Subsidy program.

## 7.2 Committees of the Board

Section 6 (2) of the Act requires the Board to establish a Technical Committee consisting of such competent persons in fertilizer matters as necessary. Also, to ensure that the board executes its oversight mandate, paragraph 5 of the schedule of the Fertilizer Act,

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Cap 378, empowers the board to regulate its procedure concerning meetings and the proper conduct of its business.

To enhance its oversight and fiduciary duty, the TFRA Board has three committees, namely the Technical, compliance, and Enforcement Committee, the Audit and Risk Management Committee, and the Finance, Administration, and Planning Committee. During the period under review, a total of 14 meetings were conducted by these committees: four meetings for the Technical, compliance, and Enforcement Committee and five meetings each for the Audit and Risk Management Committee and Finance, Administration, and Planning Committee.

The committees served during the year were as follows;

**Table 2: Members of the Technical, Compliance and Enforcement Committee**

S/N	Name	Title	Age	Qualifications	Nationality
1	Dr. Catherine J. Senkoro	Chairperson	61	PhD in Soil Science	Tanzanian
2	Ms. Lilian G. Peter	Member	39	MSc. In Public Health and Food Security	Tanzanian
3	Dr. Shimo P. Shimo	Member	49	PhD in Agro Product Quality and Food Safety	Tanzanian
4	Dr. Thobias M. Richard	Member	36	PhD in Natural Resource Management & Assessment	Tanzanian

**Table 3: Members of the Audit and Risk Management Committee**

S/N	Name	Title	Age	Qualifications	Nationality
1	Dr. Catherine J. Senkoro	Chairperson	61	PhD in Soil Science	Tanzanian
2	Ms. Lilian G. Peter	Member	39	MSc. In Public Health and Food Security	Tanzanian
3	Dr. Shimo P. Shimo	Member	49	PhD in Agro Product Quality and Food Safety	Tanzanian
4	Dr. Thobias M. Richard	Member	36	PhD in Natural Resource Management & Assessment	Tanzanian

**Table 4: Members of the Finance, Planning, and Administration Committee**

S/N	Name	Title	Age	Qualifications	Nationality
1	Dr. Catherine J. Senkoro	Chairperson	61	PhD in Soil Science	Tanzanian
2	Ms. Lilian G. Peter	Member	39	MSc. In Public Health and Food Security	Tanzanian
3	Dr. Shimo P. Shimo	Member	49	PhD in Agro Product Quality and Food Safety	Tanzanian

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S/N	Name	Title	Age	Qualifications	Nationality
4	Dr. Thobias M. Richard	Member	36	PhD in Natural Resource Management & Assessment	Tanzanian

## 8.0 Corporate Governance

The Board takes overall responsibility for the Authority, including responsibility for identifying key risk areas, considering and monitoring investment decisions, and significant financial matters, and reviewing the performance of management plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative and for compliance with sound corporate governance principles.

The Board is required to meet at least four times a year. The overall management of the Authority is vested in the Board, while the Executive Director looks after the day-to-day affairs of the Authority. Where necessary, the management team is invited to attend board meetings and facilitate effective control of all Authority's operational activities, acting as a medium of communication and coordination between all the various business units.

## 9.0 Management Team

During the period under review, management of the Authority was under the Executive Director assisted by;

### 9.1 Directors

- (i) Director of Corporate Services
- (ii) Director of Regulatory Services
- (iii) Director of Domestic Manufacturing and Bulk Procurement

### 9.2 Units

- (i) Manager Procurement;
- (ii) Manager Legal Services;
- (iii) Manager Internal Audit;
- (iv) Manager Information Technology and Statistics
- (v) Manager Public Relations Communication and Education and,
- (vi) Zonal Managers (Southern Highlands, Central, Eastern, Lake and North Zone)

## 10.0 Relationship with Stakeholders

In operationalizing its managed functions of regulating the manufacturing, importation, exportation, marketing, and use of fertilizer and fertilizer supplements in the country, TFRA is interacting with a consortium of stakeholders. The existing stakeholders have different perceptions, expectations, priorities, and interests.

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**11.0 Operational Performance for the year ended 30 June 2024**

Key activities performed during the reporting period are as tabulated below:

**11.1 Implementation of Fertilizer Subsidy Program**

During the financial year 2023/24, after the successful completion of the initial subsidy program, The Government set aside TZS 130 billion to fund fertilizer subsidies during the cropping season. Development partners also set aside TZS 97 billion which made a total of TZS 222.7 billion which is an increase of 48.5% compared to the last financial year which was TZS 150 billion.

The increase in allocated funds for the subsidy program is an indication of the Government's commitment to improving farmers' yields and incomes in general. The program is in its second year and is conducted in all Tanzanian regions.

Up to 30 June 2024, a total of 515,848 Metric tonnes of subsidized fertilizer were sold to farmers countrywide with a subsidy worth TZS 151,000,997,733. The Authority received and disbursed a total of TZS 213,804,724,796.49 billion to 18 companies that supplied subsidized fertilizers to farmers since the inception of the program in August 2022.

**Table 5: Analysis of Sales and Payment of subsidized fertilizer to participating companies**

Sn	Company Name	Fertilizer Sales (Tonnage)	Subsidies Value (TZS)	Amount due (TZS)
1	OCP TZ Ltd	175,578.03	147,304,015,535	76,445,098,745.94
2	ETG Inputs Ltd	246,999.35	116,077,792,089	40,928,945,203.00
3	Yara TZ Ltd	118,945.68	85,789,417,496	38,003,264,448.20
4	Mohamed Ent.	124,942.02	62,141,128,915	28,605,126,801.20
5	One Acre TZ	22,045.95	22,414,271,832	2,076,108,100.20
6	Premium Agro	84,779.65	28,056,582,599	9,532,217,313.20
7	Staco	32,670.95	8,567,263,775	3,900,526,273.44
8	Minjingu	25,832.45	22,544,930,197	1,564,362,608.00
9	African Ginning	23,777.63	8,613,100,329	494,929,526.00
10	TFC	29,133.25	13,226,033,531	1,356,381,045.00
11	DRTC	4,127.40	2,843,671,665	247,798,246.26
12	Itracom	3,758.48	1,480,347,529	241,145,833.00
13	Afri (EA) Limited	1,670.10	665,547,106	45,121,380.00
14	Elements	2,381.10	635,664,504	231,562,372.00
15	CHAURU	334.05	253,076,489	14,525,513.07
16	Paramount	119.50	233,614,500	0
17	Menatrade	1,406.30	203,043,001	26,975,254.00
18	Wembey	1,157.70	271,232,932	106,172,384.00
19	GSM	1,053.35	143,363,259	103,363,259.00
20	NRM Agro Limited	621.35	85,859,636	55,859,636.00



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Sn	Company Name	Fertilizer Sales (Tonnage)	Subsidies Value (TZS)	Amount due (TZS)
Total		901,334.29	521,549,956,919	203,979,483,941.51

Further, the Tanzania Agricultural Inputs Support Project (TAISP) paid TZS 95,772,000,000 to settle part of the outstanding amount of TZS 262,338,710,180, which was due as of 30 June 2023. The amount was paid directly to 18 companies that distributed subsidized fertilizer to farmers throughout the country. Beneficiaries of the amount paid were as follows:

**Table 6: List of companies that were paid directly by the Tanzania Agricultural Inputs Support Project (TAISP)**

S/N	COMPANY NAME	AMOUNT PAID
1	OCP Tanzania Limited	21,368,867,608.26
2	ETG Inputs Limited	21,190,800,100.00
3	Yara Tanzania Limited	15,090,600,000.00
4	Mohamed Enterprises Tanzania Limited	10,300,000,000.00
5	One Acre Tanzania Limited	6,530,600,000.00
6	Premium Agro Chem Limited	5,314,000,000.00
7	Staco Agrochem Limited	2,058,000,000.00
8	Minjingu Mines and Fertilizer Limited	9,355,000,000.00
9	Afrisian Ginning Limited	1,802,252,000.00
10	Tanzania Fertilizer Company Limited	732,374,348.04
11	DRTC Trading Company Limited	1,738,984,511.74
12	Itracom Fertilizer Limited	121,010,000.00
13	Afri(EA) Limited	23,120,150.00
14	Elements Limited	18,026,000.00
15	Chauru Limited	70,200,000.00
16	Paramount Commodities Limited	42,714,500.00
17	Menatrade Africa Limited	2,255,142.00
18	Wembley International (Tanzania) Limited	13,195,640.00
	<b>Total amount paid</b>	<b>95,772,000,000.04</b>

## 11.2 Operationalization of Fertilizer Laboratory

The Authority's fertilizer laboratory has been in operation since June 2024 and is currently manned by 6 staff members and a laboratory Manager. The Authority completed the construction of the fertilizer laboratory and necessary fittings to ensure the installed equipment is working as per requirements; during the year in review, a total of 6 equipment out of 13 were installed successfully.

The chemistry laboratory is currently in full operation, while the microbiology laboratory is expected to be operational in the next financial year. Seven samples have been analysed in the authority's fertilizer laboratory. The laboratory is currently

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undergoing an ongoing exercise to ensure accreditation of ISO 17025 2017 certification and has completed a laboratory accreditation plan; several operational procedures and forms have been prepared.

The laboratory is expected to provide key services to various TFRA stakeholders who need to undertake fertilizer analysis services and soil conformity by charging affordable prices for testing by nutrients at the client's request.

### 11.3 Registration of Fertilizer dealers (Importers/Exporters/Dealers)

Up to 30 June 2024, the Authority had registered 29 fertilizer importers and 3 manufacturers, of which 20 fertilizer importers participated in the production and distribution of subsidized fertilizer during the cropping season. In addition, the authority had registered five thousand one hundred and nine dealers (5,109).

**Table 7: The list of Importers and manufacturers in the Subsidy Program**

SN	Name of Company	Types of Service	No	Name of Company	Types of Service
1	Yara Tanzania Limited	Importer	17	GSM Company Limited	Importer
2	STACO Agrochem Ltd	Importer	18	The Cereals and Other Produce Board	Importer
3	One Acre Tanzania Limited	Importer	19	Elements Limited	Importer
4	Afrisian Ginning Ltd	Importer	20	Afri (EA) Limited	Importer
5	Mohammed Enterprises Tanzania Limited	Importer	21	Chama Cha Ushirika Wa Wakulima Wa Umwagiliaji Ruvu (CHAURU) Ltd.	Importer
6	ETG Inputs Limited	Importer	22	Jadeja Farming Limited	Importer
7	DRTC Trading Company Ltd	Importer	23	Jackaengo 2015 Limited	Importer
8	Melinovit Tanzania Limited	Importer	24	Mo and Hughes Solutions Ltd	Importer
9	Paramount Commodities Limited	Importer	25	Tanzania Crop Care Limited	Importer
10	Tanzania Fertilizer Company	Importer	26	MASMOS Company Limited	Importer
11	Premium Agro Chem Ltd	Importer	27	Solohaga Company Limited	Importer
12	Bajuta International (T) Ltd	Importer	28	Simiyu Duka La Pembejeo Za Kilimo Na Mifugo	Importer
13	Sky Mwamoto Limited	Importer	29	Menatrade Africa Limited	Importer
14	OCP Tanzania Limited	Importer	30	Guavay Company Ltd	Manufacturer
15	Primordial Trade FZCO	Importer	31	ITRACOM Fertilizers Limited	Manufacturer
16	Wembley International (Tanzania) Limited	Importer	32	Minjingu Mines & Fertilizer Limited	Manufacturer

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**Table 8: Number of registered agents who distributed subsidized fertilizers**

SN	Region	No of Agents	SN	Region	No of Agents
1	Arusha	189	14	Morogoro	203
2	Dar es Salaam	37	15	Mtwara	33
3	Dodoma	32	16	Mwanza	80
4	Geita	60	17	Njombe	815
5	Iringa	515	18	Pwani	91
6	Kagera	38	19	Rukwa	288
7	Katavi	68	20	Ruvuma	462
8	Kigoma	252	21	Shinyanga	100
9	Kilimanjaro	239	22	Simiyu	25
10	Lindi	19	23	Singida	66
11	Manyara	107	24	Songwe	590
12	Mara	58	25	Tabora	166
13	Mbeya	541	26	Tanga	35
					<b>5,109</b>

#### 11.4 Registration of Farmers in the Digital System

Up to 30 June 2024, the Authority had managed to register a total of 3,910,340 farmers in the subsidy digital system, out of which 731,134 farmers benefitted from subsidized fertilizer.

**Table 9: Number of farmers registered in the system by region and beneficiaries**

SN	REGION	REGISTERED FARMERS	BENEFICIARIES
1	Arusha	90753	17575
2	Dar es Salaam	5924	685
3	Dodoma	116918	2998
4	Geita	71405	7081
5	Iringa	185445	80091
6	Kagera	79916	1897
7	Katavi	67189	8714
8	Kigoma	166496	50727
9	Kilimanjaro	181823	42685
10	Lindi	228800	2050
11	Manyara	84646	14874
12	Mara	46871	4475
13	Mbeya	300278	85144
14	Morogoro	139120	15229
15	Mtwara	459819	7527
16	Mwanza	59648	6409
17	Njombe	214123	105494
18	Pwani	100327	4099
19	Rukwa	95755	31463
20	Ruvuma	389231	108032
21	Shinyanga	69225	11795
22	Simiyu	222249	1358
23	Singida	75342	12674
24	Songwe	159160	69787

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SN	REGION	REGISTERED FARMERS	BENEFICIARIES
25	Tabora	169965	33367
26	Tanga	129912	4904
		3910340	731134

#### 11.5 Increase of Fertilizer availability in the Country

Despite challenges facing the fertilizer sector recorded in the previous years, there has been a notable increase in fertilizer utilization, which has translated into an increase in fertilizer availability in the country in the year 2022/23, there were 1,115,841 tonnages, and during the reporting year 2023/24 fertilizer availability was 1,213,729 tonnes which is equal to an increase of 8.8%. An increase in fertilizer availability was made possible by the Government's intervention to ensure a conducive business environment in the country and the Authority's sound management and effective regulations of the sub-sector.

#### 11.6 Increase of Fertilizer Usage in the Country

Usage of fertilizer in the country has increased tremendously, whereby in the financial year 2023/24, fertilizer utilization increased by 44.8% from 580,529 in the financial year 2022/23 to 840,714 Metric tonnes in the year under review. The increase in fertilizer usage is a result of Government intervention to set good policies for boosting a positive business environment, implementation of a fertilizer subsidy program that ensures the affordability of the product, effective participation of the private sector in the fertilizer value chain, and availability of the fertilizer in the last mile. The Authority is also implementing its principal activity of continuous education to stakeholders on proper fertiliser usage.

**Table 10: Fertilizer Utilization by Region from 2020/21 to 2023/24**

SN	Region	2021/22	2022/23	2023/24	Grand Total	%
1	Mbeya	52,490	75,252	98,234	225,976	12.7%
2	Ruvuma	32,139	83,472	123,049	238,660	13.4%
3	Njombe	42,965	75,358	86,268	204,591	11.5%
4	Songwe	44,837	71,230	88,365	204,432	11.5%
5	Tabora	36,656	55,722	73,069	165,447	9.3%
6	Iringa	17,841	44,214	55,401	117,456	6.6%
7	Kigoma	27,068	28,898	39,631	95,597	5.4%
8	Rukwa	13,446	31,963	52,625	98,034	5.5%
9	Kilimanjaro	10,586	27,976	39,585	78,147	4.4%
10	Arusha	15,704	26,509	32,604	74,817	4.2%
11	Shinyanga	15,208	9,445	14,074	38,727	2.2%
12	Morogoro	9,179	14,569	21,751	45,499	2.5%
13	Katavi	13,416	4,430	17,052	34,898	2.0%
14	Manyara	1,584	7,057	11,592	20,233	1.1%
15	Mara	1,219	4,492	12,069	17,780	1.0%
16	Kagera	10,560	868	5,352	16,780	0.9%
17	Geita	1,593	1,181	14,404	17,178	1.0%

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SN	Region	2021/22	2022/23	2023/24	Grand Total	%
18	Mwanza	3,445	2,670	8,053	14,168	0.8%
19	Tanga	3,832	2,444	6,924	13,200	0.7%
20	Singida	1,370	2,103	8,844	12,317	0.7%
21	Dar es Salaam	426	4,327	6,760	11,513	0.6%
22	Pwani	1,737	2,432	8,154	12,323	0.7%
23	Mtwara	2,351	2,226	5,357	9,934	0.6%
24	Simiyu	2,947	469	4,460	7,876	0.4%
25	Dodoma	677	775	3,724	5,176	0.3%
26	Lindi	326	447	3,313	4,086	0.2%
	<b>Grand Total</b>	<b>363,602</b>	<b>580,529</b>	<b>840,714</b>	<b>1,784,845</b>	<b>100.0%</b>

### 11.7 Increase of Fertilizer Manufacturing Industries in the country

Investment in the fertilizer industry has increased in the country, whereby there were twenty-three (23) fertilizer manufacturing factories during the reporting period. Fertilizer domestic production increased from 84,696 MT, equivalent to 13% of fertilizer demand in 2022/23, to 158,628 MT in 2023/24, equivalent to 19% of the fertilizer demand for 2023/24. The increase in domestic manufacturing is attributed to the Government's efforts to create a conducive environment to attract foreign and domestic investment in the fertilizer value chain in the country.

**Table 11: List of fertilizer factories, Capacities, and location Fertilizer Utilization by Region from 2020/21 to 2023/24**

SN	FACTORY	REGION	CAPACITY		TYPE OF FERTILIZER
			INSTALLED	ACTUAL	
	<b>SEMI ORGANIC FERTILIZER</b>		<b>MT/Year</b>	<b>MT/Year</b>	
1	Minjingu Mines and Fertilizer Ltd	Manyara	100,000	43,027	Organic fertilizer
2	ITRACOM Fertilizer Company Ltd	Dodoma	200,000	97,189	Organic fertilizer
	<b>INORGANIC FERTILIZER</b>				
3	YARA Tanzania	Dar es Salaam	50,000	14,057	Blending fertilizer
4	ETG Inputs LTD	Dar es Salaam	20,000	1,340	Blending fertilizer
	<b>ORGANIC FERTILIZER</b>				
5	Guavay Co. Ltd	Dar es Salaam	5,000	2,500	Organic fertilizer
6	Mabwepande Compost	Dar es Salaam	5,400	180	Compost
7	Moshi Compost	Kilimanjaro	3,000	60	Compost
8	Farm times	Pwani	100	1	Organic Fertilizer
	<b>FOLIAR FERTILIZER</b>		<b>LT/Year</b>	<b>LT/Year</b>	
9	Agri-Farmers Ltd	Arusha	600,000	200,000	Liquid fertilizer
10	Farm Access Company Limited	Arusha	300,000	200,000	Liquid fertilizer
11	Keen Feeders	Arusha	700,000	600,000	Liquid fertilizer

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SN	FACTORY	REGION	CAPACITY		TYPE OF FERTILIZER
			INSTALLED	ACTUAL	
12	Mtali Agro- Traders	Arusha	300,000	275,000	Liquid fertilizer
13	Sianga Agro-Traders	Tanga	600,000	429,000	Liquid fertilizer
14	Amka Feeders	Kilimanjaro	100,000	17,000	Liquid fertilizer
15	Isacha Feeders	Kilimanjaro	150,000	110,000	Liquid fertilizer
16	Hapco Agro Business -	Kilimanjaro	50,000	50,000	Liquid fertilizer
17	Keem Booster	Arusha	300,000	200,000	Liquid fertilizer
18	Fahari booster	Arusha	200,000	150,000	Liquid fertilizer
	<b>AGRICULTURE LIME</b>				
19	Dodoma Cement &Company Limited	Dodoma	5,138	55%	Agri-Lime
20	ABM Equipments	Tanga	9,566	75%	Agri-Lime
21	HSSL Co. Ltd	Tanga	2,020	2%	Agri-Lime
22	Tanga Mining Company LTD	Tanga	10,000	40%	Agri-Lime
23	Neelkanth Lime LTD	Tanga	25,000	25%	Agri-Lime

#### 11.8 Increase of Fertilizer Inspectors

Gazetted fertilizer inspectors in the country have increased from 210 in 2022/23 to 231 in 2023/24. This is an increase of 10 per cent, which exemplifies TFRA's regulatory mandate. The increase in fertilizer inspectors is attributed to a good working relationship and collaboration between the local Government and the Authority; the increase in fertilizer inspection coupled with the effective use of digital fertilizer systems has reduced fraudulent activities and positively influenced compliance.

#### 11.9 Sensitizing Cooperatives Societies to purchase fertilizer in bulk and participate in fertilizer distribution to farmers

Initiatives were undertaken to mobilize fertilizer distribution near farmers, and 771 Cooperative societies were registered to participate in fertilizer distribution. By 30 June 2024, 35 cooperative societies were actively distributing fertilizer to farmers.

#### 11.10 Facilitating forecasting of fertilizer demand

In implementing its key activity of ensuring the availability and affordability of fertilizers in the country, fertilizer demand forecasting was conducted. In collaboration with Regional Secretariats, a total demand of 848,884 MT was established for cropping season 2023/24.

#### 11.11 Preparation, Advertising, and management of indicative prices

The indicative prices for fertilizer under the subsidy system were published in July 2023 and September 2023. Compliance with the issued indicative prices was enforced through the digital fertilizer platform and in collaboration with fertilizer inspectors at the regional and district levels.

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**11.12 Preparation of TV and Radio Programs to educate the public**

The Authority has an obligation to inform, educate, and engage its stakeholders to ensure matters relating to Fertilizer and FFS reach the intended recipients with correct and accurate information; to that end, the Authority, during the reporting period, had prepared (5) TV documentaries and (28) Special programs on TV and Radio were prepared and aired in the various media outlet including community radios; a total of 30 news stories were prepared and aired in the TV and broadcasted in the radio but also were published in the widely circulated newspapers.

**11.13 Managing and Participation in the Trade Fair**

The 47<sup>th</sup> Trade Fair was conducted during the reporting year; the general public was educated on the proper usage of fertilizer, registration of fertilizer, and permits to import fertilizer, as well as the ongoing subsidy system. The Authority also gave visitors investment opportunities in the fertilizer subsector. Due to the increased activities showcased in the booth; the Authority Managed to attract more than 530 visitors.

**11.14 Preparation and Execution of the Annual Mbolea Day**

World Fertilizer Day is celebrated on 13 October each year to commemorate the great invention of harvesting nitrogen from the air, which is vital for plant growth; the Authority as an institution mandated with the regulation of fertilizer in the country, likewise prepared 5<sup>th</sup> Mbolea day (Fertilizer Day) in Tabora region with a theme "Ajenda 10/30; Matumizi sahihi ya mbolea ya RUZUKU kwa Kilimo chenye tija; this colourful event was officiated by Tabora Regional Commissioner and the closing ceremony was graced by Deputy Minister for Agriculture Hon. David Silinde (MP).

Over 4,500 farmers, fifteen Fertilizer companies, eight public institutions, five local Government Authorities, three research institutes, two academic Institutions, and five financial institutions attended the event.

**11.15 Publishing of Newsletters**

The Authority prepared two editions of Mbolea Yetu (July-December 2023 and January-June 2024) and released several news and documentaries about the subsidy system, proper fertilizer usage, and authority activities. More than 1,000 copies were distributed to stakeholders countrywide. The authority also prepared and published 12 monthly newsletters about Authority activities.

**11.16 Strengthening of ICT Systems**

During the reporting period, the authority strengthened its internal systems by ensuring that registration and issuance of licenses, import and export permits, fertilizer disposal and repackaging permits, and fertilizer registration are done electronically through the Fertilizer Information System (FIS). The system has increased the authority's efficiency and reduced inconveniences to our stakeholders.

#### 11.17 Compounding of offences

During the reporting period, the Authority coordinated the compounding of offenses conducted by fertilizer dealers in five zones; 42 fertilizer dealers were compounded to pay TZS 47,762,599, and the report was submitted to the Director of Public Prosecution in accordance with section 40A ( 6) of the fertilizer Act.

#### 11.18 Translation of Fertilizer Regulation in Swahili

During the reporting period, the Authority translated fertilizer regulations into Swahili; to comply with Government directives to ensure all laws and regulations are also available in Kiswahili; the translated regulations are fertilizer regulations 2024 and fertilizer (compounding of offences) regulations, 2024

#### 11.19 Enabling NeST training for employees





During the reporting year, the Government, through the Public Procurement Regulatory Authority, improved its digital tendering system from TANEPS to NeST; all accounting officers were directed to use the new digital system; the The Authority enabled 30 staff (procurement and budget officers) to attend training on new procurement digital system NeST.

#### 11.20 Revenue Enhancement Study

In a bid to enhance the Authority's revenues, during the reporting period, the Authority, in conjunction with a local consultant, was able to undertake a revenue enhancement study that earmarked new sources of revenues and showed areas of improvement for the existing sources of funds. It is expected that the study will increase the Authority's revenues remarkably and enable it to provide regulatory assurance services effectively.





















#### 11.21 Principal Risks and Uncertainties

The Board accepts final responsibility for the Authority's risk management and internal control systems. In ensuring adequate internal financial and operational control systems are developed and maintained on an ongoing basis, the management has in place a robust risk assessment and treatment procedure; risks recorded in the register during the reporting period are as follows:

Risk Category	1	Risk title	Status During Q1-Q3-2023/24	Overall Risk Level Q1	Overall Risk Level Q2	Overall Risk Level Q3	Overall Risk Level Q4
Financial	2	Dependency of import fee as a main source of income.	The risk remained high from July 2023 to June 2024, except in the last quarter, which turned medium as the Authority started generating income	High 	High 	Medium 	Medium 



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Risk Category	1	Risk title	Status During Q1-Q3-2023/24	Overall Risk Level Q1	Overall Risk Level Q2	Overall Risk Level Q3	Overall Risk Level Q4
			from laboratory services.				
Operational	3	Smuggling of fertilizers through border posts	From July 2023 to June 2024, the risk remained high, save for the last quarter, which turned out to be medium after the Authority's initiatives to strengthen inspection at border posts by sending staff to some border posts and collaboration with TPHPA after signing an MoU.	High 	High 	Medium 	Medium 
	4	Possibility of selling adulterated fertilizer in the market	The risk was at a Medium level in the first and second quarters, whereas in the third and fourth quarters, it was at a low level. This is due to enhanced regulatory services.	Medium 	Medium 	Medium 	Medium 
Compliance	5	Possibility of selling fertilizer in open bags.	In the first and second quarters, the risk was at a Medium level, whereas in the third and fourth quarters, it was at a low level. This is due to enhanced regulatory services.	Medium 	Medium 	Low 	Low 
Compliance	6	Possibility of unregistered fertilizer in the market	From July 2023 to June 2024 the risk has remained moderate. Despite the enhanced regulatory services.	Medium 	Medium 	Medium 	Medium 
Operational	7	Possibility of delay of subsidy fund	For the period of July 2023 to June 2024, the risk has remained moderate. The Government has been remitting money gradually due to the Authority's consistent follow-ups.	Medium 	Medium 	Medium 	Medium 

The Authority has managed to mitigate the above-mentioned risks by implementing the following:

- (a) Ensure the risk register is active and is updated every year depending on the work environment;
- (b) Ensuring that the ethical committee is active and has the means to perform its duties effectively to reduce inappropriate activities;
- (c) Giving priority to training for staff on risks as well as new and transferred staff before embarking on TFRA activities;
- (d) The authority has a dedicated fertilizer laboratory construction committee which is charged with construction supervision and this construction strictly follows the Public Procurement Act.
- (e) The Authority has appointed a multidisciplinary team to manage the subsidy program internally, it has also engaged regional leaders up to village levels in subsidy supervision; the Authority has ensured all staff have been exposed to this program and it has strengthened the digital system in conjunction with eGA.
- (f) The Authority, in collaboration with technical personnel from the Ministry of Agriculture, has reviewed the Fertilizer Act and its regulations so as to put in place a conducive environment for the legal management of fertilizer regulatory activities.
- (g) The Authority has strategically placed itself to widen the revenue by commencing the charging system in the fertilizer laboratory and also completing important parameters so as to be certified internationally, which will enable the laboratory to perform activities outside the country's borders in soil analysis.

#### 11.22 Going Concern Assumption

The Board confirm that the applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board has reasonable assurance that the Authority will continue in operational existence for the foreseeable future.

#### 11.23 Employees' Welfare

##### 11.23.1 Management and Employees' Relation

During the financial year 2023/24, the Authority received a new Executive Director who was appointed on 29 September 2023; 8 staff were transferred from other Public institutions to TFRA, while 4 staff were transferred from the Authority to other public institutions; TFRA received 6 employees from other Public institutions whose transfer formalities are being finalised as per Public Service Regulations thus bringing the number of permanent and pensionable staff to 102.

During the year under review, 38 employees were promoted, and one employee was appointed to a managerial position. TFRA enjoys a harmonious relationship with its

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employees and the employee union (TUGHE). Two workers' council meetings were conducted and there were no disciplinary cases during the year.

However; despite having met staff levels as per the approved establishment; there is still a need to increase manpower due to the increase of activities in the zonal offices and the need for laboratory technicians in the newly established fertilizer laboratory. Management also facilitated employees to attend the sports organised by Public Institutions whereby TFRA players managed to scoop three cups in different categories respectively.

The TFRA is an equal-opportunity employer. It does not discriminate against employees concerning sex, religion, disability, age, or marital status. TFRA recognizes the need for ensuring fair employment practices in recruitment and selection, and the retention, learning, and career development of staff. The recruitment process is transparent, non-discriminatory, and open to all Tanzanians who are qualified and eligible.

#### **11.23.2 Medical Assistance**

The Authority's staff medical requirement is covered through NHIF and the employer has extended NHIF medical supplementary services cover which caters to staff and their family.

#### **11.23.3 Health and Safety**

The Authority has a strong health and safety policy, which was approved by the Board; the policy ensures that a strong culture of safety prevails at all times. A safe working environment is ensured for all employees and contractors working in the fertilizer laboratory construction by providing adequate and proper personal protective equipment, training, and supervision as necessary. In a bid to ensure employee health is maintained, the Authority organised vaccination for hepatitis B for all its employees alongside screening for various non-communicable diseases.

#### **11.23.4 Employees Benefit Plans**

The Authority covers employee benefit plans, including an incentive scheme and approved loan policy for all employees.

#### **11.23.5 Persons with Special Needs**

TFRA does not discriminate against persons with disabilities; management ensures that employees with special needs are acknowledged and that their employment with the Authority is safe. They also receive appropriate training and an adequate working environment.

#### 11.23.6 Gender Equity

It is the Authority's policy to give equal opportunities to persons of the feminine gender in both employment and training. As of 30 June 2024, the Authority had the following staff by gender:

Gender	2023/24	2022/23
Female	31	34
Male	<u>71</u>	<u>63</u>
Total	<u>102</u>	<u>97</u>

It is the Authority's policy to encourage women in management positions. As of June 2024, out of 24 members of extended management, 11 were female, which is equivalent to 46% of the management members.

#### 11.23.7 Related Party Transactions and Balances

All related party transactions and balances are disclosed in Note 6.22 to these financial statements. Transactions with related parties were conducted at terms and conditions similar to those offered to other entities.

#### 11.23.8 Corporate Social Responsibility

Tanzania Fertilizer Regulatory Authority values responsible corporate citizenship. Amongst the initiatives and endeavours in which the Authority participates, it supports Government and Non-Governmental Organizations.

During the year under review, the Authority visited Jangwani Girls Secondary School and assisted physically challenged students with necessary items such as sanitary pads and school books. The Authority also supported the construction of a female dormitory at Mzumbe University, spending TZS 6,100,000 on this event (2022/23: TZS 6,500,000).

#### 11.23.9 Relationship with Stakeholders

The Authority has internal and external stakeholders and has been encouraging harmonious relationships with them. Their support and involvement in TFRA activities significantly impact and contribute to service delivery to the public.

Hence, the Authority has continued working with key Ministries and Government entities such as the Ministry of Agriculture, Ministry of Industry and Trade, Ministry of Finance, Regional Administration and Local Government Authorities, Ministry of Home Affairs, Attorney General, and Treasury Registrar.

Also, the Authority worked with other stakeholders with whom we have related interests such as TRA, TPA, WMA, BOT, CRDB, NEMC, eGA, TARI, SUA, TBS, GCLA, TRIT, TORITA, IITA, TPHPA, etc.

The Authority has strong ties and working relationships with relevant national and international organizations such as the International Fertilizer Association (IFA), Aspires, FAO, USAID, IFDC, AFAP, AFRIQOM, JICA, AfDB, AGRA, and International Fund for Agricultural Development (IFAD) and Africa Food System (AGRF).

#### **11.24 Environmental Conservation**

The Authority is keen to ensure the judicious use and manufacture of fertilizer to conserve the environment. Moreover, TFRA collaborates with NEMC in disposing of fertilizers and conducting environmental assessments for new projects.

#### **11.25 Accounting Policies and Critical Judgement and Estimates**

The results of the entity are sensitive to the accounting policies, assumptions, and estimates that underlie the preparation of the financial statements. When preparing the financial statements, it is the Directors' responsibility under the Director's Incorporation Ordinance (Cap. 375) of 1956 to select suitable accounting policies and to make judgments and estimates that are reasonable and prudent. The accounting policies that are deemed critical to our results and financial position, in terms of the materiality of the items to which the policies are applied and the high degree of judgment involved, including the use of assumptions and estimation, are described in Notes 2 to the financial statements.

#### **11.26 Fiduciary Responsibility**

Members of the Board, as stewards of public trust, always acted for the good of the Authority rather than for their benefit throughout the period. Reasonable care was exercised in all decisions taken by the Authority without placing it under unnecessary risks.

#### **11.27 Subsequent Events**

There are no subsequent events that require disclosure or adjustment of the financial statements.

### **11.28 Commentary on the financial statements as of 30 June 2024**

#### **11.28.1 Introduction**

The financial statements of the Tanzania Fertilizer Regulatory Authority (TFRA) record the Authority's performance for the financial year ending 30 June 2024. Below is an overview of the Authority's financial statements for the financial year ended 30 June 2024 as reported in the detailed Statement of financial position, Statement of financial performance (by nature), Statement of change in net assets/equity, Statement of cash flows, Statement of comparison of Budget and Actual amounts and notes to the financial statements together with Analysis of Financial Statements.

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#### **11.28.2 Revenue**

Proportion of Funds Received

During the year under review, the Authority received revenue with the following:

SOURCE OF FUNDS	AMOUNT	PROPORTION OF REVENUE
Government Subventions	215,923,872,132	95
Own source	10,121,974,297	5
<b>TOTAL</b>	<b>226,045,846,429</b>	<b>100%</b>

#### **11.28.3 Wages, Salaries and Employee Benefits**

Wages, Salaries, and Employee Benefits expenses increased by TZS 967,066,186 from TZS 4,925,624,913 in the financial year 2022/23 to TZS 5,800,858,699. The variance is due to an increase in salary annual increment, staff promotion, appointment of Substantive Posts, and recruitment of new staff.

#### **11.28.4 Use of Goods and Services**

Use of Goods and Service expenses decreased by TZS 208,518,785,395 from TZS 370,639,081,122 in the financial year 2022/23 to TZS 162,120,295,727. The variance is due to forecasted revenue from fertilizer importation fees from the fertilizer dealers that were not attained the targeted quantities.

#### **11.28.5 Maintenance expenses**

Maintenance expenses decreased by TZS 15,653,431 from TZS 569,878,451 in the financial year 2022/23 to TZS 554,225,020. The variance is due to forecasted revenue from fertilizer importation fees from the fertilizer dealers that were not attained the targeted quantities.

#### **11.28.6 Other Expenses**

These expenses include Audit fees, Bank Charges and Commissions, Burial Expenses, consultancy fees, Directors' Fees, Parastatal Rehabilitation, and Other Expenses. During the year under review, other expenses were TZS 187,506,797 compared to TZS 381,986,897 for the financial year 2022/23, which was decreased by TZS 1,088,799,453 (equivalent to 51%) due to the decrease in the funds disbursed.

#### **11.28.7 Other Transfer**

These expenses include Contribution to the Consolidated Fund and during the year under review, other expenses were TZS 350,000,000 compared to TZS 1,438,799,453 for the financial year 2022/23, which was decreased by TZS 1,088,799,453 (equivalent to 76%) due to the decrease in the own source revenue collections by the Authority.

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**11.28.8 Cash and Cash Equivalents**

The cash and Cash Equivalents are TZS 35,170,232, which has decreased by TZS 1,692,078,349 from TZS 1,727,248,581 due to a reduction in the funds from the Ministry of Agriculture.

**11.28.9 Prepayments**

The prepayments during the year 2023/24 were TZS 40,409,501, which was prepayment for fuel. The prepayment decreased by TZS 263,262,362 (equivalent to 87%) from TZS 303,671,863 in the year 2022/23 because, in the year 2022/23, there was a prepayment of a motor vehicle in which in the year under review, the motor vehicle has been delivered to the Authority.

**11.28.10 Inventories**

The inventories, including consumables, during the year 2023/24 were TZS 25,229,786. They decreased by TZS 10,449,009 (equivalent to 29%) from TZS 35,678,795 in the year 2022/23.

**11.28.11 Property, Plant and Equipment (PPE)**

Property, Plant, and Equipment comprises Land, Buildings, Plant and Machinery, Motor Vehicles, Furniture and Fittings, and Equipment. The carrying value of property, plant, and equipment at the end of 2023/24 was TZS 4,474,052,665, compared to TZS 3,921,202,377 in the prior year. The value of Property, Plant, and Equipment in 2022/23 increased by TZS 552,850,288 due to acquisitions of new assets.

**11.28.12 Intangible Assets**

Intangible Assets comprises Fertilizer Information System, Kaspersky Internet Security, MS Office 2019 Professional, Biometric System, and Sophos XGS 136W with years of license. The carrying value at the end of 2023/24 was TZS 175,950,033 compared to TZS 159,153,055 in the prior year. The value of Intangible Assets 2023/24 increased by TZS 16,796,978 due to acquisitions of new assets.

**11.28.13 Receivables**

Receivables have increased by TZS 79,224,696 from TZS 333,278,360 in the financial year 2022/23 to TZS 412,503,056. The variance is due to an increase in Institutional Loans.


**11.28.14 Payables and Accruals**

Payables and Accruals have decreased by TZS 58,076,985,390 from TZS 262,533,489,850 in the financial year 2022/23 to TZS 204,456,504,460. The variance is due to a decrease in supplies of goods and services claims after the settlement from the Authority.

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MINISTRY OF AGRICULTURE  
TANZANIA FERTILIZER REGULATORY AUTHORITY

**11.29 Independent Auditors**

The Controller and Auditor General (CAG) is the statutory auditor of the Tanzania Fertilizer Regulatory Authority by virtue of Article 143 of the Constitution of the United Republic of Tanzania (URT), as amplified by Section 32 (4) of the Public Audit Act (PAA) of 2008. Approved by the Board for issue and signed on its behalf by:

  
.....  
Dr. Anthony M. Diallo (PhD),  
Board Chairman,  
Date: 05/03/2025



THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE  
TANZANIA FERTILIZER REGULATORY AUTHORITY

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The provisions of the Directors' Incorporation Ordinance (Cap. 375) of 1956 require the Directors to prepare financial statements for each financial period that give a true and fair view of the entity's state of affairs at the end of the financial year and of its profit or loss.

The Directors are also obliged to ensure that the entity keeps proper accounting records that disclose, with reasonable accuracy, its financial position. They are also responsible for safeguarding the entity's assets.

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

The Directors believe that the financial statements give a true and fair view of the entity's financial affairs and laws by International Public Sector Accounting Standards (IPSAS).

The Directors further accept responsibility for maintaining accounting records that may be relied upon in preparing financial statements and designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

Nothing has come to the Directors' attention to indicate that the entity will not remain a going concern for at least twelve months from the date of this statement.  
Approved by the Board of Directors for issue and signed on its behalf by:



.....  
Dr. Anthony M. Diallo (PhD)  
Board Chairman

Date: 05/03/2025

THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE  
TANZANIA FERTILIZER REGULATORY AUTHORITY

**DECLARATION OF THE HEAD OF ACCOUNTS**


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 by a declaration issued by the Head of Finance and Accounts responsible for the preparation of financial statements of the entity concerned.

A Professional Accountant must assist the Board of Directors in discharging the responsibility of preparing financial statements that show a true and fair view of the entity's position and performance by applicable International Accounting Standards and statutory financial reporting requirements.

The Board of Directors has full legal responsibility for preparing financial statements, as described in the Directors' Responsibility statement on an earlier page.

I, CPA David Allan Dotto, being the Head of Finance and Accounts of Tanzania Fertilizer Regulatory Authority hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 have been prepared in compliance with applicable accounting standards and statutory requirements.


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

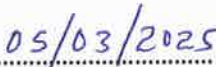
Signed by: David Allan Dotto   
Position: Manager of Finance and Accounts  
NBAA Membership No: ACPA2011  
Date: 04/03/2025

**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE  
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**STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024**

	Note	2023/24 TZS	2022/23 TZS Restated
<b>ASSETS</b>			
<b>Current Asset</b>			
Cash and Cash Equivalents	62	35,170,232	1,727,248,581
Prepayments	69	40,409,501	303,671,863
Inventories	70	25,229,786	35,678,795
<b>Total Current Asset</b>		<b>100,809,519</b>	<b>2,066,599,238</b>
<b>Non-Current Asset</b>			
Property, Plant and Equipment	77	4,474,052,665	3,921,202,377
Intangible Assets	78	175,950,033	159,153,055
Receivables (Long Term)	87	412,503,056	333,278,360
<b>Total Non-Current Asset</b>		<b>5,062,505,754</b>	<b>4,413,633,792</b>
<b>TOTAL ASSETS</b>		<b>5,163,315,273</b>	<b>6,480,233,030</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables and Accruals	89	204,456,504,460	262,533,489,850
<b>Total Current Liabilities</b>		<b>204,456,504,460</b>	<b>262,533,489,850</b>
<b>TOTAL LIABILITIES</b>		<b>204,456,504,460</b>	<b>262,533,489,850</b>
<b>Net Assets</b>		<b>(199,293,189,187)</b>	<b>(256,053,256,820)</b>
<b>NET ASSETS</b>			
<b>Capital Contributed by:</b>			
Taxpayers Funds		985,732,500	985,732,500
Accumulated Deficits		(200,278,921,667)	(257,038,989,320)
<b>TOTAL NET ASSETS</b>		<b>(199,293,189,187)</b>	<b>(256,053,256,820)</b>

  
 .....  
 Dr. Anthony M. Diallo (PhD)  
 Chairman


  
 .....  
 Date

  
 .....  
 Joel R. Laurent  
 Executive Director

**THE UNITED REPUBLIC OF TANZANIA**  
**MINISTRY OF AGRICULTURE**  
**TANZANIA FERTILIZER REGULATORY AUTHORITY**

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024**  
**2023/24** **2022/23**

	Note	TZS	TZS Restated
<b>REVENUE</b>			
<b>Revenue</b>			
Revenue Grants	16	213,804,724,796	100,000,000,000
Revenue from Exchange Transactions	17	9,728,865,660	17,150,894,269
Fair value Gains on Assets and Liabilities	24	10,232,623	0
Gain on Foreign Currency Translation	27	101,881,746	11,384,650
Premiums, Fees and Claims (Insurance)	30	193,889,791	208,690,499
Other Revenue	31	199,218,846	158,045,150
Subvention from other Government entities	32	2,119,147,335	1,999,268,212
<b>Total Revenue</b>		<b>226,157,960,797</b>	<b>119,528,282,780</b>
<b>TOTAL REVENUE</b>		<b>226,157,960,797</b>	<b>119,528,282,780</b>
<b>EXPENSES AND TRANSFERS:</b>			
<b>Expenses</b>			
Wages, Salaries and Employee Benefits	34	5,800,858,699	4,925,624,913
Use of Goods and Service	35	162,120,295,727	370,639,081,122
Maintenance Expenses	36	554,225,020	569,878,451
Other Expenses	52	187,506,797	381,986,897
Expected Credit Loss	54	0	10,232,623
Depreciation of Property, Plant, and Equipment	77	370,748,402	494,563,319
Amortization of Intangible Assets	78	14,258,519	17,798,519
<b>Total Expenses</b>		<b>169,047,893,164</b>	<b>377,039,165,844</b>
<b>Transfer:</b>			
Other Transfers	60	350,000,000	1,438,799,453
<b>Total Transfer</b>		<b>350,000,000</b>	<b>1,438,799,453</b>
<b>TOTAL EXPENSES AND TRANSFERS</b>		<b>169,397,893,164</b>	<b>378,477,965,297</b>
Share of Surplus of Associate and Joint Venture	108	0	0
<b>Surplus /(Deficit) for the period</b>		<b>56,760,067,633</b>	<b>(258,949,682,516)</b>

  
.....  
Dr. Anthony M. Diallo (PhD)

Chairman

  
.....

Date 05/03/25


Joel R. Laurent

Executive Director

THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE  
TANZANIA FERTILIZER REGULATORY AUTHORITY

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

	Tax Payer's Fund TZS	Accumulated Surplus/(Deficit) TZS	Total TZS
Opening Balance as at 01 Jul 2023	985,732,500	(257,038,989,320)	(256,053,256,820)
Addition Capital Injected	0	0	0
Other Reserve	0	0	0
Other Appropriations	0	0	0
Minority Interest	0	0	0
Surplus/ Deficit for the Year	0	56,760,067,633	56,760,067,633
Closing Balance as at 30 Jun 2024	985,732,500	(200,278,921,687)	(199,293,189,187)
Opening Balance as at 01 Jul 2022	985,732,500	1,910,693,196	2,896,425,696
Addition Capital Injected	0	0	0
Other Reserve	0	0	0
Other Appropriations	0	0	0
Minority Interest	0	0	0
Surplus/ Deficit for the Year	0	(258,949,682,516)	(258,949,682,516)
Closing Balance as at 30 Jun 2023	985,732,500	(257,038,989,320)	(256,053,256,820)

  
.....  
Dr. Anthony M. Diallo (PhD)  
Chairman

05/03/2025  
.....  
Date

  
.....  
Joel R. Laurent  
Executive Director

THE UNITED REPUBLIC OF TANZANIA  
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**CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024**

	Note	2023/24 TZS	2022/23 TZS
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Subvention from other Government entities	32	2,119,147,336	1,999,268,212
Revenue Grants	16	213,804,724,796	100,000,000,000
Revenue from Exchange Transactions	17	9,728,865,660	17,150,894,269
Premiums, Fees and Claims (Insurance)	30	193,889,791	208,690,499
Other Revenue	31	199,218,846	158,045,150
<b>Total Receipts</b>		<b>226,045,846,429</b>	<b>119,516,898,130</b>
<b>PAYMENTS</b>			
Wages, Salaries and Employee Benefits	34A	5,786,136,099	4,819,069,913
Use of Goods and Service	35A	220,118,292,347	108,400,695,621
Other Transfers	60	350,000,000	1,438,799,453
Other Expenses	52A	187,506,797	384,498,655
Maintenance Expenses	36	554,225,020	569,878,451
Advances and Loans Payments made to other parties	104	79,224,696	333,278,360
<b>Total Payments</b>		<b>227,075,384,959</b>	<b>115,946,220,453</b>
<b>NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES</b>		<b>(1,029,538,532)</b>	<b>3,570,677,677</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
<b>Investing Activities</b>			
Advance Payment for Acquisition of Property Plant and Equipment	103	-	(180,000,000)
Acquisition of Property, Plant and Equipment	77	(743,598,691)	(1,988,996,951)
Acquisition of Intangibles	78	(31,055,497)	(29,540,074)
<b>Total Investing Activities</b>		<b>(774,654,187)</b>	<b>(2,198,537,025)</b>
<b>NET CASH FLOW (USED IN) INVESTING ACTIVITIES</b>		<b>(774,654,187)</b>	<b>(2,198,537,025)</b>
Net (Decrease)/Increase in cash and cash equivalent		(1,804,192,718)	1,372,140,652
Cash Surrendered to Holding Account		0	
Effect of Foreign Currency Changes	74	101,881,746	11,384,650
Cash and cash equivalent at the beginning of the period		1,737,481,204	353,955,902
<b>Cash and cash equivalent at the end of the period</b>		<b>35,170,232</b>	<b>1,737,481,204</b>

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


	<b>2023/24</b>	<b>2022/23</b>
	<b>TZS</b>	<b>TZS</b>
<b>Surplus/ Deficit for the Period</b>	<b>56,760,067,633</b>	<b>(258,949,682,516)</b>
<b>Add/ (Less) Non-Cash Item</b>		
Amortization of Intangible Assets	14,258,519	17,798,519
Depreciation of Property, Plant and Equipment	370,748,402	494,563,319
Expected Credit Loss Impairment	-	10,232,623
Fair value Gains on Assets and Liabilities	(10,232,623)	-
Gain on Foreign Currency Translation	(101,881,746)	(11,384,650)
<b>Add/ (Less) Change in Working Capital</b>		
Inventories	10,449,009	2,386,409
Payables and Accruals	(58,076,985,390)	262,451,533,092
Prepayments	83,262,362	(111,490,760)
Receivables	(79,224,696)	(333,278,360)
<b>Net Cash Flow from Operating Activities</b>	<b>(1,029,538,533)</b>	<b>3,570,677,677</b>



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

	Budgeted Amount		Final Budget (B)		Actual Amount on Comparison Basis (A)		Different Final Budget & Actual (B-A)
	Original Budget	Reallocations/ Adjustments	TZS	TZS	TZS	TZS	
<b>RECEIPTS</b>							
Subvention from other Government entities	152,916,358,569	0	152,916,358,569		2,119,147,336	150,797,211,233	
Revenue Grants	0	0	0		213,804,724,796	(213,804,724,796)	
Revenue from Exchange Transactions	15,384,449,827	0	15,384,449,827		9,728,865,660	5,655,584,167	
Premiums, Fees and Claims ( Insurance)	176,250,000	0	176,250,000		193,889,791	(17,639,791)	
Other Revenue	0	0	0		199,218,846	(199,218,846)	
<b>Total Receipts</b>	<b>168,477,058,396</b>	<b>0</b>	<b>168,477,058,396</b>		<b>226,045,846,429</b>	<b>(57,568,788,033)</b>	
<b>PAYMENTS</b>							
Wages, Salaries and Employee Benefits	8,232,631,932	(1,437,865,000)	6,794,766,932		5,786,136,099	1,008,630,833	
Use of Goods and Service	152,525,048,350	773,865,000	153,298,913,350		220,118,292,347	(66,819,378,997)	
Other Transfers	2,120,804,973	0	2,120,804,973		350,000,000	1,770,804,973	
Other Expenses	301,900,027	10,000,000	311,900,027		187,506,797	124,393,230	
Maintenance Expenses	828,000,000	94,000,000	922,000,000		554,225,020	367,774,980	
Grants and Transfers	282,773,997	0	282,773,997		0	282,773,997	
Advances and Loans Payment made to other parties	0	0	0		79,224,696	(79,224,696)	
Acquisition of Property, Plant and Equipment	4,185,899,117	560,000,000	4,745,899,117		743,598,692	4,002,300,425	
Acquisition of Intangibles	0	0	0		31,055,497	(31,055,497)	
<b>Total Payment</b>	<b>168,477,058,396</b>	<b>0</b>	<b>168,477,058,396</b>		<b>227,850,039,148</b>	<b>(59,372,980,752)</b>	
<b>Net Receipts/Payments</b>					<b>(1,804,192,719)</b>	<b>1,804,192,719</b>	

  
Dr. Anthony M. Diallo (PhD)

Chairman

*05/03/2025*  
.....  
Date

Joel R. Laurent

Executive Director



THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE  
TANZANIA FERTILIZER REGULATORY AUTHORITY

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

i) **Revenue from exchange transactions**

The variance between budgeted amount and actual amount of TZS 5,655,584,167 that is equal to 37% caused by forecasted revenue from fertilizer importation fees from the fertilizer dealers that were not attained the targeted quantities.

ii) **Wages, Salaries and Employees Benefits**

The variance between budgeted amount and actual amount of TZS 1,008,630,833 that is equal to 15% caused by budgeted items which include staff promotion and appointment of Substantive Post done at the end of the year 2023/2024. On the other hand, the recruited number of new staff was below the budgeted/expected number.

iii) **Use of Goods and Services**

The variance between budgeted amount and actual amount of TZS 66,819,378,997 above the budgeted amount equal to 46% caused by Revenue Grants received to settle subsidies fertilizer claims to the inputs agro dealers.

iv) **Other Transfer**

The variance between budgeted amount and actual amount of TZS 1,770,804,973 that is equal to 84% caused by budgeted items which include 15% contribution from the own source collection that authority under collect from the targeted amount.

v) **Other Expenses**

The variance between budgeted amount and actual amount of TZS 124,393,230 that is equal to 40% caused by budgeted items which include legal and consultancy fees that were not procured as per Authority plan.

vi) **Acquisition of Property, Plant and Equipment**

The variance between budgeted amount and actual amount of TZS 4,002,300,425 that is equal to 84% was caused by non-implementation of some of Authority's activities related to construction of laboratory and Authority Regions offices because of under release of development funds from the Government.

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**Reconciliation Statement between the actual amounts on a comparable basis for the year ended 30 June 2024.**

Descriptions	Operating (TZS)	Investing (TZS)	Total (TZS)
Actual amount on comparable basis as presented in the budget and actual comparative statement	(214,834,263,326)	213,030,070,607	(1,804,192,719)
Basis differences	(213,804,724,794)	213,804,724,794	-
Actual amount in the statement of Cash Flows	(1,029,538,532)	(774,654,187)	(1,804,192,719)

THE UNITED REPUBLIC OF TANZANIA  
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TANZANIA FERTILIZER REGULATORY AUTHORITY

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

**1.0 GENERAL INFORMATION**

Tanzania Fertilizer Regulatory Authority (TFRA) is an Authority under the Ministry of Agriculture (MoA), under section 3(1) of the Fertilizer Act of 2009 and came into operation on 12 August 2012. The Authority is the regulatory body of the fertilizers industry in Tanzania, with objective of increasing agricultural production and productivity through provision of good quality fertilizers and fertilizer supplements.

The Authority's office is located at Kilimo I Complex Building, Mandela Road, Temeke Veterinary in Dar es Salaam.

**2.0 BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS), the Fertilizer Act of 2009, and all accounting standards pronounced by NBAA. The financial statements have been prepared under the historical cost convention.

No adjustments have been made for inflationary factors affecting the financial statements. The financial statements have been prepared based on historical cost except where otherwise stated in the accounting policies. The cash flow statement is prepared using the direct method.

The preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Authority's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are separately disclosed in the notes.

**3.0 FOREIGN CURRENCY TRANSLATIONS**

TFRA internal policies in this context are as follows:

**3.1 Functional and Presentation Currency**

The financial statements are presented in Tanzania Shillings, which is the Authority's functional and presentation currency.

### 3.2 Transactions and Balances

Foreign currency transactions are translated into Tanzanian shillings at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities at the year-end expressed in foreign currencies are translated into Tanzanian shillings using BOT prevailing rates of exchange at the end of the financial year which was USD/TZS 2,315.94. The resultant gains/losses on exchange rate translations are dealt with in the Statement of Financial Performance.

### 4.0 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 affect 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. The key judgments Management has made in preparing the financial statements are as follows:

- (a) The useful lives and residual values of intangible assets and Property, Plant, and Equipment are assessed using the following indicators to inform potential future use and value from disposal:
  - ✓ The condition of the asset;
  - ✓ The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
  - ✓ The nature of the processes in which the asset is deployed;
  - ✓ Availability of funding to replace the asset;
  - ✓ Changes in the market in relation to the asset.
- (b) Provisions were raised, and management determined an estimate based on the information available. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date and discounted to present value where the effect is material.
- (c) Key estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if

the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

## **5.0 PRINCIPAL ACCOUNTING POLICIES**

The principal accounting policies adopted in preparing these financial statements are set out below. Unless otherwise stated, these policies have been consistently applied throughout.

### **5.1 Revenue recognition**

Revenue comprises the fair value of government subvention, import and export permit fees, and other revenues. Revenues are recognized as follows:

#### **5.1.1 Government Subvention**

Funds disbursed by the Government to the Authority to assist in carrying out its functions are recognized as income when received by crediting the amount to the statement of financial performance.

#### **5.1.2 Import and Export Fees**

Funds collected by the Authority from issuing import/export fertilizer permits to fertilizer dealers.

#### **5.1.3 Other Revenue**

Other revenue is recognized in the accounting period in which they relate on an accrual basis.

### **5.2 Property, plant, and equipment**

Property, plant, and equipment are initially recorded at historical cost which includes expenditure that is directly attributable to the acquisition of the items. Subsequently, property, plant, and equipment are valued at cost amounts, less subsequent depreciation.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate only when it is probable that the future economic benefits 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 statement of financial performance during the financial period in which they are incurred.

### 5.2.1 Depreciations

Depreciation is charged to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives are as follows:

Description	Years
Buildings	
Residential	50
Office	50
Plant and machinery	10
Furniture, fixtures, and equipment	15
Motor vehicles	15
Motor cycle	12
Computer hardware	8

If there is an indication that there has been a significant change in the depreciation rate, useful life, or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

### 5.2.2 Impairment of Assets

Assets that are subject to depreciation are reviewed for impairment in accordance with IPSAS 21 and IPSAS 26 whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable service amount. A non-cash-generating asset is impaired when the carrying amount of the Asset exceeds its recoverable service amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. To assess impairment, assets are grouped at the lowest levels for which there are separable identifiable cash flows (cash-generating unit and Cash Equivalents).

Cash and cash equivalents are carried in the Statement of Financial Position at face value. For the Cash Flow Statement, cash and cash equivalents comprise cash in hand; deposits held on call, and fixed deposits.

## 5.3 Provisions

Provisions are recognized when the Authority has a present legal or constructive obligation as a result of a past event for which a transfer of economic benefits will probably be required to settle the obligation and a reliable estimate of the amount can be made.

## 6.0 CHANGE IN ACCOUNTING POLICY

The Institute has adopted IPSAS 41-Financial Instruments, which has substantially modified IPSAS 29 - Financial Instruments. Overall, adopting IPSAS 41 over IPSAS 29 represents a move towards more modern, transparent, and relevant financial reporting practices in the public sector by measuring and classifying financial assets and Liabilities through a principles-based classification model, a forward-looking expected credit loss model. The adoption has a material impact on the Financial Statements.

### 6.1 THE IMPACT OF CHANGE IN ACCOUNTING POLICY

The impact of adopting IPSAS 41 is that different amounts for Trade Receivables and Cash Balance are reported in previous years due to the emergence of expected credit loss (ECL) in the Financial Statements, as well as initially recognizing them at fair values.

#### 6.1.1 CASH AND CASH EQUIVALENT TRADE RECEIVABLE

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

No	Bank's Name	Rating Agency	Score	Probability of Default (PD)
1	CRDB	B1		2.16%
2	NMB	B1		2.16%

Details			Reasons
Financial Year 2022/23	Trade Receivables (TZS)	Accumulated Surplus/Deficit (TZS)	
Reported Balance	1,737,481,204	(257,049,221,943)	Change in Accounting Policy
Less: Expected Credit Loss	10,232,623	10,232,623	
Restated Balance	1,727,248,581	(257,038,989,320)	

## **7.0 EMPLOYEE BENEFITS**

### **7.1 Short term employee benefits**

Short term employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employee renders the related service.

The Workers Compensation Fund came into effect in July 2015 through the Workers Compensation Act, of 2008. TRFA as an entity is obliged to comply with it.

### **7.2 Post-employment benefits**

Post-employment benefits are benefits (other than terminal benefits and short-term employee benefits) that are payable after the completion of employment.

There was no Post Employment benefit outstanding as at year end.

### **7.3 Other long-term benefits**

Other long-term benefits are benefits other than short-term employment benefits, post-employment benefits, and termination benefits. No outstanding for this category.

### **7.4 Termination benefits**

Termination benefits are benefits provided in exchange for the termination of an employee's employment as a result of either: -

- (i) An entity's decision to terminate an employee's employment before the normal retirement date; or
- (ii) An employee's decision to accept an offer of benefits in exchange for the termination of employment.
- (iii) No outstanding for this category

## **8.0 STOCK TAKING AND ASSETS VERIFICATION**

Annual stock taking shall be carried out at the end of every financial year. The stock taking shall be done by the Manager of the Procurement Management Unit and witnessed by the Manager of Internal Audit. The stock taking covers Non-Current Assets and Current Assets.



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All stores shall be verified against the store register and a report of discrepancies be made to the Executive Director. Included in the report shall also be a list of obsolete and damaged stores together with a recommendation of possible write off.

## 9.0 PURCHASES FROM OTHER GOVERNMENT INSTITUTIONS

During the year, TFRA purchased goods and services from other Government institutions valued at 900,065,329.97. These Government Institutions were as follows:

**Table 12: List of Government Institutions the Authority purchased goods and services**

SN	Institutions	Amount TZS	Receivables TZS	Payables TZS
1	Air Tanzania Limited	180,000,000.00	-	-
2	Arusha Technical College	21,800,000.00	-	-
3	Dar es Salaam Institute of Technology (DIT)	7,965,000.00	-	-
4	e-Government Agency (e-GA)	129,069,580.00	-	-
5	Government Chemist Laboratory Authority (GCLA)	3,684,182.20	-	-
6	Government Procurement Services Agency (GPSA)	210,585,072.00	-	-
7	National Audit Office of Tanzania (NAOT)	60,000,000.00	-	60,000,000.00
8	National Health Insurance Fund (NHIF)	54,050,000.00	-	-
9	National Housing Corporation (NHC)	148,469,215.77	-	-
10	Tanzania Agricultural Research Institute (TARI)	54,460,023.00	-	-
11	Tanzania Broadcasting Corporation (TBC)	1,770,000.00	-	-
12	Tanzania Bureau Standards (TBS)	17,575,000.00	-	-
13	Tanzania Electrical, Mechanical, and Electronics Services Agency (TEMESA)	10,637,257.00	-	-
	<b>Total</b>	<b>900,065,329.97</b>	<b>-</b>	<b>60,000,000.00</b>

## 10.0 FUTURE CHANGES IN ACCOUNTING POLICIES

No Standards issued and yet effective up to the date of issuance of the Ministry's financial statements that the Entity reasonably expects to have an impact on disclosures, financial position or performance when applied soon. The Entity assesses and intends to adopt these standards when they become effective.

## **11.0 IPSAS 44- NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS:**

In May 2022 IPSASB issued IPSAS 44 that specifies the accounting for assets held for sale and the presentation of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:

- measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
- Presented separately in the statement of financial position, and results of discontinued operations are to be presented separately in the Statement of financial performance.

IPSAS 44 will be effective for periods beginning on or after January 1, 2025.

## **12.0 IPSAS 46- MEASUREMENT**

This standard's objective is to define measurement bases that assist in fairly reflecting the cost of services, operational capacity, and financial capacity of assets and liabilities. The Standard identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting.

An entity that prepares and presents financial statements under the accrual basis of accounting shall apply IPSAS 46, Measurement, to measure assets and liabilities. The measurement requirements described in this Standard apply to both initial and subsequent measurements unless specific guidance is included in the individual IPSAS. IPSAS 46 will be effective for periods beginning on or after January 1, 2025.

## **13.0 IPSAS 47- REVENUE**

IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions.

To meet this objective requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of revenue transaction and set out the accounting requirements to account for the revenue transaction. IPSAS 47 will be effective for periods beginning on or after January 1, 2026.

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NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	2024 TZS	2023 TZS Restated
<b>16 - Revenue Grants</b>		
Government Grant Development	213,804,724,796	100,000,000,000
Local	<u>213,804,724,796</u>	<u>100,000,000,000</u>
<b>17 - Revenue from Exchange Transactions</b>		
Import Fee- Exchange	9,728,865,660	17,145,917,511
Miscellaneous Revenue - Exchange	-	4,976,758
	<u>9,728,865,660</u>	<u>17,150,894,269</u>
<b>24 - Fair value Gains on Assets and Liabilities</b>		
Reversal of provision for impairment of Receivables (ECL)	10,232,623	-
	<u>10,232,623</u>	<u>-</u>
<b>27 - Gain on Foreign Currency Translation</b>		
Foreign Exchange differences (Gain) - Monetary	101,881,746	11,384,650
	<u>101,881,746</u>	<u>11,384,650</u>
<b>30 - Premiums, Fees, and Claims (Insurance)</b>		
Export fees	193,889,791	208,690,499
	<u>193,889,791</u>	<u>208,690,499</u>
<b>31 - Other Revenue</b>		
Compounding Fees	92,212,511	55,600,000
Miscellaneous Revenue	3,288,779	5,949,072
Tender Documents	-	32,633,788
Testing Fee	103,717,557	63,862,290
	<u>199,218,846</u>	<u>158,045,150</u>
<b>32 - Subvention from other Government entities</b>		
Government Grant Personal Emolument	2,119,147,335	1,999,268,212
	<u>2,119,147,335</u>	<u>1,999,268,212</u>
<b>34 - Wages, Salaries and Employee Benefits</b>		
Acting Allowance	14,145,000	7,545,000
Casual Labor Discretionary	5,346,450	-
Casual Laborers	24,412,295	29,393,360
Civil Servants	2,235,501,291	1,999,180,210
Electricity	67,309,613	32,524,082

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Extra Duty	-	2,180,000
Extra-Duty	1,115,034,444	709,933,245
Food and Refreshment	37,901,773	137,800,000
Furniture Expenses	64,000,000	30,000,000
Honoraria	590,203,776	533,678,000
Housing Allowance Discretionary Expenses	347,350,000	72,000,000
Leave Travel	42,061,600	38,050,440
Moving Expenses	120,600,000	228,788,500
National Health Insurance Schemes (NHIF) Employer Expenses	52,793,713	23,854,968
Non-Civil Servant Contracts	-	8,851,497
On Call Allowance	910,000	-
Outfit Allowance	1,260,000	800,000
Professional Allowances	102,000,000	59,108,250
Risk Allowance	17,370,000	-
Sitting Allowance	251,680,000	357,955,000
Special Allowance	65,503,060	80,690,000
Telephone	220,675,684	147,037,711
Transport Allowance	424,800,000	-
Transport Expenses	-	426,254,651
	<b>5,800,858,699</b>	<b>4,925,624,913</b>
<b>35 - Use of Goods and Service</b>		
Advertising and publication	5,488,250	26,000,000
Advertising and Publication - Communication & Information	23,504,400	35,358,400
Air Travel Tickets Training - Domestic	105,423,670	109,516,659
Air Travel Tickets Training - Foreign	98,473,462	36,000,000
Air Travel Tickets Travel - In-Country	27,900,000	31,248,540
Air Travel Tickets Travel Out Of Country	25,800,000	18,540,585
Catering Services	239,741,447	-
Cleaning Supplies - Use of goods and Services	3,900,000	3,600,000
Computer Supplies and Accessories	972,000	4,800,000
Conference Facilities	208,599,527	131,419,750
Courier Services	4,984,744	1,339,200
Diesel	577,574,659	161,250,216
Drugs and Medicines	2,707,700	2,630,000
Educational Radio and TV broadcasting- programming	350,000	-
Electricity - Utilities Supplies and Services	48,015,961	44,918,336

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Entertainment - Hospitality Supplies	-	2,850,000
And Services		
Exhibitions, Festivals, and Celebrations	24,861,500	60,061,008
Fertilizers	151,445,498,558	362,338,710,180
Food and Refreshments	235,177,420	312,103,269
Gifts and Prizes	33,242,178	48,077,823
Ground Transport (Bus, Train, Water)	-	80,763,961
Ground travel (bus, railway taxi, etc)Travel - In-country	175,949,067	94,605,422
Ground travel (bus, railway taxi, etc)Travel Out Of the Country.	-	1,600,000
Newspapers and Magazines	5,924,600	6,000,000
Office Consumables (papers, pencils, pens and stationaries)	131,735,385	101,950,827
Outsourcing Costs (includes cleaning and security services)	106,616,499	84,000,000
Per Diem - Domestic	6,687,884,082	5,534,588,304
Per Diem - Foreign	210,186,173	153,482,554
Posts and Telegraphs	2,983,000	2,733,800
Printing and Photocopying Costs	632,121,648	401,411,581
Production and Printing of Training Materials	388,000	1,000,000
Protective Clothing, footwear, and gears	-	10,412,500
Publicity	57,787,588	105,367,250
Remuneration of Instructors	55,436,000	34,430,000
Rent - Office Accommodation	75,560,400	35,200,772
Sewage Charges - Utilities Supplies and Services	3,052,800	1,800,000
Special Needs material and supplies	9,850,000	16,355,000
Subscription Fees	14,847,242	36,247,279
Technical Service Fees	658,431,647	362,678,822
Telephone Charges (Land Lines)	2,399,999	-
Training Materials	-	300,000
Tuition Fees Training - Domestic	95,021,627	115,492,068
Tuition Fees Training - Foreign	24,981,180	16,850,000
Uniforms and Ceremonial Dresses	45,261,799	57,945,540
Uniforms -Clothing, Bedding, Footwear and Services	3,300,000	11,350,000
Visa Application Fees	1,585,000	2,291,476
Water Charges	5,612,000	600,000
Wire, Wireless, Telephone, Telex Services and Facsimile	1,164,516	1,200,000
	<b>162,120,295,727</b>	<b>370,639,081,122</b>

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**36 - Maintenance Expenses**

Air conditioners	725,000	7,860,460
Computers, printers, scanners, and other computer-related equipment	2,550,000	4,930,000
Motor Vehicles and Water Craft	172,356,990	116,380,871
Outsource maintenance contract services - Buildings	273,149,936	-
Outsource maintenance contract services - Roads and Bridges.	-	366,603,150
Outsource maintenance contract services - Water and Electricity Installations	16,885,798	4,499,608
Tyres and Batteries	88,557,295	69,604,362
	<b>554,225,020</b>	<b>569,878,451</b>

**52 - Other Expenses**

Audit fees Expenses	60,000,000	60,000,000
Burial Expenses	23,520,000	24,970,000
consultancy fees	24,773,967	163,772,422
Field Trials Expenses	52,379,830	94,454,856
Legal fees Expenses	1,333,000	-
Parastatal Rehabilitation	-	5,689,620
Parking Expenses	25,500,000	33,100,000
	<b>187,506,797</b>	<b>381,986,897</b>

**54 - Expected Credit Loss**

Expected Credit Loss	-	10,232,623
	-	<b>10,232,623</b>

**60 - Other Transfers**

Contribution to CF (15%)	350,000,000	1,438,799,453
	<b>350,000,000</b>	<b>1,438,799,453</b>

**62 - Cash and Cash Equivalents**

BoT Own source Collection Account	22,114,750	35,952,992
Development Expenditure Cash Account	2,741,306	415,367,547
Imprest Cash Account	-	44,753,855
Own source Recurrent Expenditure GF	1,099,335	36,216,658
Provision for ECL (Cash)	-	(10,232,623)
USD BOT Collection Account	9,214,841	1,205,190,152
	<b>35,170,232</b>	<b>1,727,248,581</b>

**69 - Prepayments**

Prepayment Consumables	40,409,501	123,671,863
Prepayments Assets - Monetary	-	180,000,000
	<b>40,409,501</b>	<b>303,671,863</b>

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**70 - Inventories**

Consumables	25,229,786	35,678,795
	<b>25,229,786</b>	<b>35,678,795</b>

**87 - Receivables (Long Term)**

Institutional Staff Loans	412,503,056	333,278,360
	<b>412,503,056</b>	<b>333,278,360</b>

**103 - Advance Payment for Acquisition of Property Plant and Equipment**

Prepayments Assets - Monetary	-	(180,000,000)
Payment	-	(180,000,000)

**104 - Advances and Loans Payments made to other parties**

Institutional Loans Addition	79,224,696	333,278,360
Expenses	<b>79,224,696</b>	<b>333,278,360</b>

**34A - Wages, Salaries and Employee Benefits**

Acting Allowance	14,145,000	7,545,000
Casual Labor Discretionary	5,346,450	0
Casual Laborers	24,412,295	29,393,360
Civil Servants	2,235,501,291	1,999,180,210
Electricity	67,309,613	32,524,082
Extra Duty	0	2,180,000
Extra-Duty	1,115,034,444	709,933,245
Food and Refreshment	37,901,773	137,800,000
Furniture Expenses	64,000,000	30,000,000
Honoraria	590,203,776	533,678,000
Housing Allowance discretionary	347,350,000	72,000,000
Expenses		
Leave Travel	42,061,600	38,050,440
Moving Expenses	120,600,000	228,788,500
National Health Insurance	52,793,713	23,854,968
Schemes(NHIF) Employer Expenses		
Non-Civil Servant Contracts	0	8,851,497
On Call Allowance	910,000	0
Outfit Allowance	1,260,000	800,000
Professional Allowances	102,000,000	59,108,250
Risk Allowance	17,370,000	0
Sitting Allowance	251,680,000	357,955,000
Special Allowance	65,503,060	80,690,000
Telephone	220,675,684	147,037,711
Transport Allowance	424,800,000	0
Transport Expenses	0	426,254,651

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<b>Expenses</b>	<b>5,800,858,699</b>	<b>4,925,624,913</b>
<b>Add/Less (Change in Working Capital)</b>		
Staff Claim Addition	(14,722,600)	0
Wages Salaries and Employee Benefit Opening	0	(106,555,000)
	(14,722,600)	(106,555,000)
<b>Payment</b>	<b>5,786,136,099</b>	<b>4,819,069,913</b>
 <b>35A - Use of Goods and Service</b>		
Advertising and publication	5,488,250	26,000,000
Advertising and Publication - Communication & Information	23,504,400	35,358,400
Air Travel Tickets Training - Domestic	105,423,670	109,516,659
Air Travel Tickets Training - Foreign	98,473,462	36,000,000
Air Travel Tickets Travel - In - Country	27,900,000	31,248,540
Air Travel Tickets Travel Out Of Country	25,800,000	18,540,585
Catering Services	239,741,447	0
Cleaning Supplies - Use of goods and Services	3,900,000	3,600,000
Computer Supplies and Accessories	972,000	4,800,000
Conference Facilities	208,599,527	131,419,750
Courier Services	4,984,744	1,339,200
Diesel	577,574,659	161,250,216
Drugs and Medicines	2,707,700	2,630,000
Educational Radio and TV broadcasting programming	350,000	0
Electricity - Utilities Supplies and Services	48,015,961	44,918,336
Entertainment - Hospitality Supplies and Services	0	2,850,000
Exhibitions, Festivals and Celebrations	24,861,500	60,061,008
Fertilizers	151,445,498,558	362,338,710,180
Food and Refreshments	235,177,420	312,103,269
Gifts and Prizes	33,242,178	48,077,823
Ground Transport (Bus, Train, Water)	0	80,763,961
Ground travel (bus, railway taxi, etc)Travel - In - Country	175,949,067	94,605,422
Ground travel (bus, railway taxi, etc)Travel Out Of Country	0	1,600,000
Newspapers and Magazines	5,924,600	6,000,000
Office Consumables (papers, pencils, pens and stationaries)	131,735,385	101,950,827



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Outsourcing Costs (includes cleaning and security services)	106,616,499	84,000,000
Per Diem - Domestic	6,687,884,082	5,534,588,304
Per Diem - Foreign	210,186,173	153,482,554
Posts and Telegraphs	2,983,000	2,733,800
Printing and Photocopying Costs	632,121,648	401,411,581
Production and Printing of Training Materials	388,000	1,000,000
Protective Clothing, footwear and gears	0	10,412,500
Publicity	57,787,588	105,367,250
Remuneration of Instructors	55,436,000	34,430,000
Rent - Office Accommodation	75,560,400	35,200,772
Sewage Charges - Utilities Supplies and Services	3,052,800	1,800,000
Special Needs material and supplies	9,850,000	16,355,000
Subscription Fees	14,847,242	36,247,279
Technical Service Fees	658,431,647	362,678,822
Telephone Charges (Land Lines)	2,399,999	0
Training Materials	0	300,000
Tuition Fees Training - Domestic	95,021,627	115,492,068
Tuition Fees Training - Foreign	24,981,180	16,850,000
Uniforms and Ceremonial Dresses	45,261,799	57,945,540
Uniforms -Clothing, Bedding, Footwear and Services	3,300,000	11,350,000
Visa Application Fees	1,585,000	2,291,476
Water Charges	5,612,000	600,000
Wire, Wireless, Telephone, Telex Services and Facsimile	1,164,516	1,200,000
<b>Expenses</b>	<b>162,120,295,727</b>	<b>370,639,081,122</b>
<b>Add/Less (Change in Working Capital)</b>		
Consumables	(10,449,009)	10,383,591
Prepayment Consumables	(83,262,362)	111,490,760
Supplies of goods and services	58,082,928,320	(262,338,710,180)
Addition		
Uniforms	0	(12,770,000)
Withholding Tax Payable Addition	8,779,671	(8,779,671)
	<b>57,997,996,620</b>	<b>(262,238,385,500)</b>
<b>Payment</b>	<b>220,118,292,347</b>	<b>108,400,695,622</b>

**52A - Other Expenses**

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Audit fees Expenses	60,000,000	60,000,000
Burial Expenses	23,520,000	24,970,000
consultancy fees	24,773,967	163,772,422
Field Trials Expenses	52,379,830	94,454,856
Legal fees Expenses	1,333,000	0
Parastatal Rehabilitation	0	5,689,620
Parking Expenses	25,500,000	33,100,000
Settlement of Other Payables	60,000,000	0
<b>Expenses</b>	<b>247,506,797</b>	<b>381,986,897</b>
<b>Add/Less (Change in Working Capital)</b>		
Other Payables Opening	(60,000,000)	2,511,758
	(60,000,000)	2,511,758
<b>Payment</b>	<b>187,506,797</b>	<b>384,498,655</b>
<b>74 - Effect of Foreign Currency Changes</b>		
Foreign Exchange differences (Gain)	101,881,746	11,384,650
- Monetary		
<b>Payment</b>	<b>101,881,746</b>	<b>11,384,650</b>
<b>77 - Acquisition of Property, Plant and Equipment</b>		
Acquisition of land Monetary	0	-7,809,190
Audio visual equipment Monetary	-6,000,000	0
Beds, desks, shelves, tables and Chairs Monetary	-63,296,900	0
Computer and Photocopy	0	-66,252,159
Computers and Photocopiers Monetary	-106,741,261	0
Motor vehicles, Monetary	-13,938,000	-320,000,001
Office buildings and structures Monetary	-446,106,817	-506,036,117
Office equipment Monetary	-107,515,713	-108,495,020
Office Furniture and Fittings	0	-854,001
Office Furniture and Fittings Monetary	0	-223,893,489
Plant and Machinery	0	-755,656,974
<b>Payment</b>	<b>-743,598,691</b>	<b>-1,988,996,951</b>
<b>78 - Acquisition of Intangibles</b>		
Computer Software Monetary	-31,055,497	-29,540,074
<b>Payment</b>	<b>-31,055,497</b>	<b>-29,540,074</b>

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89 - Payables and Accruals					
Descriptions	Opening TZS	Paid TZS	Rejected TZS	Addition TZS	Balance TZS
Other payables	60,000,000.00	-	-	-	60,000,000.00
Staff Claims	126,000,000.00	-	-	14,722,600.00	140,722,600.00
Supplies of Goods and Service	262,338,710,180.00	58,082,928,320.00	-	-	204,255,781,860.00
Withholding Tax payables	8,779,671.00	8,779,671.00	-	-	-
<b>Total</b>	<b>262,533,489,851.00</b>	<b>58,091,707,991.00</b>	<b>-</b>	<b>14,722,600.00</b>	<b>204,456,504,460.00</b>

ANALYSIS OF OUTSTANDING LIABILITIES (PAYABLE AGE ANALYSIS) FOR THE YEAR ENDED 30 JUNE 2024								
S/N	CATEGORIES	TOTAL (TZS)	<30DAYS	>30<60 DAYS	>60<90 DAYS	>90<365 DAYS	>365< 2YEARS	ABOVE 2 YEARS
		TZS	TZS	TZS	TZS	TZS	TZS	TZS
1	Other payables	60,000,000.00	-	-	-	-	60,000,000.00	-
2	Staff Claims	140,722,600.00	-	-	-	14,722,600.00	126,000,000.00	-
3	Supplies (Fertilizer)	204,255,781,860.00	-	-	-	-	204,255,781,860.00	-
	GRAND TOTAL	204,456,504,460.00	-	-	-	14,722,600.00	204,441,781,860.00	-

ANALYSIS OF OUTSTANDING LIABILITIES (PAYABLE AGE ANALYSIS) FOR THE YEAR ENDED 30 JUNE 2024								
S/N	CATEGORIES	TOTAL (TZS)	<30DAYS	>30<60 DAYS	>60<90 DAYS	>90<365 DAYS	>365< 2YEARS	ABOVE 2 YEARS
		TZS	TZS	TZS	TZS	TZS	TZS	TZS
1	Institutional Loans Additions	412,503,056.43	-	-	-	182,280,000.00	230,223,056.43	-
	GRAND TOTAL	412,503,056.43	-	-	-	182,280,000.00	230,223,056.43	-

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## TANZANIA FERTILIZER REGULATORY AUTHORITY

Grand total

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<b>78 - Intangible Assets</b>							<b>TOTAL</b>
<b>COST/ADJUSTMENT/REVALUATION</b>	<b>FERTILIZER INFORMATION SYSTEM TZS</b>	<b>KASPERSKY INTERNET SECURITY 2023 TZS</b>	<b>MS OFFICE 2019 PROFESSIONAL TZS</b>	<b>BIOMETRIC SYSTEM TZS</b>	<b>SOPHOS XGS 136W WITH YEARS LICENCE TZS</b>		
Gross carrying value, 1 July, 2023	155,170,000.00	3,540,000.00	26,000,074.00	1,628,990.00	-	186,339,064.00	
Additions -Purchases	-	9,157,826.12	-	-	21,897,670.44	31,055,496.56	
<b>Grand total</b>	<b>155,170,000.00</b>	<b>12,697,826.12</b>	<b>26,000,074.00</b>	<b>1,628,990.00</b>	<b>21,897,670.44</b>	<b>217,394,560.56</b>	
<b>ACCUMULATED AMORTIZATION</b>							
Balance as 1 July, 2023	15,517,000.00	3,540,000.00	6,500,019.00	1,628,990.00	-	27,186,009.00	
Additions - Amortization	7,758,500.00	-	6,500,019.00	-	-	14,258,519.00	
<b>Grand total</b>	<b>23,275,500.00</b>	<b>3,540,000.00</b>	<b>13,000,038.00</b>	<b>1,628,990.00</b>	<b>-</b>	<b>41,444,528.00</b>	
<b>CARRYING VALUE</b>							
<b>Grand total</b>	<b>131,894,500.00</b>	<b>9,157,826.12</b>	<b>13,000,036.00</b>	<b>-</b>	<b>21,897,670.44</b>	<b>175,950,032.56</b>	

<b>78 - Intangible Assets</b>							<b>TOTAL</b>
<b>COST/ADJUSTMENT/REVALUATION</b>	<b>FERTILIZER INFORMATION SYSTEM</b>	<b>KARSPEKY INTERNET SECURITY 2023</b>	<b>MS OFFICE 2019 PROFESSIONAL</b>	<b>BIOMETRIC SYSTEM</b>			
Gross carrying value, 1 July, 2022	155,170,000.00	-	-	-	1,628,990.00	156,798,990.00	
Additions -Purchases	-	3,540,000.00	26,000,074.00	-	-	29,540,074.00	
<b>Grand total</b>	<b>155,170,000.00</b>	<b>3,540,000.00</b>	<b>26,000,074.00</b>	<b>-</b>	<b>1,628,990.00</b>	<b>186,339,064.00</b>	
<b>ACCUMULATED AMORTIZATION</b>							
Balance as 1 July, 2022	7,758,500.00	-	-	-	1,628,990.00	9,387,490.00	
Additions - Amortization	7,758,500.00	3,540,000.00	6,500,019.00	-	-	17,798,519.00	
<b>Grand total</b>	<b>15,517,000.00</b>	<b>3,540,000.00</b>	<b>6,500,019.00</b>	<b>-</b>	<b>1,628,990.00</b>	<b>27,186,009.00</b>	
<b>CARRYING VALUE</b>							
<b>Grand total</b>	<b>139,653,000.00</b>	<b>-</b>	<b>19,500,055.00</b>	<b>-</b>	<b>-</b>	<b>159,153,055.00</b>	

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