REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE

ISO 9001:2015 Certified

# TANZANIA FERTILIZER REGULATORY AUTHORITY

# REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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March 2026

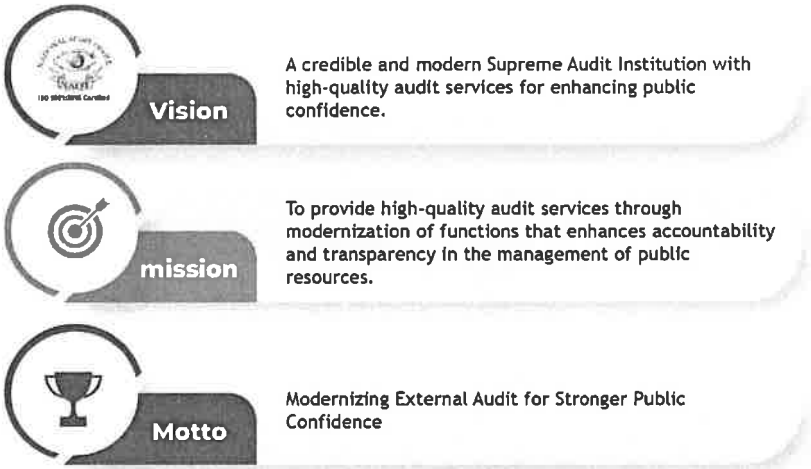
AR/CG/TFRA/2024/25

## 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.

## NAOT Vision, Mission & Motto






## Core Values

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

**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.

**Results-Oriented:** We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.

**Team Work Spirit:** We value and work together with internal and external stakeholders.

**© 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

| | |
|---|---|
| **Board** | Board of Directors of TFRA |
| **CAG** | Controller and Audit General |
| **GPSA** | Government Procurement Services Agency |
| **IITA** | International Institute of Tropical Agriculture |
| **IPSAS** | International Public Sector Accounting Standards |
| **ISSAI** | International Standards on Supreme Audit Institutions |
| **NAO** | National Audit Office |
| **NBAA** | National Board of Accountant and Auditors |
| **SUA** | Sokoine University of Agriculture |
| **TBS** | Tanzania Bureau of Standards |
| **TFRA** | Tanzania Fertilizer Regulatory Authority |
| **TFRS** | Tanzania Financial Reporting Standard |
| **TORITA** | Tobacco Research Institute of Tanzania |
| **TPRI** | Tropical Pesticides Research Institute |
| **TRIT** | 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 Tanzania Fertilizer Regulatory Authority, which comprise the statement of financial position as at 30 June 2025, the statement of financial performance, statement of changes in net assets, 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 the Tanzania Fertilizer Regulatory Authority as at 30 June 2025, 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 in 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 Director's Report, statement of management responsibility, Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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

## Responsibilities of Management and those charged with Governance for the Financial Statements

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

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

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

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance

with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

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

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

## 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 conducted a compliance audit of the procurement of works, goods and services at Tanzania Fertilizer Regulatory Authority for the year ended 30 June 2025 as per the Public Procurement Act, the Public Procurement Regulations, 2024 and related directives. I examined each phase of the procurement life cycle, including advertising of tenders, evaluation of bids, award of contracts and contract management, to confirm that the entity issued competitive solicitations, applied approved evaluation criteria, secured authorizations before award and maintained complete transaction records.

**Conclusion**

Based on the audit procedures performed, I conclude that Tanzania Fertilizer Regulatory Authority complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

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

**Subject matter: Budget formulation and execution**

I conducted a compliance audit of budget formulation and execution at Tanzania Fertilizer Regulatory Authority for the year ended 30 June 2025 as per the Budget Act, Cap. 348, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorizations before incurring obligations, recorded transactions accurately and reported variances as required.

Based on the audit procedures performed, I conclude that, except for the matters described below, Tanzania Fertilizer Regulatory Authority generally complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

## Under-Release of Budget Funds

Section 44 of the Budget Act, 2015 requires that, after budget approval, MDAs, RSs, LGAs, and PISCs must prepare an action plan and cash flow plans in line with the approved budget, which will serve as the basis for the release of funds by ACCGEN to the Accounting Officers.

The review of budget performance revealed that the TFRA had budgeted to receive TZS 232,392,124,000 as a subvention from other government entities during the financial year 2024/25, based on the approved budget. However, only TZS 2,604,926,730 was released, resulting in an under-release of TZS 229,787,197,270 (99%).

This significant funding gap constrained the Authority's ability to implement activities as per the approved budget, and failure to cover existing debts owed to Agro-dealers who supplied fertilizer to farmers.

Charles E. Kichere
**Controller and Auditor General,**
**Dodoma, United Republic of Tanzania.**
**March 2026**

## 2.0 FINANCIAL STATEMENTS

## REPORT BY THOSE CHARGED WITH GOVERNANCE AND FINANCIAL STATEMENT

### 1.0 Introduction

Those Charged with Governance present the report together with the audited Financial Statements for the year ended 30 June 2025, 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;
- 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 | 14 March, 2023 | 13 March, 2026 |

| NO | NAME | TITLE | AGE | EDUCATION | STARTING YEAR | END DATE |
|---|---|---|---|---|---|---|
| | | | | Management and Assessment | | |
| 9 | CPA. John M. Cheyo | Member | 60 | Master of Science in Finance Management | 14 March, 2023 | 13 March, 2026 |
| 10 | **Mr. Joel R. Laurent | Secretary | 51 | Masters of Law in Corporate Law and Finance | 29 September 2023 | To date |

## 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 2025, 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 ofits day-to-day activities;
(ii) Reviewed and approved statutory performance reports and financialstatements;
(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, 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 | CPA. John M. Cheyo | Member | 60 | Master of Science in Finance Management | Tanzanian |
| 2 | Ms. Lilian G. Peter | Member | 39 | MSc. In Public Health and Food Security | Tanzanian |
| 3 | Eng. Juma O.Mdeke | Chairperson | 45 | MSc in Water Science and Engineering | 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 | Eng. Juma O.Mdeke | Chairperson | 45 | MSc in Water Science and Engineering | Tanzanian |
| 2 | Bw.Patrick A.Mwalunenge | Member | 48 | Certificate of Secondary Education | Tanzanian |
| 3 | Dr. Shimo P. Shimo | Member | 49 | PhD in Agro Product Quality and Food Safety | Tanzanian |
| 4 | Ms. Hadija J. Pheri | Member | 32 | BBA in Accounting | 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.

## 11.0 Operational Performance for the year ended 30 June 2025

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

### 11.1 Implementation of Fertilizer Subsidy Program

During the year under review the Authority continued to implement fertilizer subsidy system so as to ensure affordability of fertilizer to farmers which will increase productivity and value in agriculture activites; improve food security and increase availability of rawmaterials for fertilizer manufacturing plants; subsidy program is issued based on actual farmers needs based on registration data and Government budget.

This program involves basal and top dressing fertilizers. Fertilizer prices have remained stable throught the year under review; this stability has increased fertilizer usage without affecting Government budget set aside for the same; during the 2024/25 subsidy program involved solid imported fertilizer and locally produced solid fertilizers . The average indicative prices for the cropping season under review period is show to the **Table No. 5**

**Table No.5 Average Indicative Prices for Cropping Season 2024/25**

| Type of Fertilizer | Average Market Price (TZS) | Farmer's Contribution (TZS) | Government Subsidy (TZS) |
|---|---|---|---|
| DAP | 110,465 | 75,212 | 35,254 |
| UREA | 81,700 | 70,251 | 11,449 |
| ZINC COATED UREA | 91,507 | 73,812 | 17,695 |
| CAN | 66,496 | 60,269 | 6,226 |
| SA | 53,186 | 50,285 | 2,899 |
| NPKs | 91,507 | 75,233 | 16,274 |
| MoP | 89,676 | 74,036 | 15,640 |
| TSP | 94,438 | 75,229 | 19,208 |

| Type of Fertilizer | Average Market Price (TZS) | Farmer's Contribution (TZS) | Government Subsidy (TZS) |
|---|---|---|---|
| Tobacco NPK | 151,822 | 142,822 | 9,000 |
| MINJINGU - NAFAKA PLUS | 85,285 | 50,285 | 35,000 |
| MINJINGU - TOP DRESSING | 85,187 | 50,187 | 35,000 |
| MINJINGU - PAMBA | 95,590 | 73,042 | 22,548 |
| MINJINGU - CHAI | 104,737 | 73,042 | 31,695 |
| MINJINGU - COFFEE | 98,227 | 73,042 | 25,185 |
| MINJUNGU - TOBACCO | 118,497 | 109,497 | 9,000 |
| FOMI OTESHA | 100,116 | 65,116 | 35,000 |
| FOMI KUZIA | 81,608 | 46,608 | 35,000 |
| FOMI NENEPESHA | 90,221 | 71,617 | 18,605 |
| YARAMILA OTESHA | 110,465 | 75,212 | 35,254 |
| YARAMILA JAVA | 97,047 | 74,352 | 22,695 |
| YARAMILA WINNER | 97,047 | 74,352 | 22,695 |

During the financial year under review, imported fertilizers were sold to farmers at prices ranging from TZS 53,186 to TZS 151,822 per 50kg bag. In comparison, during the 2023/2024 financial year, imported fertilizers were sold at prices between TZS 52,000 and TZS 104,000 per 50kg bag.

Locally produced fertilizers were sold to farmers at prices ranging from TZS 81,608 to TZS 118,497 per 50kg bag during the year under review. In the 2023/2024 financial year, locally produced fertilizers were sold at prices between TZS 78,000 and TZS 97,000 per 50kg bag, before the application of government subsidies.

The Government continued to make payments to companies participating in the subsidy program. During the year under review, a total of 1,497,131MT of fertilizer were sold to farmers, with a subsidy value amounting to TZS 725,794,350,363. In the 2023/2024 financial year, a total of 901,334.27 MT were sold, with a subsidy value of TZS 521,464,097,283.

During the period under review, the Authority received claims worth of TZS 658,256,437,444 from 25 companies participating in the subsidy program out of these claims ; a total of TZS 658,256,437,444 were verified and a total of claims of TZS 454,241,774,696.49 were paid from verified claims to fertilizer importers as presented in the Table No. 2. In the financial year 2023/24 the Authority received claims worth of TZS 456,630,113,719 from 20 companies participated into the subsidy program; out these claims a total of TZS 421,432,571,217 were verified, and a total of TZS 309,774,724,796.49 were paid from verified claims to fertilizers importers.

## 11.2 Operationalization of Fertilizer Laboratory

During the financial year ended 30 June 2025, the Authority continued to conduct efficient assurance services through its soil and fertilizer laboratory which is in its second year of operation; a total of 326 ( 2023/24: 300 ) samples were received against a target to receive 200 samples which is a remarkable performance and demonstrate stakeholders confidence in TFRA laboratory which continue to ensure its operations are efficient by equipping its staff with requisite knowledge and expertise to operate the laboratory; out of 326 samples received 183 samples were for inspection; 143 samples received were for registration.

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

Under review period, a total of of 22 registered companies continued to distribute and supply fertilizer in the country under subsidy program.The Authority also registered a total of 7,287 agrodelears across the country; among of registered agrodealers a total of 7,039 outlets distributed fertilizer across the country; Whereas in during the financial year 2023/2024 , the Authority registered a total of 6,623 agrodealers across the country; among of the registered agrodealers a total of 5,109 distributed fertilizer across the country

*Table No. 2. Amount of Government Subsidy paid as of June 30,2025*

TABLE NO.6ANALYSIS OF SALES AND PAYMENT OF SUBSIDIZED FERTILIZER TO PARTICIPATING COMPANY

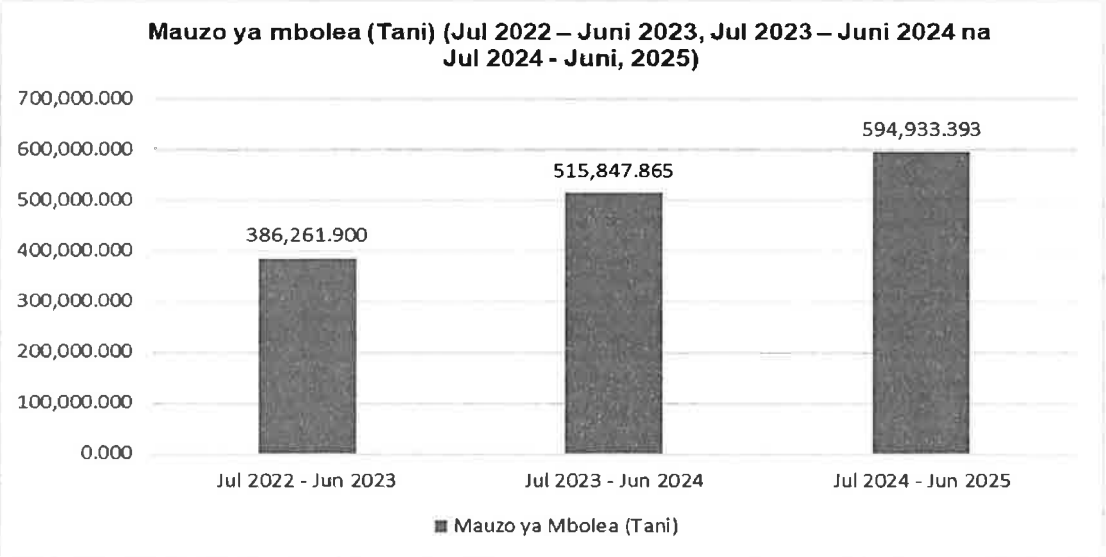
| SN | COMPANY NAME | FERTILIZER SALES (Tonnage) | SUBSIDIES VALUE | AMOUNT DUE AS TA 30-06-2025 | AMOUNT OF DEBT VERIFIED | DUBLICATE QR CODES | CLAIMS WITH ISSUES | AMOUNT PAID | AMOUNT CLAIMED UP TO JUNE 2025 |
|---|---|---|---|---|---|---|---|---|---|
| 1 | OCP TZ LTD | 249,276.86 | 195,783,550,373 | 188,014,678,627 | 188,014,678,627 | 1,518,263,961 | 2,451,345,444 | 96,723,092,098.06 | 95,090,848,869.94 |
| 2 | ETG Inputs LTD | 405,707.28 | 157,456,765,350 | 141,298,567,684 | 141,298,567,684 | 619,277,974 | 221,738,429 | 111,363,187,712.00 | 45,252,561,235.00 |
| 3 | Yara TZ LTD | 188,736.48 | 113,138,894,022 | 108,580,395,137 | 108,580,395,137 | 297,881,810 | 139,446,748 | 72,128,824,489.80 | 40,572,740,974.20 |
| 4 | Mohamed Ent | 187,230.29 | 72,604,021,260 | 68,626,430,563 | 68,626,430,563 | 538,659,092 | 1,209,508,823 | 53,973,224,489.80 | 16,882,628,855.20 |
| 5 | One Acre TZ | 25,766.30 | 24,206,179,517 | 23,818,575,487 | 23,818,575,487 | 105,839,242 | | 22,382,324,489.80 | 1,718,015,785.20 |
| 6 | Premium Agro | 141,579.33 | 37,992,008,745 | 35,395,654,946 | 35,395,654,946 | 63,609,965 | 115,941,212 | 25,785,724,489.80 | 12,026,733,078.20 |
| 7 | Staco | 74,189.50 | 14,337,303,860 | 8,773,387,040 | 8,773,387,040 | 21,361,225 | | 7,045,376,276.56 | 7,270,566,358.44 |
| 8 | Minjingu | 56,784.68 | 41,557,059,596 | 32,562,262,428 | 32,562,262,428 | 186,567,589 | | 25,245,857,000.00 | 16,124,635,007.00 |
| 9 | Afrisan Ginning | 41,359.85 | 11,731,730,335 | 10,308,512,849 | 10,308,512,849 | 45,918,803 | | 8,902,252,000.00 | 2,783,559,532.00 |
| 10 | TFC | 59,277.48 | 28,482,506,606 | 20,529,446,033 | 20,529,446,033 | 60,112,653 | 6,454,163 | 15,137,124,140.00 | 13,278,815,650.00 |
| 11 | DRTC | 11,896.73 | 4,051,494,276 | 3,793,519,516 | 3,793,519,516 | 15,788,907 | | 3,065,084,511.74 | 970,620,857.26 |
| 12 | Itracom | 27,389.49 | 17,696,595,443 | 12,444,044,949 | 12,444,044,949 | 39,951,696 | | 9,479,250,000.00 | 8,177,393,747.00 |
| 13 | Afri(EA) Limited | 2,669.85 | 894,343,015 | 856,694,938 | 856,694,938 | 88,305,576 | | 657,120,150.00 | 148,917,289.00 |
| 14 | Elements | 3,757.35 | 807,551,475 | 681,382,815 | 681,382,815 | 670,449 | | 648,767,583.00 | 158,113,443.00 |
| 15 | CHAURU | 334.05 | 253,076,489 | 253,076,489.00 | 253,076,489.00 | | | 248,550,975.93 | 4,525,513.07 |
| 16 | Paramount | 199.5 | 233,614,500 | 233,614,500 | 233,614,500 | | | 233,614,500.00 | - |
| 17 | Menatrade | 1,406.55 | 203,096,541 | 203,050,745.00 | 203,050,745.00 | 2,563,805 | 6,375,915 | 192,503,942.00 | 1,652,879.00 |
| 18 | Wembey | 1,580.80 | 302,192,098 | 302,189,199.00 | 302,189,199.00 | 10,164,700 | | 284,895,848.00 | 7,131,550.00 |
| 19 | GSM | 7,303.43 | 789,682,789 | 519,597,944 | 519,597,944 | | | 300,000,000.00 | 489,682,789.00 |
| 20 | NRM Agro Limited | 4,073.50 | 399,109,548 | 335,621,222 | 335,621,222 | | | 335,000,000.00 | 64,109,548.00 |
| 21 | Bajuta International | 656.6 | 385,167,295 | 385,167,295 | 385,167,295 | | | 100,000,000.00 | 285,167,295.00 |
| 22 | Guavay Company | 413.45 | 47,238,040 | 7,316,758 | 7,316,758 | | | 5,000,000.00 | 42,238,040.00 |
| 23 | S&Q Group | 0.05 | 2,569 | 2,569 | 2,569 | | | - | 2,569.00 |
| 24 | Main Petrochem LTD | 1,767.10 | 404,630,332 | 326,445,111 | 326,445,111 | | | - | 404,630,332.00 |
| 25 | VAYU Limited | 54.3 | 30,352,272 | 6,802,600 | 6,802,600 | | | 5,000,000.00 | 25,352,272.00 |
| 26 | Highland Estate | 3,720.30 | 2,006,184,017 | | | | | | 2,006,184,017.00 |
| 27 | TUMBAKU | | | | | | | 13,000,000,000.00 | |
| TOTAL | | 1,497,131 | 725,794,350,363 | 658,256,437,444 | 658,256,437,444 | 3,614,937,447 | 4,150,810,734 | 467,241,774,696.49 | 263,786,827,485.51 |

## 11.4 Registration of Farmers in the Digital System

During the period under review the Authority registered farmers 718,659 to make a total of farmers registered in the digital fertilizer subsidy system to reach 4,670,143; while in the financial year 2023/24 the Authority registered farmers 570,528 and made a total number registered into the digital fertilizer system to be 3,910,340.

Nevertheless, during the period under review a total number of 742,177 farmers benefitted with the subsidized fertilizer; while in the financial year 2023/24 a total number of 731,134 benefitted with the subsidized fertilizer

Moreover, during the period under review; a total of 594,933 MT of fertilizer with subsidied value of TZS 203,851,081,056 was distributed and sold to farmers ; Likewise, farmers contributed a total of TZS 802,106,709,442 this makes total value of fertilizer sold during the reporting period to reach TZS 1,005,939,175,258. Meanwhile, in the financial year 2023/2024 A total of 515,847.865 MT with subsidied value of TZS 151,000,997,733 was distributed and sold to farmers. Likewise, farmers contributed a total of TZS 664,070,679,608 this makes total value of fertilizer sold during the reporting period to reach TZS 815,071,677,342 as show in the ***Exihibit No.1****Sold fertilizer and Government subsidy for cropping season 2023/2024 &2024/2025*

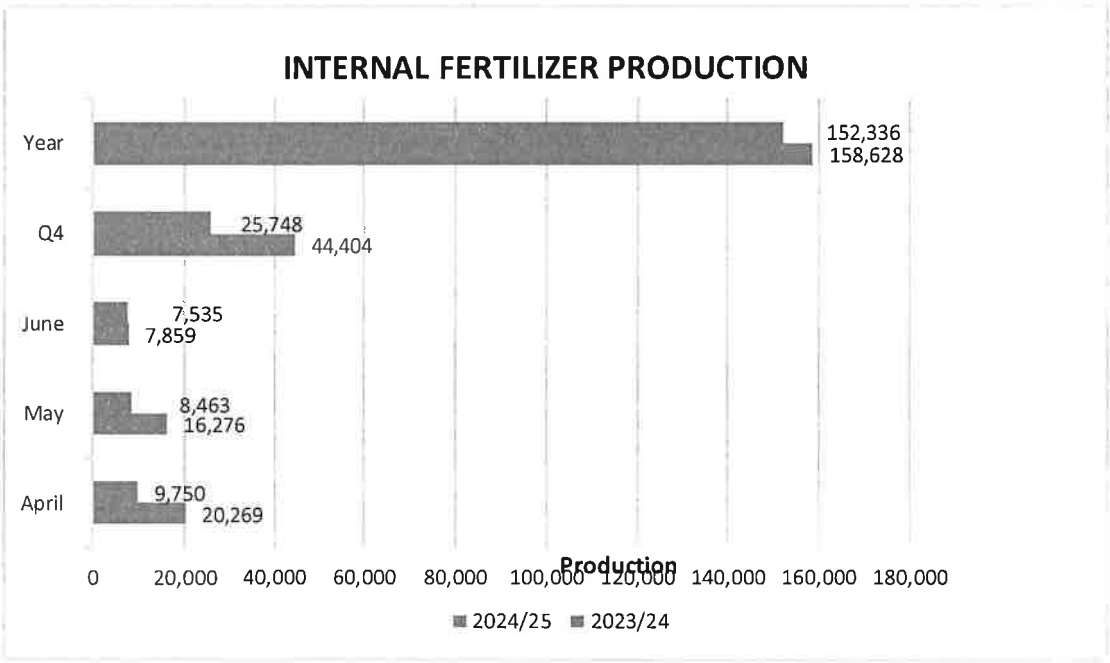



***Source: TFRA performance reports***

## 11.5 Increase of Fertilizer availability in the Country

During the year under review the Authority continued to monitor progress of internal manufacturing of fertilizer and fertilizer supplements as well as encouraged extensive internal participation to increase its fertilizer production so as to reduce dependency on imported fertilizer;it conducted routine inspection and monitoring of 33 ( 2023/24: 300 ) these industries were in the Dar es Salaam, Pwani, Tanga,

Kilimanjaro, Arusha, Manyara, Singida, Dodoma, Morogoro and Iringa regions and were inspected with the aim of ascertaining their investment progress and compliance into local manufacturing guideline for fertilizer production targetting small and middle industries; out of 33 industries visited; one has ceased production.During the year under review a total of 152,336 MT (2023/24: 158,628) of fertilizer was produced locally which is equivallent to 15.23% of annual requirement ; the production has gone down by 4% due to availability of sufficient balance of fertilizer.




## 11.6 Increase of Fertilizer Usage in the Country

Usage of fertilizer in the country has increased tremendously, whereby in the financial year 2024/25, fertilizer utilization increased by from 594,933 MT in the financial year 2023/24 to 580,529 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.

However the Fertilizer prices have remained stable throught the year under review; this stability has increased fertilizer usage without affecting Government budget set aside for the same; during the 2024/25 subsidy program involved solid imported fertilizer and locally produced solid fertilizers.

## 11.7 Increase of Fertilizer Manufacturing Industries in the country

The Authority continued with efforts to ensure it attracts new investors by creating conducive environment for adequate investment into the fertilizer sector in the country and there were 39 compared to 24 in 2023/24 fertilizer manufacturing companies which had invested in fertilizer production and fertilizer supplements out of the said companies; five (5) produces fertilizer (dolomite and gypsum) in Dodoma and Tanga regions. 27 industries produce liquid fertilizer and 7 produces granular fertilizer out of this substantive investment there are two large manufacturers and 12 medium manufactures and 25 small manufactures. Authority has continued attracting potential Investors and have made productive engagements with 25 compared to 16 in (2023/24) companies who are seeking to invest in fertilizer sub sector by investing in manufacturing plant, equipments and general fertilizer trading.

The Authority participated in several forums which were geared towards increasing country potential into attracting more investment opportunities in the fertilizer subsector and successfully witnessed the *''Natural Gas Heads of Agreement (HoA)''*between TPDC and ESSA group; it also participated in the World food expo Osaka Japan; in a bid to ensure visibility and fertilizer growth in the country the Authority also engaged with 14 potential investors i who have shown interest in investing in the country as shown in Table No.7

**Table No 7: Potential investors in Fertilizer**

| No. | Name | Type of Investment/Trade |
|---|---|---|
| 1. | ALFA GROUP NEWZLAND LTD | Production of organic fertilizer brand ECO GROW |
| 2. | SAPUTRA GLOBAL HARVEST - Indonesia | Technology transfer for manufacturing fertilizer using coal. |
| 3. | ONSHORE CONSTRACTION COMPANY PRIVATE LTD - India | Investing in a fertilizer plant for producing Ammonia Urea. |
| 4. | BA PRERNA from India in collaboration with the Mbeya Municipal Council in Tanzania | Investing in a plant for producing organic compost manure using waste generated by the Mbeya Municipal Council |
| 5 | INDORAMA GROUP OF COMP | Investing in a plant for producing Urea fertilizer using locally available raw material |
| 6 | GLOBAL MULTISERV | Investing in the installation of large-scale equipment for unloading, loading, and bagging (Bagging Facility) of cargo at the port and dry port |
| 7. | ASP HOLDINGS SRI LANKA | investing in an NPK fertilizer blending plant |
| 8. | AGRO DRAGON COMPANY LIMITED (China) | Engaging in the distribution business of plant stimulants they produce, called 'Gleecoplus', which are recommended for use in tobacco cultivation in the country. These are developed through a bioformulation process, a technology aimed at being environmentally friendly |

| No. | Name | Type of Investment/Trade |
|---|---|---|
| 9 | SHOURA CHEMICALS COMPANY (Egypt) | Engaging in the fertilizer business (as an importer) in Tanzania; including both soil-applied and foliar fertilizers |
| 10 | KEYNOTE SOLUTIONS GROUP - USA/(Zimbabwe) | Engaging in the fertilizer business (as an importer) of NPK and Urea fertilizers in Tanzania. |
| 11 | FERT PRO LTD - Fujin, China | investing in an NPK fertilizer blending plant |
| 12 | SOIL SOLUTION -UAE/India | Investing in a plant for producing Urea fertilizer |
| | PT ESSA INDUSTRIES TBK - Indonesia | Investing in a fertilizer plant for producing Ammonia Urea. |
| 13. | 3D SYSTEMS CONTRACTORS LTD in collaboration with Nyashimba East Africa Ltd. | investing in an NPK fertilizer blending plant |
| 14 | INTERNATIONAL TRADING - Egyp | Importing special NPK fertilizer based on soil conditions and crops." |

**TRAINING ON PROPER UTILIZATION OF FERTILIZER**

To improve the performance of regulated FFS manufacturers, the Authority continued to implement capacity-building measures. The Authority conducted capacity building to small and medium manufactures on how to submit correct production data as per the requirement of the fertilizer Act a total of 20 small and medium manufacturers attended the authority further; with in conjuction with Itracom Fertilizer Ltd and Minjingu Mines and Fertilizer Company Limited ( MMFL) trained 103 in sound application of fertilizer and fertilizer supplements; the training was conducted in Mbeya and Songwe ; Mbarali district also at the Madibira irrigation scheme; Iwezi ward and coffee irrigation scheme for farmers at Mbozi District.

### 11.8 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 594,933 MT was **established for cropping season 2024/25.**

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

During the period under review, TFRA published 6 advertisements (2023/24: 5) including Fertilizer indicative prices and bulk procurement tender.

### 11.10 Preparation of TV and Radio Programs to educate the public

The Authority continued to engage the public as per the mandate under the TFRA Act Section 4(k) which directs the Authority in collaboration with Local Authorities, conduct public educational campaigns on the sound application and management of fertilizers and fertilizer supplements; to that end TFRA launched Kilimo ni Mbolea campaign on 23rd July, 2024; the aim of this campaign was to promote good fertilizer practices, increase awareness on TFRA activities and engage farmers on subsidy

program as well as enhance fertilizer utilization; the campaign was conducted in 9 regions which are Mara, Simiyu, Kagera, Tabora, Ruvuma, Morogoro, Lindi, Manyara, and Katavi and reached a record number of 492,700 farmers; also increased farmers registration by registering a total number of 1,206 farmers in the digital fertilizer subsidy system.

### 11.11 Managing and Participation in the Trade Fair

The Authority participated in the 48th Dar es Salaam International Trade Fair (DITF). During the exhibition, TFRA conducted public awareness activities by providing information and educational resources, including newsletters and brochures and reached out to more than 1004 visitors through its exhibition booth. The exhibition also attracted farmers, agribusiness dealers, and potential investors from China, India, and Russia, who showed interest in investing in Tanzania's fertilizer sub-sector. During the event 127 farmers and 85 fertilizer traders were registered while 21 traders renewed their business licenses. During the event 64 visitors submitted new applications for fertilizer trade business.

The Authority also participated in Utumishi Week exhibition aimed at educating farmers on the fertilizer subsidy system and digital registration with the theme "Promote the use of digital systems to enhance access to information and accountability". During the Week the Authority reached 662 visitors and registered 427 into the system.

The authority also participated in agricultural exhibition, (Nanenane) which was held across eight major exhibition zones including Dodoma, Mbeya, Arusha, Morogoro, Lindi, Tabora, Simiyu and Mwanza. This initiative is aimed at enhancing visibility, promote proper fertilizer use and strengthen partnerships with key stakeholders within the agriculture sector.

**Regional and International Cooperation Meetings**

During the period, the Authority participated in various International and Regional meetings including SADC meeting on harmonization of fertilizer regulatory frameworks held in and Food System held in Rwanda.

### 11.12 Preparation and Execution of the Annual Mbolea Day

During the Financial Year 2024/ 2025, The Tanzania Fertilizer Regulatory Authority (TFRA) successfully coordinated the commemoration of Global Fertilizer Day through a series of national-level events designed to raise awareness, promote collaboration, and strengthen the fertilizer subsector. As part of the celebrations, TFRA organized Fertilizer Exhibitions held at the Babati Grounds in Manyara Region from 10th to 13th October 2024. These exhibitions brought together fertilizer companies and service providers to showcase their products and innovations to farmers and other stakeholders, with the aim of promoting best practices and maximizing fertilizer use for increased agricultural productivity. 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.

### 11.13 Publishing of Newsletters

During the period under review the Authority prepared and published two newsletters; Mbolea yetu and Habari na Matukio which were circulated to stakeholders. Twenty-four (24) feature articles were also published on newspapers like The Guardian, Uhuru, Nipashe, The Citizen and Mwananchi.

The Authority also prepared 21 radio and TV awareness programs which were aired through various media outlets such as TBC, Channel Ten, AZAM TV, Star TV, Radio Free Africa and Kiss FM as well as social media platforms.

### 11.14 Strengthening of ICT Systems

The Authority operates in electronic information systems that include the use of ICT networks and equipment. The Authority's information system is interconnected with a network that ties various systems together and provides communication to other computers outside the network. Most of the authority regulatory processes are automated and integrated to smooth regulatory activities. These include (i) the Fertilizer Information System (FIS) which used to provide the following services; fertilizer dealer registration and licensing, fertilizer registration, fertilizer import and export permits, Inspection, re-bagging, disposal and Laboratory, FIS is integrated with other government systems (ORS, GePG, NAPA, AISS, TAUSI, TANCIS) for smooth operations. (ii) Agricultural Inputs Subsidy System which is used in provision of subsidized fertilizer, seeds and pesticides to farmers, this system incorporates the farmers registration module and its linked to other government systems like NIDA, eKilimo and FIS.

During the period, the Authority continued to use government-developed systems, which include Government Electronic Payment Gateway (GePG), Government Mailing System (GMS), Planning and Reporting System (PLANREP), National e-Procurement System of Tanzania (NeST), GPSA Integrated Management Information System (GIMIS), Government Asset Management Information System (GAMIS), Government Accounts Consolidation System (GACS), Employee Self Service (ESS) and Office of Treasury Registrar Management Information System (OTRMIS). In addition, the Authority has improved the communication network within TFRA offices, which includes the head office and the zonal office.

### 11.15 Compounding of offences

During the reporting period, the Authority coordinated the compounding of offenses conducted by fertilizer dealers in five zones a total of 128 offences equivalent to 85% of the annual target and the report was submitted to the Director of Public Prosecution in accordance with section 40A (6) of the fertilizer Act.

### 11.16 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.

### 11.17 Enabling NeST training for employees

During the year the Authority continue to use NeST system as per requirement of Public Procurement Regulatory Authority and all procured good and services were procured by using tendering system (NeST)

### 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. During the period, the Authority had earned revenue of TZS 14.54 billion (2023/24 TZS 10.21 billion).

### 11.18 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:

**Table 8: The Authority Risks, Impacts and Mitigations**

| S/N | Strategic Objective | Risk Description, Cause, and Potential Impact | Risk Level | Mitigation / Control |
|---|---|---|---|---|
| 1 | **Availability, Accessibility and Affordability to Quality Fertilizer and Fertilizer Supplements Enhanced** | The possibility of fertilizer sample nonconformity presents a significant risk may lead to reduced agricultural productivity due to poor quality fertilizer. | Low | The TFRA laboratory equipped with lab equipment which minimizes chances of sub contract the fertilizer samples to other laboratories |
| 2 | **Availability, Accessibility and Affordability to Quality Fertilizer and Fertilizer Supplements Enhanced** | The possibility of delays in fertilizer analysis results from subcontracted laboratories which can hinder decision-making. | Low | The TFRA laboratory equipped with lab equipment which minimizes chances of sub contract the fertilizer samples to other laboratories |
| 3 | **Availability, Accessibility and Affordability to Quality Fertilizer and Fertilizer Supplements Enhanced** | The possibility of health hazards presents a significant risk, as exposure to unsafe substances, contamination, or improper handling may lead to adverse health effects for consumers, workers, and the environment. | Low | Routine training on laboratory procedures to laboratory staff |

| S/N | Strategic Objective | Risk Description, Cause, and Potential Impact | Risk Level | Mitigation / Control |
|---|---|---|---|---|
| 4 | **Availability, Accessibility and Affordability to Quality Fertilizer and Fertilizer Supplements Enhanced** | The possibility of selling fertilizer in an open bag poses a significant risk, as exposure to external contaminants, moisture, and improper handling can compromise product quality. | Low | TFRA has Strengthened training to fertilizer dealers and inspection in all TFRA zones. |
| 5 | **Operational Efficiency and Institutional Capacity to deliver services strengthened** | The possibility of delays in completing the administration block at the fertilizer laboratory poses operational risks, potentially disrupting workflow efficiency, delaying regulatory processes, and hindering timely decision-making | Medium | Competent project management team is in place to manage timely completion<br><br>TFRA has put in place revenue enhancement strategy to get funds for its operations so as to manage timely completion<br><br>The Authority has ensured adherence with contract terms. |
| 6 | **Operational Efficiency and Institutional Capacity to deliver services strengthened** | The possibility of a decline in TFRA's revenue presents a significant risk, as reduced financial resources could impact operational efficiency, regulatory enforcement, and service delivery | Medium | The initiatives have been made in reviewing the internal sources of income and submitted to the Ministry of Agriculture for review. |
| 7 | **Regulatory Services in the Fertilizer Industry Enhanced** | The possibility of subsidized fertilizers being delivered to the wrong farmers presents a significant risk, as misallocation can lead to inefficiencies in agricultural support programs, financial losses, and reduced productivity for intended beneficiaries | Low | The initiatives have been made by strengthening the Agricultural inputs subsidy system where fertilizer dealers use OTP |

| S/N | Strategic Objective | Risk Description, Cause, and Potential Impact | Risk Level | Mitigation / Control |
|---|---|---|---|---|
| 8 | **Communication and Information Management Systems Improved** | The possibility of data loss presents a significant risk, as missing or corrupted information can disrupt operations, compromise decision-making, and lead to financial or regulatory consequences | Low | TFRA awareness program through TV station, Radio and TFRA magazine. Also, some information is being published on TFRA website. |
| 9 | **Availability, Accessibility and Affordability to Quality Fertilizer and Fertilizer Supplements Enhanced** | The possibility of untimely delivery of fertilizer subsidies to farmers presents a significant risk, as delays can disrupt planting schedules, reduce crop yields, and negatively impact food security. | Low | Involvement of cooperative unions.<br><br>-The system allows multiple outlets(agents). |
| 10 | **Communication and Information Management Systems Improved** | The possibility of false information spreading about TFRA's activities which lead to reputational risk, as misinformation can undermine public trust, distort perceptions. | Low | TFRA awareness program through TV station, Radio and TFRA magazine. Also, some information is being published on TFRA website. |

*Source: TFRA performance reports 2024/25*

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.

### *11.18.1 Capacity Building on Risk Management*

During the reporting period, the Authority invested in strengthening its risk oversight capabilities. Specialized training was provided to members of the Board Audit and Risk Committee, focusing on their crucial role of oversight in risk management. The goal was to boost the Committee's capacity to effectively oversee this vital function within the Authority. Additionally, Risk Champions participated in a dedicated risk management workshop tailored to build their capacity in assisting risk owners in planning, implementing, and reporting on risk management matters.

### *11.18.2 Role of Those Charged with Governance on Risk Management Function*

The Board of Directors plays a vital oversight role in risk management. Their key responsibilities include defining the organization's risk appetite, approving the comprehensive risk management framework and policies, and continuously monitoring the effectiveness of risk mitigation strategies. They are also crucial in fostering a risk-aware culture, ensuring accountability from management, and approving business continuity plans to safeguard the Authority's ability to fulfil its regulatory mandate.

For the financial year 2024/25, the Authority's Board of Directors, operating through its Audit and Risk Committee, continued to provide strong oversight and accountability for the risk management function. This was achieved by consistently reviewing, discussing, and issuing directives on quarterly risk management reports, thereby actively safeguarding the organization's strategic objectives and operational resilience.

### 11.19 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 to operate for the foreseeable future.

### 11.20 Employees' Welfare

#### 11.20.1 Management and Employees' Relations

During the financial year 2024/25, 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 finalized as per Public Service Regulations, thus bringing the number of permanent and pensionable staff to 108.

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 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 organized 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.

### 11.20.2 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.

During the year, the Authority contributed TZS 54.05 billion (2023/24: TZS 52.79 billion) to NHIF for medical insurance to Staff.

### 11.20.3 Health and Safety

The Authority takes all reasonable and practicable steps to safeguard the health, safety, and welfare of its employees. A safe and comfortable working environment is maintained for all employees by providing adequate and proper protective gear, training, and supervision. The Authority observes the Safety and Health Administration (OSHA) guidelines and ensures full compliance. During the year, there were no incidents related to health and safety reported.

### 11.20.4 Employees Benefit Plans

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

### 11.20.5 Persons with Special Needs

The Authority provides equal opportunities to persons with disabilities. In case of the recruitment of a disabled person or a member of staff who becomes disabled, the authority will ensure the provision of a conducive working environment and capacity-building programs. As such, the Authority shall treat them equally with other staff and meet their requirements depending on their needs. Furthermore, the Authority provides aid to disabled staff to allow them to recover from the disability or to facilitate them in any other special support to enable them to perform their duties effectively.

### 11.20.6 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 2025, the Authority had the following staff by gender:

| Gender | 2024/25 | 2023/24 |
|---|---|---|
| Female | 33 | 31 |
| Male | 75 | 71 |
| **Total** | 108 | 102 |

It is the Authority's policy to encourage women in management positions. As of June, 2025, out of 24 members of extended management, 10 were female, which is equivalent to 41% of the management members.

### 11.20.7 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.

### 11.20.8 Corporate Social Responsibility

It is the Policy of the Authority to contribute towards activities that improve people's livelihood in communities in the areas of health, environment and education.

During the period under review, the Authority provided contributions worth a total of TZS 10 million (2023/24: TZS 6,100,000 million) towards health, education, and social sectors. This created a positive image and values for the Authority to the public.

### 11.20.9 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, USAID, IFDC, AFAP, AFRIQOM, JICA, AfDB, AGRA, and International Fund for Agricultural Development (IFAD) and Africa Food System (AGRF).

## 11.21 Environmental Conservation

The Authority is keen to ensure the judicial 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.

### 11.22 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.

### 11.23 Fiduciary Responsibility

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 20 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.

### 11.24 Subsequent Events

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

## *12.0* Commentary on the financial statements as of 30 June 2025

### Introduction

The financial statements of the Tanzania Fertilizer Regulatory Authority (TFRA) record the Authority's performance for the financial year ending 30 June 2025. Below is an overview of the Authority's financial statements for the financial year ended 30 June 2025 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.

## 12.1 Significant Aspects of the Statement of Financial Performance

### 12.1.1 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 | 164,769,499,183.00 | 92 |
| Own source | 14,531,113,348.00 | 8 |
| **TOTAL** | **179,300,612,531.00** | |

### Own source revenue

The Authority's operations are financed mainly through levies collected from regulated service providers in the fertilizer subsector which form 1.43% of the total revenue. Other sources of financing include export fees by 2%, Import fees by 42% and other income (Penalties) by -24%, laboratory charges by 126%, Miscellaneous Receipts by 3565%.

During the period, the regulatory levy rates that were being charged are indicated in Table 7:

The revenue earned has increased by 44% compared to the revenue earned during the financial year 2023/24, as shown in Table 9

### Table 9: Revenue Performance

| Description | 30.06.2025 TZS'000 | 30.06.2024 TZS'000 | Increase/ Decrease % |
|---|---|---|---|
| Export Permit Levy | 197,065,870 | 193,889,791 | 2 |
| Import Permit Levy | 13,766,790,610 | 9,728,865,660 | 42 |
| Fine and Penalties | 70,000,000 | 92,212,511 | -24 |
| Sales of tender documents | 36,242,435 | 0 | 0 |
| Field Trials | 106,229,084 | 0 | 0 |
| Laboratory Charges | 234,265,349 | 103,717,557 | 126 |
| Miscellaneous Receipts | 120,520,000 | 3,288,779 | 3,565 |
| Total Revenue | 14,531,113,348 | 10,121,974,298 | 44 |

The revenue earned from the regulatory levy increased by 44% to TZS 14.53 billion from 10.12 billion earned in FY 2023/24. The regulatory levy earned during the period came from the import permit fees, TZS 13.76 billion (2023/24: TZS 9.73 billion), export permit fees, TZS 193.89 million (2023/24: TZS 3.1 million).

Revenue earned from Field Trials was TZS 106.23 million (2023/24: TZS 0 million), indicating an increase of 0%, while the revenue earned from Sales of tender documents was TZS 36.24 million (2023/24: TZS 0 million), indicating an increase of

0%. The revenue earned from Fine and Penalties was TZS 70.00 million (2023/24: TZS 92.21 million), showing a decrease of 24%. During the year, TZS 120.52 million (2023/24: TZS 3.28 million) was earned from Miscellaneous receipt, showing an increase by 3565%. Such an increase is attributed to recording as revenue income from use of TFRA's Digital Fertilizer Subsidy system by other public entities; Revenue earned from Laboratory charges was TZS 234.26 million (2023/24: TZS 103.71 million), indicating an increase of 126% this increase is attributed to the fact that the laboratory is now operating in full scale.

### 12.1.2 Revenue Grants.

However, during this period the authority received a government subvention to support the monitoring and evaluation of fertilizer distributions. During the financial year 2024/2025 TZS. 162.16 billion (2023/24: TZS. 213.80 billion was receive as revenue grants.

### *12.1.3* 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 353,575,263 compared to TZS 187,506,797 for the financial year 2023/24, which was increased by TZS 166,068,466 (equivalent to 88.5%) due to an increase of Audit fee charges, field trial expenses due to an increase of fertilizer test and increase of number of samples attended in laboratory.

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

The wages, salaries and employee Benefits expenses as at June 2025 was TZS. 6,954,812,924 (2024/23 TZS. 5,800,858,699). The Variance is TZS. 1,153,954,225 due to an increase in salary annual increment, staff promotion, appointment of Substantive Posts, and recruitment and transfer of new staff.

### 12.1.5 Use of Goods and Services

As at June 2025, the Use of Goods and Services amounted to TZS 224,466,560,468, compared to TZS 162,120,295,727 recorded in the financial year 2023/24. This represents a significant increase of TZS 62,346,264,741.

The variance is primarily attributable to the expansion of operations related to fertilizer subsidies, which substantially increased expenditure under this category. The rise reflects the government's strategic intervention to support agricultural productivity and ensure food security, consistent with national development priorities.

### 12.1.6 Maintenance expenses

The Maintenance expenses as at June 2025 was TZS. 893,829,774 compared to TZS. 554,225,020 in the financial year 2023/24. The variance is due to maintenance of Motor vehicle, machine (Generator) and office building.

## 12.2 Significant Aspects of the Statement of Financial Position

### (a)Assets

### 12.2.1 Cash and Cash Equivalents

The cash and Cash Equivalents as at June 2025, have increased by 19904% to TZS 7,035,547,733 as compared to TZS 35,170,232 as at June 2024. The balances have been adjusted with the expected credit loss (ECL) on the balances held at Commercial Banks. During the year, TZS 7.29 million was recorded as ECL on the cash balances at the Bank. Details of bank account balances are shown in Note 62 of these financial statements.

### 12.2.2 Prepayments

The prepayments during the year 2024/25 were TZS 301,798,053, which was prepayment for fuel and Motor vehicle. The prepayment increased by TZS 261,388,552 (equivalent to 646.8%) from TZS 40,409,501 in the year 2023/24 because, in the year 2024/25, there is a prepayment of asset monetary. **Note 69 of these financial statements provide more details.**

### 12.2.3 Inventories

The inventories, including consumables, during the year 2024/25 were TZS 51,535,449 compared to TZS 25,229,786 in the year 2023/24. The inventories maintained by the Authority during the period consisted of stationery. Note 70 of these Financial Statements provides more details.

### 12.2.4 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 2024/25 was TZS 9,164,524,985 compared to TZS 4,474,052,665 in the prior year.

The carrying values of the Asset as follows; value of Property, Plant, and Equipment in 2023/24 increased by TZS 4,743,012,793 due to acquisitions of new assets. The property and equipment balance during the year comprised of Buildings TZS 2.57 billion (2023/24: TZS 1.84 billion); Land TZS 3.74 Billion (2023/24: TZS 36.30 million; Plant and Machinery TZS 632.22 million (2023/24: TZS 755.65 million); Motor vehicles TZS 2.37 billion (2023/24: TZS 1.98 billion); Motor cycle TZS 29.68 million (2023/24:

TZS 108.88 million); Furniture and Fittings TZS 349.55 million (2023/24: TZS 525.03 million); Office equipment TZS 292.14 million (2023/24: TZS 408.74 million) and Computers TZS 419.25 million (2023/24: TZS 597.06 million).

The additions during the year were TZS 5,175,183,058 billion, the total amount contributed by the additions monetary was TZS. 1,184,174,086 and additions non-monetary was TZS. 3,991,008,972 (2023/24: TZS 743.60 million) while the depreciation charge was TZS 484.71 million (2023/24: TZS 370.75 million).

The additions of Land during the year 2024/25 TZS 3,700,000,000 billion non-Monetary (2023/24: TZS 0 million); Plant and Machinery TZS 0 million (2023/24: TZS 0 million); Motor vehicles TZS 384.08 million (2023/24: TZS 193.94 million); Furniture and Fittings TZS 42.94 million (2023/24: TZS 63.30 million); Office equipment TZS 47.35 million (2023/24: TZS 113.42 million) and Computers TZS 216.35 million (2023/24: TZS 106.74 million) and building TZS. 784.47 million (2023/24: TZS 446.11 million.

### 12.2.5 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 2024/25 was TZS 152,093,510 compared to TZS 175,950,033 in the prior year. The value of Intangible Assets 2024/25 increased by TZS 23,856,523 due to the amortisations of asset.

The addition during the year was TZS 2.9 million (2023/24: TZS 16.79 million) while the amortization charge was TZS 26.77 million (2023/24: TZS 14.25 million).

The recorded additions were related to the cost of anti-virus for office computers was shown on Note 78 of these financial statements.

### 12.2.6 Receivables

The receivables balance as at 30 June 2025 was TZS 280,540,128 reported as at June 2025 compared TZS 412,503,056 in the financial year 2023/24. The variance is due to settlement of Institutional Loans. Details of trade and other receivables are shown in Note 87 of these Financial Statements.

### 12.2.7 Payables and Accruals

Payable and Accruals as at 30 June 2025 was TZS. 264,166,393,697 (2023/24 TZS. 204,456,504,460 The variance is due to the increase in supply of goods and service and NHC payable balance of TZS. 131.75 million.

### 12.2.7 Deferred Income

Deferred income as at 30 June, 2025 was TZS. 6,000,000,000 (2023/2024 TZS. 0) The variance arises because funds for subsidized fertilizer were deposited on June 30, 2025, and therefore its implementation will take place in the 2025/2026 financial year.

### 12.2.8 The Authority's Capital Structure

The Authority's capital structure for the year ended 30 June 2025 consists of

TZS.985million of TZS (2023/24: TZS 985 million) and an Accumulated surplus of TZS 254.11 billion (2023/24: TZS 200.28 billion). The accumulated surplus has been changing as a result of the Authority's operating performance results.

## 12.3 Significant Aspects of the Cashflow statements

The Authority's cash flows can be analysed from the cash flows statement under three areas: cash flows from operating activities, cash flows from investing activities and cash flows from financing activities. During the period, there were no significant issues that impacted the total cash flow position of the Authority.

Generally, the authority was able to meet its obligations that matured during the year. The Authority's cash flow position as at 30 June 2025 shows net cash of TZS 7.04 billion (2023/24: TZS 35.17 million), indicating that the Authority had enough money available to finance its operations and complete its transactions that fall due.

The Authority's cash flow analysis is summarized below:

### (i) Cash Flows from Operating Activities

The net cash inflows from operating activities of TZS 8.4 billion (2023/24: TZS -1.03 billion), were derived as the difference between cash receipts amounting to TZS 181.6 billion (2023/24: TZS 226.05 billion) from import and export permit, Fees, field trials and Penalties and Other income; and payments amounting to TZS 173.16 billion (2023/24: TZS 227.08 billion) for settlement of staff costs, operating expenses, administrative expenses, contribution to the Treasury Registrar and other financial expenses.

### (ii) Cash Flows from Investing Activities

The net cash outflows from investing activities of TZS 1.44 billion (2023/24: TZS 774.65 million), were derived from cash capital expenditures, including the acquisition of property, plant and equipment amounting to TZS 1.18 billion (2023/24: TZS 743.59 million) and the acquisition of intangible assets amounting to TZS 2.9 million (2023/24: TZS 31.06 million).

### (iii) Cash Flows from Financing Activities

There were no cash flows from financing activities during the financial year ended 30 June 2025 and 2023/24

## 12.3 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:

## 12.4 Comparison of Budget and Actual Amount

The original budget of the agency for the financial year ended 30June 2025 was TZS 248,060,691,899. The actual receipts at the end of the financial year were TZS 181,600,612,531 while the actual expenditure (payments) at the end of financial year was TZS 174,592,724,032 leaving a balance TZS 7,007,888,493 as at 30 June,2025.

## 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.

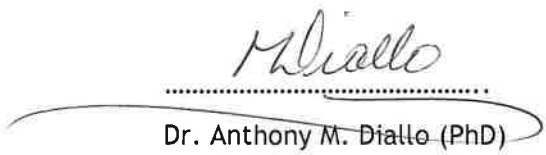
The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS).

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:** _____

## 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 2025 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: .....
Position: Manager of Finance and Accounts
NBAA Membership No: ACPA2011

**Date:** .....

UNITED REPUBLIC OF TANZANIA
MINISTRY OF AGRICULTURE
TANZANIA FERTILIZER REGULATORY AUTHORITY

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2025

| | Note | 2024/25 TZS | 2023/24 TZS |
|---|---|---|---|
| **ASSETS** | | | |
| Current Asset | | | |
| Cash and Cash Equivalents | 62 | 7,035,547,733 | 35,170,231 |
| Prepayments | 69 | 301,798,053 | 40,409,501 |
| Inventories | 70 | 51,535,449 | 25,229,786 |
| Total Current Asset | | **7,388,881,234** | **100,809,518** |
| Non-Current Asset | | | |
| Property, Plant and Equipment | 77 | 9,164,524,985 | 4,474,052,665 |
| Intangible Assets | 78 | 152,093,510 | 175,950,033 |
| Receivables (Long Term) | 87 | 280,540,128 | 412,503,056 |
| Total Non-Current Asset | | 9,597,258,623 | 5,062,505,755 |
| **TOTAL ASSETS** | | **16,986,039,858** | **5,163,315,273** |
| | | | |
| **LIABILITIES** | | | |
| Current Liabilities | | | |
| Payables and Accruals | 89 | 264,166,393,697 | 204,456,504,459 |
| Deferred Income | 93 | 6,000,000,000 | 0 |
| Total Current Liabilities | | 270,166,393,697 | 204,456,504,459 |
| **TOTAL LIABILITIES** | | **270,166,393,697** | **204,456,504,459** |
| Net Assets | | **(253,180,353,839)** | **(199,293,189,187)** |
| **NET ASSETS/EQUITY** | | | |
| Capital Contributed by: | | | |
| Taxpayers/Share Capital | | 985,732,500 | 985,732,500 |
| Accumulated Surpluses / Deficits | | (254,166,086,339) | (200,278,921,687) |
| **TOTAL NET ASSETS/EQUITY** | | **(253,180,353,839)** | **(199,293,189,187)** |

.....
Dr.Antony M.Diallo(PhD)
**Chairman**

.....
**Date**

.....
Joel R.Laurent
**Executive Director**

UNITED REPUBLIC OF TANZANIA
MINISTRY OF AGRICULTURE
TANZANIA FERTILIZER REGULATORY AUTHORITY

## STATEMENT OF FINANCIAL PERFORMANCE AS AT 30 JUNE, 2025

| | Note | 2024/25 TZS | 2023/24 TZS |
|---|---|---|---|
| **REVENUE** | | | |
| **Revenue** | | | |
| Revenue Grants | 16 | 162,164,572,453 | 213,804,724,796 |
| Revenue from Exchange Transactions | 17 | 14,334,047,478 | 9,728,865,660 |
| Fair value Gains on Assets and Liabilities | 24 | 0 | 10,232,623 |
| Gain on Foreign Currency Translation | 27 | 0 | 101,881,746 |
| Premiums, Fees and Claims (Insurance) | 30 | 197,065,870 | 193,889,791 |
| Other Revenue | 31 | 0 | 199,218,846 |
| Subvention from other Government entities | 32 | 2,604,926,730 | 2,119,147,335 |
| **Total Revenue** | | **179,300,612,531** | **226,157,960,797** |
| **TOTAL REVENUE** | | **179,300,612,531** | **226,157,960,797** |
| **EXPENSES AND TRANSFERS** | | | |
| **Expenses** | | | |
| Wages, Salaries and Employee Benefits | 34 | 6,954,812,924 | 5,800,858,699 |
| Use of Goods and Service | 35 | 224,466,560,468 | 162,120,295,727 |
| Maintenance Expenses | 36 | 893,829,774 | 554,225,020 |
| Loss on Foreign Currency Translation | 45 | 220,629 | 0 |
| Other Expenses | 52 | 353,575,263 | 187,506,797 |
| Expected Credit Loss | 54 | 7,290,363 | 0 |
| Depreciation of Property, Plant and Equipment | 77 | 484,710,738 | 370,748,402 |
| Amortization of Intangible Assets | 78 | 26,777,023 | 14,258,519 |
| **Total Expenses** | | **233,187,777,182** | **169,047,893,164** |
| Transfer | | | |
| Other Transfers | 60 | 0 | 350,000,000 |
| Total Transfer | | 0 | 350,000,000 |
| **TOTAL EXPENSES AND TRANSFERS** | | **233,187,777,182** | **169,397,893,164** |
| Share of Surplus of Associate and Joint Venture | 108 | 0 | 0 |
| **Surplus / (Deficit) for the period** | | **(53,887,164,652)** | **56,760,067,633** |

.....
Dr.Antony M.Diallo(PhD)
**Chairman**

.....
**Date**

.....
Joel R.Laurent
**Executive Director**

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, 2025

| | Tax Payer's Fund TZS | Accumulated Surplus/(Deficit) TZS | Total TZS |
|---|---|---|---|
| **Opening Balance as at 01 Jul 2024** | **985,732,500** | **(200,278,921,687)** | **(199,293,189,187)** |
| Surplus/ Deficit for the Year | 0 | (53,887,164,652) | (53,887,164,652) |
| **Closing Balance as at 30 Jun 2025** | **985,732,500** | **(254,166,086,339)** | **(253,180,353,839)** |
| **Opening Balance as at 01 Jul 2023** | **985,732,500** | **(257,038,989,320)** | **256,053,256,820** |
| 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)** |

.....

Dr. Anthony M. Diallo (PhD)

**CHAIRMAN**

.....

**Date**

.....

Joel R. Laurent

**EXECUTIVE DIRECTOR**

## CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

| | Note | 2024/25 TZS | 2023/24 TZS |
|---|---|---|---|
| **CASH FLOW FROM OPERATING ACTIVITIES** | | | |
| **RECEIPTS** | | | |
| Subvention from other Government entities | 32 | 2,604,926,730 | 2,119,147,336 |
| Revenue Grants | 16 | 164,464,572,453 | 213,804,724,796 |
| Revenue from Exchange Transactions | 17 | 14,334,047,478 | 9,728,865,660 |
| Premiums, Fees and Claims (Insurance) | 30 | 197,065,870 | 193,889,791 |
| Other Revenue | 31 | 0 | 199,218,846 |
| **Total Receipts** | | **181,600,612,531** | **226,045,846,429** |
| **PAYMENTS** | | | |
| Wages, Salaries and Employee Benefits | 34A | 7,095,445,524 | 5,786,136,099 |
| Use of Goods and Service | 35A | 164,959,741,817 | 220,118,292,347 |
| Other Transfers | 60 | 0 | 350,000,000 |
| Other Expenses | 52A | 338,575,263 | 187,506,797 |
| Maintenance Expenses | 36 | 893,829,775 | 554,225,020 |
| Advances and Loans Payments made to other parties | 104 | (131,962,928) | 79,224,696 |
| **Total Payments** | | **173,155,629,451** | **227,075,384,959** |
| **NET CASH FLOW (USED IN)/GENERATED FROM OPERATING ACTIVITIES** | | **8,444,983,079** | **(1,029,538,532)** |
| **CASH FLOW FROM INVESTING ACTIVITIES:** | | | |
| **Investing Activities** | | | |
| Advance Payment for Acquisition of Property Plant and Equipment | 103 | (250,000,000) | - |
| Acquisition of Property, Plant and Equipment | 77 | (1,184,174,086) | (743,598,691) |
| Acquisition of Intangibles | 78 | (2,920,500) | (31,055,497) |
| **Total Investing Activities** | | **(1,437,094,586)** | **(774,654,188)** |
| **NET CASH FLOW (USED IN) INVESTING ACTIVITIES** | | **(1,437,094,586)** | **(774,654,188)** |
| Net (Decrease)/Increase in cash and cash equivalent | | 7,007,888,493 | (1,804,192,718) |
| Effect of Foreign Currency Changes | 74 | (220,629) | 101,881,746 |
| Cash and cash equivalent at the beginning of the period | | 35,170,232 | 1,737,481,204 |
| **Cash and cash equivalent at the end of the period** | | **7,042,838,096** | **35,170,232** |

.....
Dr.Antony M.Diallo(PhD)
**CHAIRMAN**

.....
**Date**

.....
Joel R. Laurent
**EXECUTIVE DIRECTOR**

## RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/ (DEFICIT) FOR THE PERIOD ENDED 30 JUNE 2025

| | 2024/25<br>TZS | 2023/24<br>TZS |
|---|---|---|
| **Surplus/ Deficit for the Period** | **(53,887,164,652)** | **56,760,067,633** |
| **Add/ (Less) Non-Cash Item** | | |
| Amortization of Intangible Assets | 26,777,023 | 14,258,519 |
| Current Grants From other General Government | (3,700,000,000) | 0 |
| Depreciation of Property, Plant and Equipment | 484,710,738 | 370,748,402 |
| Expected Credit Loss Impairment | 7,290,363 | 0 |
| Fair value Gains on Assets and Liabilities | 0 | (10,232,623) |
| Gain on Foreign Currency Translation | 0 | (101,881,746) |
| **Add/ (Less) Change in Working Capital** | | |
| Deferred Income | 6,000,000,000 | 0 |
| Inventories | (26,305,663) | 10,449,009 |
| Payables and Accruals | 59,418,880,266 | (58,076,985,390) |
| Prepayments | (11,388,552) | 83,262,362 |
| Receivables | 131,962,928 | (79,224,696) |
| **Net Cash Flow from Operating Activities** | **8,444,983,079** | **(1,029,538,533)** |

UNITED REPUBLIC OF TANZANIA
MINISTRY OF AGRICULTURE
TANZANIA FERTILIZER REGULATORY AUTHORITY

## STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2025

| | Budgeted Amount | | | Actual Amount on Comparison Basis (A) | Different Final Budget & Actual (B-A) |
|---|---|---|---|---|---|
| | Original Budget | Reallocations/ Adjustments | Final Budget (B) | | |
| | TZS | TZS | TZS | TZS | TZS |
| **RECEIPTS** | | | | | |
| Subvention from other Government entities | 232,392,124,000 | 0 | 232,392,124,000 | 2,604,926,730 | 229,787,197,270 |
| Revenue Grants | 0 | 0 | 0 | 164,464,572,453 | (164,464,572,453) |
| Revenue from Exchange Transactions | 15,459,944,820 | 0 | 15,459,944,820 | 14,334,047,478 | 1,050,397,342 |
| Premiums, Fees and Claims (Insurance) | 176,250,000 | 0 | 176,250,000 | 197,065,870 | ((20,815,870)) |
| Carry over budget | 32,373,079 | 0 | 32,373,079 | | |
| Other Revenue | 0 | 0 | 0 | 0 | 0 |
| Total Receipts | **248,060,691,899** | 0 | **248,060,691,899** | **181,600,612,531** | **66,352,206,289** |
| PAYMENTS | | | | | |
| Wages, Salaries and Employee Benefits | 8,324,584,633 | (1,044,146,455) | 7,280,438,178 | 7,095,445,524 | 184,992,654 |
| Use of Goods and Service | 233,410,725,241 | 886,808,493 | 234,297,533,734 | 164,959,741,817 | 69,337,791,917 |
| Other Transfers | 2,311,856,974 | 0 | 2,311,856,974 | 0 | 2,311,856,974 |
| Other Expenses | 777,612,035 | (28,862,038) | 748,749,997 | 338,575,263 | 410,174,734 |
| Maintenance Expenses | 1,654,857,678 | 93,000,000 | 1,747,857,678 | 893,829,775 | 854,027,903 |
| Grants and Transfers | 283,378,596 | 0 | 283,378,596 | 0 | 283,378,596 |
| Advances and Loans Payment made to other parties | 0 | 0 | 0 | (131,962,928) | (131,962,928) |

| | | | | | |
|---|---|---|---|---|---|
| Acquisition of Property, Plant and Equipment | 1,282,676,742 | 93,200,000 | 1,375,876,742 | 1,434,174,086 | (58,297,344) |
| Acquisition of Intangibles | 15,000,000 | 0 | 15,000,000 | 2,920,500 | 12,079,500 |
| **Total Payment** | **248,060,691,899** | | **248,060,691,899** | **174,592,724,037** | **76,342,157,033** |
| **Net Receipts/Payments** | **0** | **0** | **0** | **7,007,888,493** | **(7,115,761,572)** |

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Dr. Anthony M. Diallo (PhD)

**CHAIRMAN**

.....

**Date**

.....

Joel R. Laurent

**EXECUTIVE DIRECTOR**

## 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 1,050,397,342 that is equal to 6.9% 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 184,992,654 that is equal to 2.5% caused by budgeted items which include staff promotion and appointment of Substantive Post done at the end of the year 2024/2025. 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 69,337,791,917 above the budgeted amount equal to 30% caused by Revenue Grants received to settle subsidies fertilizer claims to the input's agro dealers.

### (iv) Other Transfer

The variance between budgeted amount and actual amount of TZS 2,311,856,974 that is equal to 100% caused by budgeted items which include 15% contribution from the own source collection that authority under collect from the targeted amount and settlement of supplier debt.

### (v) Other Expenses

The variance between budgeted amount and actual amount of TZS 410,174,734 that is equal to 55% caused by budgeted items were not procured as per Authority plan.

### (vi) Acquisition of Property, Plant and Equipment

The variance between budgeted amount and actual amount of TZS (58,297,344) that is equal to an increase of 4.24% of the budgeted amount was caused by purchasing office equipment.

## NOTES OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) DISCLOSURE

The Tanzania Fertilizer Regulatory Authority (TFRA) continues to integrate Environmental, Social and Governance (ESG) standard into its operations in line TFRS 1 amended on 2024, IFRS S1 and S2, the Fertilizer Act, 2009 and the Environment Act. Key initiatives undertaken during the reporting period include:

### (i) Environmental

During the financial year, the Authority facilitated the coordination and supervision of the destruction of substandard fertilizers from various companies, including:

- **Urea fertilizer**: A total of 6,560 metric tons belonging to ETG, stored at the port, was destroyed by Chilambo Company at the designated destruction site in Kisarawe District Council, Pwani Region, between June and August 15, 2024.
- **DAP fertilizer (18N:48$P_2O_5$)**: From Tanzania Fertilizer Company (TFC), 543 bags (50 kg each) with Batch Number TFC 2023/01, which had caked and become unusable, were destroyed on March 7, 2025. The destruction was carried out through alternative use on an avocado farm owned by Mr. Sinai Kalesa Mgohele, located in Kidegembiye Village, Kidegembiye Ward - Njombe District Council.
- **DAP fertilizer (18N:48$P_2O_5$)**: From Mohamed Enterprises Tanzania Limited (METL), 273 bags (50 kg each), also caked, were destroyed on June 23, 2025. The destruction was carried out through alternative use on a cattle fodder farm located in Kigoma.

The general impact of farmers using substandard fertilizers, aligned with financial reporting and ESG standards as follows:-

| ESG Dimension | Risk | Impact | Financial effect | Mitigation action |
|---|---|---|---|---|
| Environmental | Soil degradation and pollution | Reduced soil fertility, nutrient imbalance, water contamination, increased greenhouse gas emissions | Long-term asset impairment (land productivity), potential environmental liabilities | Destruction of substandard fertilizers; promotion of certified inputs; soil testing program |
| Social | Food security and farmer livelihoods | Lower yields, reduced household income, increased | Revenue reduction, higher operating costs, liquidity | Alternative use of caked fertilizers (e.g., fodder, non-food crops); farmer training; |

| ESG Dimension | Risk | Impact | Financial effect | Mitigation action |
|---|---|---|---|---|
| Governance | Regulatory non-compliance and weak oversight | Breach of agricultural quality standards, reputational damage, lack of accountability in supply chain | Exposure to penalties, reputational risk, disclosure obligations | Strengthened quality assurance, regulatory enforcement, transparent reporting of risks |
| Financial Performance | Inefficient input utilization | Poor crop performance, wasted expenditure on ineffective fertilizers | Asset impairment, reduced profitability, increased COGS, cash flow challenges | Corrective measures through destruction, alternative use, and improved procurement practices. |

## (ii) SOCIAL

### Health and Safety

The Authority takes all reasonable and practicable steps to safeguard the health, safety, and welfare of its employees. A safe and comfortable working environment is maintained for all employees by providing adequate and proper protective gear, training, and supervision. The Authority observes the Safety and Health Administration (OSHA) guidelines and ensures full compliance. During the year, there were no incidents related to health and safety reported.

However, 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.

**Corporate Social Responsibility**

It is the Policy of the Authority to contribute towards activities that improve people's livelihood in communities in the areas of health, environment and education.

During the period under review, the Authority provided contributions worth a total of TZS 10 million (2023/24: TZS 6.1 million) towards health, education, and social sectors. This created a positive image and values for the Authority to the public.

## (iii) Governance

The Board is responsible for ensuring that a comprehensive system of internal control policies and procedures is operative and for compliance with sound corporate governance principles by;

- Publication of audited financial statements in the FY 2024/25 Annual Report, reinforcing transparency and accountability.
- Regular stakeholder communication through press releases, public notices, media, and quarterly newsletters (*Mbolea Yetu*).
- Strengthened compliance monitoring of fertilizer dealers and importers, supported by internal governance structures.
- Maintenance of ethical standards through a Code of Conduct, Fraud Risk Management Framework, and Integrity Committee, with no fraud incidents reported.
- Active risk management via updated risk registers and periodic reporting to the Board.
- Oversight of ESG strategy by the Board of Directors and Audit & Risk Committee, guiding the development of an ESG Policy and Frameworks.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

### 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 2,560.34. 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 | 15 |
| Furniture, fixtures, and equipment | 10 |
| Motor vehicles | 10 |
| Motor cycle | 7 |
| 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 EMPLOYEE BENEFITS

### 6.1 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.

### 6.2 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.

### 6.3 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.

### 6.4 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.

## 7.0 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.

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.

## 8.0 PURCHASES FROM OTHER GOVERNMENT INSTITUTIONS

During the year, TFRA purchased goods and services from other Government institutions valued at 1,497,254,234.88. 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 CORPORATION LIMITED | 60,000,000.00 | 0 | 0 |
| 2 | BUREAU FOR INDUSTRIAL COOPERATION | 786,240.00 | 0 | 0 |
| 3 | NATIONAL AUDIT OFFICE | 60,000,000.00 | 0 | 0 |
| 4 | TRA | 22,672,317.54 | 0 | 0 |
| 5 | COPRA | 75,000,000.00 | 0 | 0 |
| 6 | E GOVERNMENT AGENCY | 10,371,806.00 | 0 | 0 |
| 7 | GEPG TEMESA REVENUE ACCOUNT | 22,788,367.07 | 0 | 0 |
| 8 | CEDHA | 19,200,000.00 | 0 | 0 |
| 9 | GOVERNMENT PRINTER | 3,150,000.00 | 0 | 0 |
| 10 | GOVERNMENT PROCUREMENT SERVICES AGENCY | 249,900,200.00 | 0 | 0 |
| 11 | NATIONAL HEALTH INSURANCE FUND | 54,050,000.00 | 0 | 0 |
| 12 | PSSSF COLLECTION ACCOUNT | 1,218,000.00 | 0 | 0 |
| 13 | PUBLIC PROCUREMENT REGULATORY AUTHORITY | 9,000,000.00 | 0 | 0 |
| 14 | SUMA JKT GUARD LTD | 57,145,500.00 | 0 | 0 |
| 15 | TABORA URBAN WATER SUPPLY AND SANITATION AUTHORITY | 24,810,000.00 | 0 | 0 |
| 16 | TANZANIA BUREAU OF STANDARDS | 7,583,600.00 | 0 | 0 |
| 17 | TANZANIA ELECTRICITY SUPPLY COMPANY LTD | 75,771,221.98 | 0 | 0 |
| 18 | TANZANIA POSTS CORPORATION | 6,544,500.00 | 0 | 0 |
| 19 | TANZANIA STANDARD NEWSPAPER LTD | 2,510,450.00 | 0 | 0 |
| 20 | TANZANIA TELECOMMUNICATION CORPORATION | 541,075.19 | 0 | 0 |
| 21 | Tanzania Trade Development Authority | 4,000,590.58 | 0 | 0 |
| 22 | TARI | 76,497,338.00 | 0 | 0 |
| 23 | UHURU PUBLICATIONS LTD | 2,531,100.00 | 0 | 0 |
| 24 | Nation Media Group Limited | 2,531,100.00 | 0 | 0 |
| 25 | National Housing Corporation | 538,903,328.52 | 0 | 0 |
| 26 | Dar es salaam Institute of Technology | 109,747,500.00 | 0 | 0 |
| | **Total** | **1,497,254,234.88** | 0 | 0 |

## NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE, 2025

| | 2025<br>TZS | 2024<br>TZS |
|---|---|---|
| **16 - Revenue Grants** | | |
| Government Grant Development Local | 158,464,572,453 | 213,804,724,796 |
| Revenue Grants - Non-Monetary | 3,700,000,000 | 0 |
| | **162,164,572,453** | **213,804,724,796** |
| **17 - Revenue from Exchange Transactions** | | |
| Compounding Fees- Exchange | 70,000,000 | 0 |
| Import Fee | 13,766,790,610 | 9,728,865,660 |
| Laboratory Charges | 234,265,349 | 0 |
| Miscellaneous Revenue - Exchange | 120,520,000 | 0 |
| Tender Documents - Exchange | 36,242,435 | 0 |
| Testing Fee- Exchange | 106,229,084 | 0 |
| | **14,334,047,478** | **9,728,865,660** |
| **24 - Fair value Gains on Assets and Liabilities** | | |
| Reversal of provision for impairment of Receivables (ECL) | 0 | 10,232,623 |
| | 0 | 10,232,623 |
| **27 - Gain on Foreign Currency Translation** | | |
| Foreign Exchange differences (Gain) - Monetary | 0 | 101,881,746 |
| | 0 | 101,881,746 |
| **30 - Premiums, Fees and Claims (Insurance)** | | |
| Export fees | 197,065,870 | 193,889,791 |
| | **197,065,870** | **193,889,791** |
| **31 - Other Revenue** | | |
| Compounding Fees | 0 | 92,212,511 |
| Miscellaneous Revenue | 0 | 3,288,779 |
| Testing Fee | 0 | 103,717,557 |
| | 0 | 199,218,846 |
| **32 - Subvention from other Government entities** | | |
| Government Grant Personal Emolument | 2,604,926,730 | 2,119,147,335 |
| | 2,604,926,730 | 2,119,147,335 |
| **34 - Wages, Salaries and Employee Benefits** | | |
| Acting Allowance | 0 | 14,145,000 |
| Casual Labour Discretionary | 0 | 5,346,450 |
| Casual Labourers | 361,769,177 | 24,412,295 |
| Civil Servants | 2,604,926,730 | 2,235,501,291 |
| Electricity | 115,848,960 | 67,309,613 |
| Extra-Duty | 1,405,325,653 | 1,115,034,444 |

| | | |
|---|---|---|
| Food and Refreshment | 66,763,696 | 37,901,773 |
| Furniture Expenses | 80,000,000 | 64,000,000 |
| Honoraria | 755,710,000 | 590,203,776 |
| Housing Allowance Discretionary Expenses | 412,797,575 | 347,350,000 |
| Leave Travel | 28,528,091 | 42,061,600 |
| Moving Expenses | 80,000,000 | 120,600,000 |
| National Health Insurance Schemes (NHIF) Employer Expenses | 54,050,000 | 52,793,713 |
| On Call Allowance | 0 | 910,000 |
| Outfit Allowance | 2,000,000 | 1,260,000 |
| Professional Allowances | 76,500,000 | 102,000,000 |
| Risk Allowance | 37,451,000 | 17,370,000 |
| Sitting Allowance | 313,709,645 | 251,680,000 |
| Special Allowance | 23,475,000 | 65,503,060 |
| Telephone | 224,879,999 | 220,675,684 |
| Transport Allowance | 311,077,400 | 424,800,000 |
| | **6,954,812,924** | **5,800,858,699** |
| **35 - Use of Goods and Service** | | |
| Advertising and publication | 237,069,940 | 5,488,250 |
| Advertising and Publication - Communication & Information | 32,969,118 | 23,504,400 |
| Agricultural Chemicals | 200,000 | 0 |
| Agricultural Implements | 400,000 | 0 |
| Air Travel TicketsTraining - Domestic | 81,237,260 | 105,423,670 |
| Air Travel TicketsTraining - Foreign | 50,560,962 | 98,473,462 |
| Air Travel TicketsTravel - In - Country | 5,150,527 | 27,900,000 |
| Air Travel TicketsTravel Out Of Country | 20,612,306 | 25,800,000 |
| Catering Services | 204,957,678 | 239,741,447 |
| Cleaning Supplies - Use of goods and Services | 6,788,058 | 3,900,000 |
| Computer Supplies and Accessories | 15,000,000 | 972,000 |
| Conference Facilities | 176,998,945 | 208,599,527 |
| Courier Services | 0 | 4,984,744 |
| Diesel | 447,593,005 | 577,574,659 |
| Donation | 10,000,000 | 0 |
| Drugs and Medicines | 2,243,000 | 2,707,700 |
| Educational Radio and TV broadcasting programming | 0 | 350,000 |
| Electricity - Utilities Supplies and Services | 45,234,936 | 48,015,961 |
| Entertainment - Hospitality Supplies And Services | 5,600,000 | 0 |
| Exhibition,Festivals and Celebrations | 30,681,600 | 24,861,500 |
| Fertilizers | 212,986,811,179 | 151,445,498,558 |
| Food and Refreshments | 327,686,212 | 235,177,420 |
| Gifts and Prizes | 21,910,000 | 33,242,178 |
| Ground Transport (Bus, Train, Water) | 150,000 | 0 |
| Ground travel (bus, railway taxi, etc)Travel - In - Country | 279,684,550 | 175,949,067 |
| Ground travel (bus, railway taxi, etc)Travel Out Of Country | 6,660,000 | 0 |
| Newspapers and Magazines | 5,917,246 | 5,924,600 |

| | | |
|---|---|---|
| Office Consumables (papers,pencils, pens and stationaries) | 127,594,207 | 131,735,385 |
| Outsourcing Costs (includes cleaning and security services) | 36,000,000 | 106,616,499 |
| Per Diem - Domestic | 7,574,866,692 | 6,687,884,082 |
| Per Diem - Foreign | 209,075,971 | 210,186,173 |
| Posts and Telegraphs | 2,400,000 | 2,983,000 |
| Printing and Photocopy paper | 1,000,000 | 0 |
| Printing and Photocopying Costs | 328,300,830 | 632,121,648 |
| Production and Printing of Training Materials | 250,000 | 388,000 |
| Publicity | 59,949,877 | 57,787,588 |
| Remuneration of Instructors | 9,298,580 | 55,436,000 |
| Rent - Office Accommodation | 74,200,000 | 75,560,400 |
| Seeds | 150,000 | 0 |
| Sewage Charges - Utilities Supplies and Services | 6,000,000 | 3,052,800 |
| Special Needs material and supplies | 0 | 9,850,000 |
| Subscription Fees | 11,869,114 | 14,847,242 |
| Technical Service Fees | 792,831,221 | 658,431,647 |
| Telephone Charges (Land Lines) | 2,230,000 | 2,399,999 |
| Training Materials | 4,000,000 | 0 |
| Tuition Fees Training - Domestic | 102,345,000 | 95,021,627 |
| Tuition Fees Training - Foreign | 30,193,386 | 24,981,180 |
| Uniforms and Ceremonial Dresses | 70,885,400 | 45,261,799 |
| Uniforms -Clothing,Bedding, Footwear and Services | 14,500,000 | 3,300,000 |
| Visa Application Fees | 2,310,000 | 1,585,000 |
| Water Charges | 3,079,412 | 5,612,000 |
| Wire, Wireless, Telephone,Telex Services and Facsimile | 1,114,257 | 1,164,516 |
| | **224,466,560,468** | **162,120,295,727** |
| **36 - Maintenance Expenses** | | |
| Air conditioners | 2,814,200 | 725,000 |
| Computers, printers, scanners, and another computer related equipment | 43,511,633 | 2,550,000 |
| Motor Vehicles and Water Craft | 185,756,819 | 172,356,990 |
| Outsource maintenance contract services - Buildings | 558,298,458 | 273,149,936 |
| Outsource maintenance contract services - Machinery, Equipment and Plant | 9,607,082 | 0 |
| Outsource maintenance contract services - Water and Electricity Installations | 12,374,342 | 16,885,798 |
| Tyres and Batteries | 81,467,240 | 88,557,295 |
| | **893,829,774** | **554,225,020** |
| **45 - Loss on Foreign Currency Translation** | | |
| Foreign Exchange differences (Losses) - Monetary | 220,629 | 0 |
| | **220,629** | **0** |
| **52 - Other Expenses** | | |
| Audit fees Expenses | 75,000,000 | 60,000,000 |
| Burial Expenses | 7,000,000 | 23,520,000 |
| consultancy fees | 48,329,500 | 24,773,967 |
| Field Trials Expenses | 96,000,000 | 52,379,830 |

| | | |
|---|---|---|
| Legal fees Expenses | 0 | 1,333,000 |
| Non-Agriculture Chemicals Supplies and Services | 54,042,763 | 0 |
| Parking Expenses | 30,600,000 | 25,500,000 |
| Registration Fees Expenses | 9,150,000 | 0 |
| Security Services | 33,453,000 | 0 |
| | **353,575,263** | **187,506,797** |
| **54 - Expected Credit Loss** | | |
| Expected Credit Loss | 7,290,363 | 0 |
| | 7,290,363 | 0 |
| **60 - Other Transfers** | | |
| Contribution to CF (15%) | 0 | 350,000,000 |
| | 0 | 350,000,000 |
| **62 - Cash and Cash Equivalents** | | |
| BoT Ownsource Collection Account | 6,771,323,558 | 22,114,750 |
| Development Expenditure Cash Account | 178,056,405 | 2,741,306 |
| Ownsource Development Expenditure | 10,071,445 | 0 |
| Ownsource Reccurent Expenditure GF | 0 | 1,099,335 |
| Provision for ECL (Cash) | (7,290,363) | 0 |
| USD BOT Collection Account | 83,386,687 | 9,214,841 |
| | 7,035,547,733 | 35,170,231 |
| **69 - Prepayments** | | |
| Prepayment Consumables | 51,798,053 | 40,409,501 |
| Prepayments Assets - Monetary | 250,000,000 | 0 |
| | 301,798,053 | 40,409,501 |
| **70 - Inventories** | | |
| Consumables | 51,535,449 | 25,229,786 |
| | 51,535,449 | 25,229,786 |
| **87 - Receivables (Long Term)** | | |
| Institutional Loans Addition | 280,540,128 | 412,503,056 |
| | 280,540,128 | 412,503,056 |

## NOTES - CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE, 2025

| | 2024/24 TZS | 2023/24 TZS |
|---|---|---|
| 103 - Advance Payment for Acquisition of Property Plant and Equipment | | |
| | 0 | 0 |
| Prepayments Assets - Monetary | (250,000,000) | 0 |
| Payment | (250,000,000) | 0 |
| **Payment** | (250,000,000) | 0 |
| **104 - Advances and Loans Payment made to other parties** | | |
| **Institutional Loans Addition** | | |
| Expenses | (131,962,928) | 79,224,696 |
| Expenses | (131,962,928) | 79,224,696 |
| **16 - Revenue Grants** | | |
| Government Grant Development Local | 158,464,572,453 | 213,804,724,796 |
| Revenue Grants - non-Monetary | 3,700,000,000 | 0 |
| **Add/Less (Change in Working Capital)** | | |
| Development Deferred Income Addition | 6,000,000,000 | 0 |
| Revenue Grants - non-Monetary | (3,700,000,000) | 0 |
| **Receipt** | **164,464,572,453** | **213,804,724,796** |
| **17 - Revenue from Exchange Transactions** | | |
| Compounding Fees- Exchange | 70,000,000 | 0 |
| Import Fee | 13,766,790,610 | 9,728,865,660 |
| Laboratory Charges | 234,265,349 | 0 |
| Miscellaneous Revenue - Exchange | 120,520,000 | 0 |
| Tender Documents - Exchange | 36,242,435 | 0 |
| Testing Fee- Exchange | 106,229,084 | 0 |
| **Revenue** | **14,334,047,478** | **9,728,865,660** |
| **30 - Premiums, Fees and Claims (Insurance)** | | |
| Export fees | 197,065,870 | 193,889,791 |
| Revenue | **197,065,870** | **193,889,791** |
| **31A - Other Revenue** | | |
| Compounding Fees | 0 | 92,212,511 |
| Miscellaneous Revenue | 0 | 3,288,779 |
| Testing Fee | 0 | 103,717,557 |
| **Revenue** | **0** | **199,218,846** |

| | | |
|---|---|---|
| **32A - Subvention from other Government entities** | | |
| Government Grant Personal Emolument | 2,604,926,730 | 2,119,147,335 |
| **Revenue** | **2,604,926,730** | **2,119,147,335** |
| | | |
| **34A - Wages, Salaries and Employee Benefits** | | |
| Acting Allowance | 0 | 14,145,000 |
| Casual Labor Discretionary | 0 | 5,346,450 |
| Casual Labourers | 361,769,177 | 24,412,295 |
| Civil Servants | 2,604,926,730 | 2,235,501,291 |
| Electricity | 115,848,960 | 67,309,613 |
| Extra-Duty | 1,405,325,653 | 1,115,034,444 |
| Food and Refreshment | 66,763,696 | 37,901,773 |
| Furniture Expenses | 80,000,000 | 64,000,000 |
| Honoraria | 755,710,000 | 590,203,776 |
| Housing Allowance discretionary Expenses | 412,797,575 | 347,350,000 |
| Leave Travel | 28,528,091 | 42,061,600 |
| Moving Expenses | 80,000,000 | 120,600,000 |
| National Health Insurance Schemes(NHIF) Employer Expenses | 54,050,000 | 52,793,713 |
| On Call Allowance | 0 | 910,000 |
| Outfit Allowance | 2,000,000 | 1,260,000 |
| Professional Allowances | 76,500,000 | 102,000,000 |
| Risk Allowance | 37,451,000 | 17,370,000 |
| Settlement of Staff Debts | 140,722,600 | 0 |
| Sitting Allowance | 313,709,645 | 251,680,000 |
| Special Allowance | 23,475,000 | 65,503,060 |
| Telephone | 224,879,999 | 220,675,684 |
| Transport Allowance | 311,077,400 | 424,800,000 |
| Expenses | **7,095,535,524** | **5,800,858,699** |
| Add/Less (Change in Working Capital) | | |
| Staff Claim Addition | (126,090,000) | (14,722,600) |
| Wages Salaries and Employee Benefit Opening | 126,000,000 | 0 |
| **Payment** | **7,095,445,524** | **5,786,136,099** |
| | | |
| **35A - Use of Goods and Service** | | |
| Advertising and publication | 237,069,940 | 5,488,250 |
| Advertising and Publication - Communication & Information | 32,969,118 | 23,504,400 |
| Agricultural Chemicals | 200,000 | 0 |
| Agricultural Implements | 400,000 | 0 |
| Air Travel TicketsTraining - Domestic | 81,237,260 | 105,423,670 |
| Air Travel TicketsTraining - Foreign | 50,560,962 | 98,473,462 |
| Air Travel TicketsTravel - In - Country | 5,150,527 | 27,900,000 |
| Air Travel TicketsTravel Out Of Country | 20,612,306 | 25,800,000 |

| | | |
|---|---|---|
| Catering Services | 204,957,678 | 239,741,447 |
| Cleaning Supplies - Use of goods and Services | 6,788,058 | 3,900,000 |
| Computer Supplies and Accessories | 15,000,000 | 972,000 |
| Conference Facilities | 176,998,945 | 208,599,527 |
| Courier Services | 0 | 4,984,744 |
| Diesel | 447,593,005 | 577,574,659 |
| Donation | 10,000,000 | 0 |
| Drugs and Medicines | 2,243,000 | 2,707,700 |
| Educational Radio and TV broadcasting programming | 0 | 350,000 |
| Electricity - Utilities Supplies and Services | 45,234,936 | 48,015,961 |
| Entertainment - Hospitality Supplies and Services | 5,600,000 | 0 |
| Exhibition, Festivals and Celebrations | 30,681,600 | 24,861,500 |
| Fertilizers | 212,986,811,179 | 151,445,498,558 |
| Food and Refreshments | 327,686,212 | 235,177,420 |
| Gifts and Prizes | 21,910,000 | 33,242,178 |
| Ground Transport (Bus, Train, Water) | 150,000 | 0 |
| Ground travel (bus, railway taxi, etc)Travel - In - Country | 279,684,550 | 175,949,067 |
| Ground travel (bus, railway taxi, etc)Travel Out Of Country | 6,660,000 | 0 |
| Newspapers and Magazines | 5,917,246 | 5,924,600 |
| Office Consumables (papers, pencils, pens and stationaries) | 127,594,207 | 131,735,385 |
| Outsourcing Costs (includes cleaning and security services) | 36,000,000 | 106,616,499 |
| Per Diem - Domestic | 7,574,866,692 | 6,687,884,082 |
| Per Diem - Foreign | 209,075,971 | 210,186,173 |
| Posts and Telegraphs | 2,400,000 | 2,983,000 |
| Printing and Photocopy paper | 1,000,000 | 0 |
| Printing and Photocopying Costs | 328,300,830 | 632,121,648 |
| Production and Printing of Training Materials | 250,000 | 388,000 |
| Publicity | 59,949,877 | 57,787,588 |
| Remuneration of Instructors | 9,298,580 | 55,436,000 |
| Rent - Office Accommodation | 74,200,000 | 75,560,400 |
| Seeds | 150,000 | 0 |
| Settlement of Supplier Debts | 103,922,858,453 | 0 |
| Sewage Charges - Utilities Supplies and Services | 6,000,000 | 3,052,800 |
| Special Needs material and supplies | 0 | 9,850,000 |
| Subscription Fees | 11,869,114 | 14,847,242 |
| Technical Service Fees | 792,831,221 | 658,431,647 |
| Telephone Charges (Land Lines) | 2,230,000 | 2,399,999 |
| Training Materials | 4,000,000 | 0 |
| Tuition Fees Training - Domestic | 102,345,000 | 95,021,627 |
| Tuition Fees Training - Foreign | 30,193,386 | 24,981,180 |
| Uniforms and Ceremonial Dresses | 70,885,400 | 45,261,799 |
| Uniforms -Clothing, Bedding, Footwear and Services | 14,500,000 | 3,300,000 |
| Visa Application Fees | 2,310,000 | 1,585,000 |
| Water Charges | 3,079,412 | 5,612,000 |
| Wire, Wireless, Telephone, Telex Services and Facsimile | 1,114,257 | 1,164,516 |

| | | |
|---|---|---|
| **Expenses** | **328,389,418,921** | **162,120,295,727** |
| Add/Less (Change in Working Capital) | | |
| Consumables | 26,305,663 | (10,449,009) |
| Prepayment Consumables | 11,388,552 | (83,262,362) |
| Supplies of goods and services Addition | (163,467,371,319) | 58,082,928,320 |
| Withholding Tax Payable Addition | 0 | 8,779,671 |
| **Payment** | **164,959,741,818** | **220,118,292,347** |
| | | |
| **36 - Maintenance Expenses** | | |
| Air conditioners | 2,814,200 | 725,000 |
| Computers, printers, scanners, and other computer related equipment | 43,511,633 | 2,550,000 |
| Motor Vehicles and Water Craft | 185,756,819 | 172,356,990 |
| Outsource maintenance contract services - Buildings | 558,298,458 | 273,149,936 |
| Outsource maintenance contract services - Machinery, Equipment and Plant | 9,607,082 | 0 |
| Outsource maintenance contract services - Water and Electricity Installations | 12,374,342 | 16,885,798 |
| Tyres and Batteries | 81,467,240 | 88,557,295 |
| **Expenses** | **893,829,774** | **554,225,020** |
| | | |
| **52A - Other Expenses** | | |
| Audit fees Expenses | 75,000,000 | 60,000,000 |
| Burial Expenses | 7,000,000 | 23,520,000 |
| consultancy fees | 48,329,500 | 24,773,967 |
| Field Trials Expenses | 96,000,000 | 52,379,830 |
| Legal fees Expenses | 0 | 1,333,000 |
| Non-Agriculture Chemicals Supplies and Services | 54,042,763 | 0 |
| Parking Expenses | 30,600,000 | 25,500,000 |
| Registration Fees Expenses | 9,150,000 | 0 |
| Security Services | 33,453,000 | 0 |
| Settlement of Other Payables | 60,000,000 | 60,000,000 |
| **Expenses** | 413,575,263 | 247,506,797 |
| Add/Less (Change in Working Capital) | | |
| Other Payable | (75,000,000) | 0 |
| Other Payables Opening | 0 | (60,000,000) |
| **Payment** | **338,575,263** | **187,506,797** |
| | | |
| **60 - Other Transfers** | | |
| Contribution to CF (15%) | 0 | 350,000,000 |
| **Expenses** | **0** | **350,000,000** |
| | | |
| 74 - Effect of Foreign Currency Changes | | |
| Foreign Exchange differences (Gain) - Monetary | 0 | 101,881,746 |
| Foreign Exchange differences (Losses) - Monetary | (220,629) | 0 |
| **Payment** | **(220,629)** | **101,881,746** |

| | | |
|---|---|---|
| **77 - Acquisition of Property, Plant and Equipment** | | |
| Audio visual equipment Monetary | 0 | (6,000,000) |
| Beds, desks, shelves, tables and Chairs Monetary | 0 | (63,296,900) |
| Computers and Photocopiers Monetary | (96,272,520) | (106,741,261) |
| Motor vehicles, Monetary | (384,080,957) | (13,938,000) |
| Office buildings and structures Monetary | (652,711,129) | (446,106,817) |
| Office equipment Monetary | (47,349,480) | (107,515,713) |
| Office Furniture and Fittings Monetary | (3,760,000) | 0 |
| **Payment** | **(1,184,174,086)** | **(743,598,691)** |
| | | |
| **78 - Acquisition of Intangibles** | | |
| Computer Software Monetary | (2,920,500) | (31,055,497) |
| **Payment** | **(2,920,500)** | **(31,055,497)** |

**89 PAYABLE AND ACCRUALS**

| Descriptions | Opening (TZS) | Paid (TZS) | Rejected (TZS) | Addition (TZS) | Balance (TZS) |
|---|---|---|---|---|---|
| Other payables | 60,000,000.00 | 60,000,000.00 | - | 75,000,000.00 | 75,000,000 |
| Staff Claims | 140,722,600.00 | 140,722,600.00 | - | 90,000.00 | 90,000 |
| Supplies of Goods and Service | 204,255,781,859.00 | 103,922,858,453.00 | - | 163,467,371,319.00 | 263,800,294,725 |
| Purchase of Asset | 0.00 | - | | 291,008,975.00 | 291,008,975 |
| Withholding Tax payables | 0.00 | - | - | - | 0.00 |
| **Total** | **204,456,504,459.00** | **104,123,581,053.00** | **0.00** | **163,833,470,294.00** | **264,166,393,700.00** |

**89 - Payables and Accruals**

| Descriptions | Opening (TZS) | Paid (TZS) | Rejected (TZS) | Addition (TZS) | Balance (TZS) |
|---|---|---|---|---|---|
| Other payables | 60,000,000 | - | - | - | 60,000,000 |
| Staff Claims | 126,000,000 | - | - | 14,722,600 | 140,722,600 |
| Supplies of Goods and Service | 262,338,710,180 | 58,082,928,320 | - | - | 204,255,781,860 |
| Withholding Tax payables | 8,779,671 | 8,779,671 | - | - | - |
| **Total** | **262,533,489,851** | **8,091,707,991** | - | **14,722,600** | **204,456,504,460** |

**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 | - | - | - | - | 60,000,000 | - |
| 2 | Staff Claims | 140,722,600 | - | - | - | 14,722,600 | 126,000,000 | - |
| 3 | Supplies (Fertilizer) | 204,255,781,860 | - | - | - | - | 204,255,781,860 | - |
| | GRAND TOTAL | 204,456,504,460 | - | - | - | 14,722,600 | 204,441,781,860 | - |

**77- Property, Plant and Equipment**

**COST/ADJUSTMENT/REVALUATIONS**

| | MOTOR VEHICLE | COMPUTER AND PRINTERS | OFFICE EQUIPMENT | FURNITURE AND FITTING | MOTOR CYLE | LAND | BUILDING | PLANT AND MACHINERY | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| Opening balance of cost as at 1st July, 2024 | 1,984,769,507 | 597,064,744 | 408,738,797 | 525,266,469 | 108,878,000 | 36,299,190 | 1,842,558,236 | 755,656,974 | 6,259,231,917 |
| Additions Monetary | 384,080,957 | 96,272,520 | 47,349,480 | 3,760,000 | - | - | 652,711,129 | - | 1,184,174,086 |
| additions non-monetary | | 120,078,688 | | 39,176,000 | - | 3,700,000,000 | 131,754,284 | - | 3,991,008,972 |
| **Grand Total** | **2,368,850,464** | **813,415,952** | **456,088,277** | **568,202,469** | **108,878,000** | **3,736,299,190** | **2,627,023,649** | **755,656,974** | **11,434,414,975** |

**ACCUMULATED DEPRECIATIONS**

| | MOTOR VEHICLE | COMPUTER AND PRINTERS | OFFICE EQUIPMENT | FURNITURE AND FITTING | MOTOR CYLE | LAND | BUILDING | PLANT AND MACHINERY | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| Gross carrying value 1 July, 2024 | 1,023,520,192 | 326,022,487 | 124,774,645 | 174,168,149 | 63,637,211 | - | - | 73,056,568 | 1,785,179,252 |
| Charges for the year | 214,430,686 | 68,146,799 | 39,176,595 | 44,480,387 | 15,558,666 | - | 52,504,473 | 50,377,132 | 484,710,738 |
| **Grand total** | **1,237,950,878** | **394,169,286** | **163,951,240** | **218,648,536** | **79,195,877** | - | 52,504,473 | **123,433,700** | **2,269,889,990** |
| **CARRYING VALUE** | **1,130,899,586** | **419,246,666** | **292,137,037** | **349,553,933** | **29,682,123** | **3,736,299,190** | **2,574,483,176** | **632,223,274** | **9,164,524,985** |

**77 - Property, Plant and Equipment**

**COST/ADJUSTMENT/REVALUATION**

| | Motor Vehicle | Computer and printers | Office Equipment | Furniture and Fittings | Motor cycles | Land | Buildings | Plant and Machinery | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| **Reporting period 30 June 2024** | 1,790,831,507 | 490,323,483 | 295,223,084 | 461,969,569 | 108,878,000 | 36,299,190 | 1,396,451,420 | 755,656,974 | **5,335,633,227** |
| Additions - Monetary | 13,938,000 | 106,741,261 | 113,515,713 | 63,296,900 | | | 446,106,817 | | 743,598,691 |
| Additions - Adjustments | | | | | | | | | - |
| Additions - Non-Monetary | 180,000,000 | | | | | | | | 180,000,000 |
| **Grand total** | **1,984,769,507** | **597,064,744** | **408,738,797** | **525,266,469** | **108,878,000** | **36,299,190** | **1,842,558,237** | **755,656,974** | **6,259,231,918** |

**ACCUMULATED DEPRECIATIONS**

| Reporting period 30 June 2024 | Motor Vehicle | Computer and printers | Office Equipment | Furniture and Fittings | Motorcycles | Land | Buildings | Plant and Machinery | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| Gross carrying value, 1 July, 2023 | 831,443,195 | 283,464,182 | 96,278,178 | 131,983,542 | 48,078,545 | - | | 23,183,208 | **1,414,430,850** |
| Charge for the year | 192,076,997 | 42,558,305 | 28,496,467 | 42,184,607 | 15,558,666 | | | 49,873,360 | **370,748,402** |
| **Grand total** | **1,023,520,192** | **326,022,487** | **124,774,645** | **174,168,149** | **63,637,211** | - | - | **73,056,568** | **1,785,179,252** |
| **CARRYING VALUE** | **961,249,315** | **271,042,257** | **283,964,152** | **351,098,320** | **45,240,789** | **36,299,190** | **1,842,558,237** | **682,600,406** | **4,474,052,665** |

**Note**: Building not subject to depreciation during the year financial year 2023/2024, as the building was still under construction during that period.

**78 INTANGIBLE ASSET**

| COST/ADJUSTMENT/REVALUATION | FERTILIZER INFORMATION SYSTEM (TZS) | KARSPERKY INTERNET SECURITY 2023 (TZS) | MS OFFICE 2019 PROFESSIONAL (TZS) | BIOMETRIC SYSTEM (TZS) | SOPHOS XGS 136W WITH YEARS LICENCE (TZS) | TOTAL (TZS) |
|---|---|---|---|---|---|---|
| Gross carrying value, 1 July, 2024 | **155,170,000.00** | **12,697,826.12** | **26,000,074.00** | **1,628,990.00** | **21,897,670.44** | **217,394,560.56** |
| Additions -Purchases | - | **2,920,500.00** | - | - | | **2,920,500.00** |
| Grand total | **155,170,000.00** | **15,618,326.12** | **26,000,074.00** | **1,628,990.00** | **21,897,670.44** | **220,315,060.56** |
| **ACCUMULATED AMORTIZATION** | | | | | | |
| Balance as 1 July, 2024 | **23,275,500.00** | **3,540,000.00** | **13,000,038.00** | **1,628,990.00** | **0** | **41,444,528.00** |
| Additions - Amortization | **7,758,500.00** | **3,052,609.00** | **8,666,691.00** | - | **7,299,223.00** | **26,777,023.00** |
| Grand total | **31,034,000.00** | **6,592,609.00** | **21,666,729.00** | **1,628,990.00** | **7,299,223.00** | **68,221,551.00** |
| **CARRYING VALUE** | | | | | | |
| Grand total | **124,136,000.00** | **9,025,717.12** | **4,333,345.00** | - | **14,598,447.44** | **152,093,509.56** |

**78 - Intangible Assets**

| COST/ADJUSTMENT/REVALUATION | FERTILIZER INFORMATION SYSTEM (TZS) | KASPERSKY INTERNET SECURITY 2023 (TZS) | MS OFFICE 2019 PROFESSIONAL (TZS) | BIOMETRIC SYSTEM (TZS) | SOPHOS XGS 136W WITH YEARS LICENCE (TZS) | TOTAL (TZS) |
|---|---|---|---|---|---|---|
| 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** |
| **Grand total** | **155,170,000.00** | **12,697,826.12** | **26,000,074.00** | **1,628,990.00** | **21,897,670.44** | **217,394,560.56** |
| **ACCUMULATED AMORTIZATION** | | | | | | |
| 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** |
| **Grand total** | **23,275,500.00** | **3,540,000.00** | **13,000,038.00** | **1,628,990.00** | - | **41,444,528.00** |
| **CARRYING VALUE** | | | | | | |
| **Grand total** | **131,894,500.00** | **9,157,826.12** | **13,000,036.00** | - | **21,897,670.44** | **175,950,032.56** |

**78 - Intangible Assets**

| COST/ADJUSTMENT/REVALUATION | FERTILIZER INFORMATION SYSTEM | KARSPERKY INTERNET SECURITY 2023 | MS OFFICE 2019 PROFESSIONAL | BIOMETRIC SYSTEM | SOPHOS XGS 136W WITH YEARS LICENCE | TOTAL |
|---|---|---|---|---|---|---|
| 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** |
| Grand total | 155,170,000.00 | 3,540,000.00 | 26,000,074.00 | 1,628,990.00 | - | **186,339,064.00** |
| **ACCUMULATED AMORTIZATION** | | | | | | |
| 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** |
| **Grand total** | **15,517,000.00** | **3,540,000.00** | **6,500,019.00** | **1,628,990.00** | - | **27,186,009.00** |
| **CARRYING VALUE** | | | | | - | |
| **Grand total** | **139,653,000.00** | - | **19,500,055.00** | - | - | **159,153,055.00** |

.....
**EXECUTIVE DIRECTOR**

.....
**DATE**

**T1160000 - TANZANIA FERTILIZER REGULATORY AUTHORITY**

**NOTES TO THE FINANCIAL STATEMENT - LIABILITY MOVEMENT**

**FOR THE YEAR ENDED 30 JUNE 2025**

**93 - Deferred Income**

| Descriptions | Opening | Increase in | Decrease in | Transfer to PMG | Transfer To Holding | Balance |
|---|---|---|---|---|---|---|
| Deferred Subvention | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred Subvention | 0 | 0 | 0 | 0 | 0 | 0 |
| Development Deferred | 0 | 176,926,752,354 | 170,926,752,354 | 0 | 0 | 6,000,000,000 |
| Reccurent Deferred Income | 0 | 91,315,463 | 91,315,463 | 0 | 0 | 0 |
| TOTAL | 0 | 177,018,067,817 | 171,018,067,817 | 0 | 0 | 6,000,000,000 |

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**EXECUTIVE DIRECTOR** **DATE** .....