



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



ISO 9001:2015 Certified

TANZANIA BUILDING AGENCY (TBA)

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

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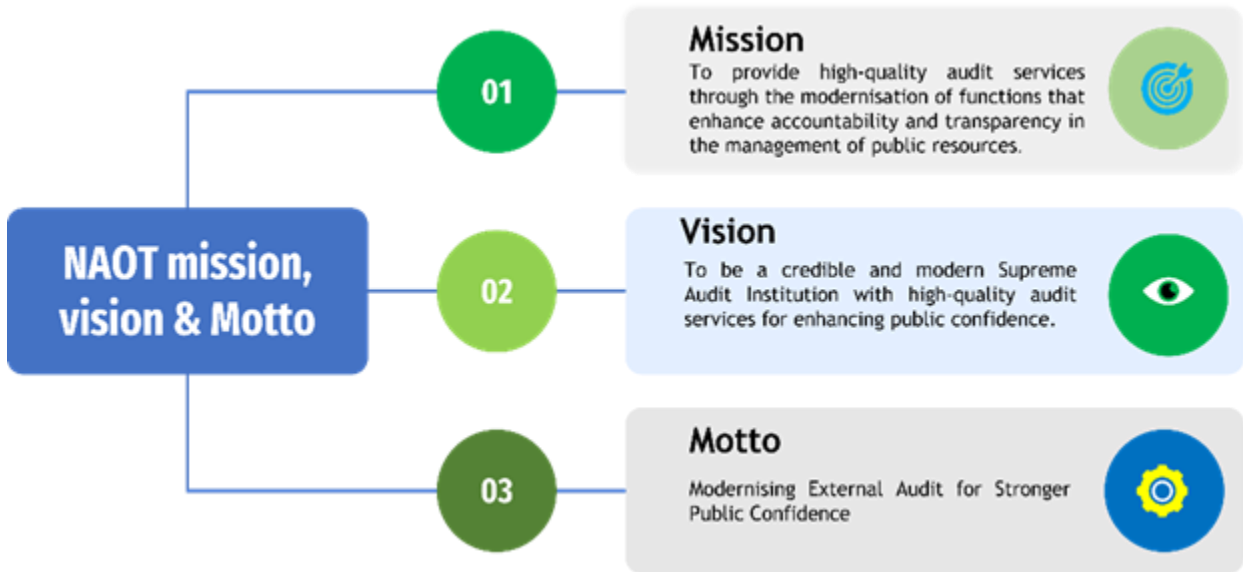
February 2024

AR/CG/TBA/2022/23

## About the National Audit Office

### Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap. 418 [R.E 2021].



#### Independence and objectivity

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

#### Teamwork Spirit

We value and work together with internal and external stakeholders.

#### Results-Oriented

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



#### Professional competence

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

#### Integrity

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

#### Creativity and Innovation

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

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



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## Abbreviations

<b>CAG</b>	Controller and Auditor General
<b>GCC</b>	General Conditions of Contract
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>ISSAIs</b>	International Standards of Supreme Audit Institutions
<b>ITT</b>	Invitation to Tender
<b>MDA</b>	Ministries, Departments and Agencies
<b>ML</b>	Management Letter
<b>MAB</b>	Ministerial Advisory Board
<b>MoW</b>	Ministry of Works
<b>MUSE</b>	Mfumo wa Ulipaji Serikalini
<b>NHC</b>	National Housing Corporation
<b>PAC</b>	Public Accounts Committee
<b>PAYE</b>	Pay as Your Earn
<b>PFA</b>	Public Finance Act, Cap. 348
<b>PFR</b>	Public Finance Regulations, 2001
<b>PPA</b>	Public Procurement Act
<b>PPR</b>	Public Procurement Regulations
<b>Reg.</b>	Regulation
<b>Sect.</b>	Section
<b>SCC</b>	Special Condition of Contract
<b>TZS</b>	Tanzania Shillings
<b>TBA</b>	Tanzania Building Agency
<b>TRA</b>	Tanzania Revenue Authority
<b>VAT</b>	Value Added Tax
<b>VT</b>	Vote

## 1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chief Executive,  
Tanzania Buildings Agency (TBA),  
P. O. Box 9542,  
DAR ES SALAAM.

### 1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### Unqualified Opinion

I have audited the financial statements of Tanzania Building Agency which comprise of the Statement of Financial Position as at 30 June 2023, and Statement of Financial Performance, Statement of Changes in Net Assets and Cash Flow Statement and the Statement of Comparison of Budget and Actual Amounts for the year then ended, as well as the Notes to the Financial Statements, including a Summary of Significant Accounting Policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Building Agency as at 30 June 2023, and its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

#### Basis for Opinion

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

#### Emphasis of the matter

I draw attention to the matter below. My opinion is not modified in respect of this matter;

- **Contingent liabilities - TZS 6,761,962,511.90**

Note 4.12 to the financial statements disclosed contingent liabilities amounting to TZS 6,761,962,511.90 relating to claims from suppliers for supplying building materials between the financial years 2016/17 and 2018/19. These liabilities were



not recognized due to insufficient documentations, including contracts, signed Local Purchase Orders (LPOs), invoices, and delivery notes, necessary to validate the claims. Neither TBA nor the suppliers maintained these documents. Consequently, TBA has refused to settle outstanding claims without proper supporting documentation, which must be verified and validated.

The disclosed amount has decreased from TZS 8,407,701,449.20 to TZS 6,761,962,511.90, following verification and acceptance of claims totaling TZS 2,106,307,937.30 by TBA. Of this verified amount, TZS 460,569,000 has been paid, and TZS 1,645,738,937.30 has been recognized as liabilities in the financial statements.

### **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 Statement by the Minister, Statement by the Accounting Officer and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon.


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, my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

### **Responsibilities of management and those charged with governance for the Financial Statements**

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



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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 [R.E 2021] requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, Cap. 410 [R.E 2022] requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

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

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

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

I performed a compliance audit on the procurement of works, goods, and services in the Tanzania Building Agency for the financial year 2022/23 as per the Public Procurement laws.

#### **Conclusion**

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



**(i) Micro procurements not reported to the tender board - TZS 55,449,091.19**

Regulation 166 (7) of Public Procurement Regulation 2013 (Amended in 2016) requires all micro and minor procurements to be reported to the tender board monthly by the holder of delegated authority, using the appropriate procedural form issued by the Authority.

To the contrary, my review of procurement management revealed that, TBA HQ and three Regional Offices made micro procurements amounting to TZS 55,449,091.19 without being reported to respective tender board.

**(ii) Failure to submit performance security by the contractors**

Regulation 29 of the PPR, 2013 requires that, the procuring entity shall require the successful tenderer to submit a performance security to guarantee the faithful performance of the contract. In addition, Para 13.1 and 13.2 of the PPRA Securities in Public Procurement guidelines issued in February 2022 requires bidders whose tenders falling under the Regional Exclusive Preference category with a contract value above TZS 1 billion to submit performance bank guarantees while tenderers with a contract value of below TZS 1 billion are required to submit a Performance Security Declaration.

My review of procurement and contract files at TBA HQ noted that, TBA directed contractors to submit performance securities in the form of bank guarantees or bonds even though the value of their procurement was less than TZS 1 billion. Likewise, my review of contracts No. AE/012/2022-2023/HQ/G/78 and AE/012/2022-2023/HQ/G/81 amounting to TZS 2,958,657,600 noted that, contractors failed to submit performance securities which is contrary to the signed agreement and Regulation 29 of the PPR, 2013.

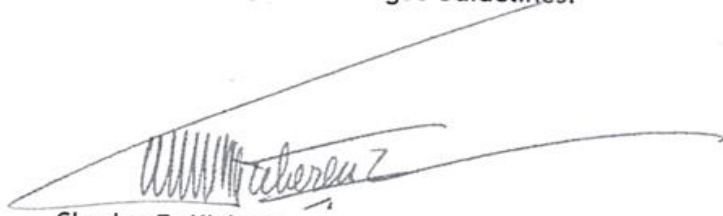
### **1.2.2 Compliance with the Budget Act and other Budget Guidelines**

**Subject matter: Budget formulation and execution**

I performed a compliance audit on budget formulation and execution in the Tanzania Building Agency for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

**Conclusion**

Based on the audit work performed, I state that Budget formulation and execution of Tanzania Building Agency (TBA) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



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



February 2024

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**2.0 FINANCIAL STATEMENTS**

**THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2023**

Tanzania Buildings Agency Management submits the Annual Financial Report that summarizes the executed activities, achievements attained, challenges faced and the Financial Statements for the financial year ended 30<sup>th</sup> June 2023, that disclose the state of affairs of the Agency.

The Report by those Charged with Governance has been prepared in accordance with the Tanzania Financial Reporting Standards (TFRS) No. 1.

**1.1 Tanzania Buildings Agency profile**

Tanzania Buildings Agency (TBA) is the Government's Executive Agency under the Ministry of Works and Transport (Works) with a primary mandate of providing quality accommodation to Government and public servants as well as providing consultancy and construction services to the Government. TBA was established under section 3(1) of the Agencies Act No 30 of 1997 and became operational in May 2002 as a transformation of the Building Department (BD) within the Ministry of Works (formerly known as the Ministry of Infrastructure Development).

**1.1.1 Vision**

A center of excellence in provision of Government Real Estate Development and Management”.

**1.1.2 Mission**

“To provide standard, quality and affordable accommodation to the government and public servants through real estate management, consultancy and construction services”

**1.1.3 Core Values**

The Agency is guided by seven (7) core values while implementing its roles and functions which are

- i. **Professionalism:** We perform our duties based on professional and respectful manner, ethics, state of the standards and guidelines in our field of work and understand cross-cutting issues.
- ii. **Customer focus:** We ensure suitable, satisfactory and timely service delivery to our customers.
- iii. **Integrity:** We are honest and showing a consistent and uncompromising adherence to strong moral and ethical principles in the execution of our mandate.
- iv. **Teamwork:** We are committed to working together as a team in order to achieve a common goal.

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- v. **Transparency:** We are open and honest while fulfilling our roles and responsibilities.
- vi. **Value for Money:** We thrive to achieve compliance to standards and specifications with effective and efficient construction and maintenance works and services.
- vii. **Innovativeness:** We apply and facilitate the application of technologies, techniques and best practices to enhance quality, effectiveness and efficiency.

**1.2 TBA’s Strategic Plan**

TBA’s Strategic Plan for the year 2021/22- 2025/26 has six (6) Strategic Objectives to be implemented in the specified period of time. The objectives have been translated into 63 Strategies, 115 Targets, and 111 Key Performance indicators. The strategic objectives and number of strategies, targets and KPI’s to be addressed during the SP implementation period are as shown in Table 1 below:

**Table 1:** Number of planned targets, strategies, and Key Performance Indicators for each strategic objective

S/No	Strategic Objectives	Number of strategies	Number of targets	Number of KPI’s
A	Health Services improved and HIV/AIDS infections reduced	2	4	4
B	Effective implementation of National Ant-Corruption Strategy enhanced and sustained	2	4	4
C	Government Real Estate Development and Management improved.	10	12	11
D	Consultancy services for Government Buildings and Public Servants Accommodations enhanced.	8	20	19
E	Construction services for Government Buildings and Public Servants Accommodations enhanced	12	18	18
F	Institutional Capability for provision of services strengthened.	29	57	55
<b>Total</b>		<b>63</b>	<b>115</b>	<b>111</b>

**1.3 Principal Activities of the Agency**

TBA’s mandates are articulated in the TBA Establishment Order of 2003 and the Organization Structure as approved by the President on 7<sup>th</sup> July, 2018; they include Construction of new Government buildings, Maintenance of Government buildings, Allocation and or Sale of Government houses to Public Servants, Provision of building

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consultancy services to the Government, Leasing Government houses to public servants and on commercial basis, Provision of Project Management Services for MDAs' building projects, Provision of Facilities Management Services to MDA and Advising the Government on Policy and Legal matters pertaining building sub-sector.

**1.3.1 Real Estate Development**

The Directorate of real estate in TBA participates in real estate management and development sector through provision of quality accommodation to government, public servants and non-public servants. The Agency constructs new buildings, maintains the buildings and also receives houses, buildings, workshops and plots from various Government Institutions in order to develop and manage them. The Agency sale and rent the buildings mainly to public servants at a price equivalent to two-thirds of the market price and also leases on commercial basis. Since its establishment up to 30<sup>th</sup> June 2023, the Agency had 14,051 houses. Out of these houses, 7,558 houses were sold to public servants, 1,951 houses were rented to public servants and 688 were rented on special rate. The Agency received 3,423 houses from Ex-Tamisemi and 431 from Ex-CDA houses that were rented to public servants as shown in Table 2 below.

**Table 2: TBA Total Houses**

Status	Number
Sold	7,558
Rented to Public Servants	1,951
Rented on Special Rates	688
Received from EX-Tamisemi	3,423
Received from EX-CDA	431
<b>Total Houses</b>	<b>14,051</b>

The Agency has continued with its Special Housing Program of constructing 10,000 houses across the Country. As at 30<sup>th</sup> June, 2023, the Agency has 3,872 Plots and 9 housing estates in Tanzania Mainland. As part of this Program the Agency embarked on construction of 851 houses in Bunju Dar es Salaam in the year 2014. Out of 851 houses, 279 houses were constructed, in which 219 were completed and 60 houses are in different completion stages. Out of completed houses, 67 houses were sold and fully paid while 152 houses' payments are in process. (See Table 3. below).

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**Table 3: Constructed Houses**

Status	Number
Completed (Paid Fully)	67
Completed (Partially Paid)	152
<b>Total Completed</b>	<b>219</b>
Incomplete	60
<b>Total Constructed</b>	<b>279</b>

Due to the Government plan of shifting its major operations in Dodoma capital city from Dar es Salaam, as at 30<sup>th</sup> June 2023 the Agency has already constructed 20 houses for Government Leaders and 150 houses for Public Servants in Dodoma. However, the Agency is still in the process of constructing houses for Public Servants in Dar es Salaam (Temeke Quarter-144 houses, Magomeni Quarter-16 houses, Canadian village-24 houses), Dodoma another 150 houses, Mwanza (Ghana Quarter-14 houses, Pwani (Chalinze-3 houses) and Arusha (Simeon-22houses).

The Agency will also proceed with its move to construct houses in each region as stipulated in its Special Housing Program which started 2012 for constructing 10,000 houses across the Country.

### 1.3.2 Consultancy Services

The directorate of Consultancy is one among of the four directorates of the Agency. During the Financial year ending 30<sup>th</sup> June 2023, the directorate managed to collect TZS 15,719,388,941 revenue equivalent to 88% of TZS 17,800,000,000 as budgeted in the financial year 2022/23 as a revenue from Consultancy services rendered to our esteemed Client's and thus contributing to the Agency in meeting its strategic objective.

During the financial year 2022/23, the Agency has successfully offered Consultancy services for 153 projects of which 113 are ongoing and 40 were completed. Among others projects of which the Agency rendered includes 25 Ministries and 4 Institutions for design and construction supervision of Government City at Mtumba in Dodoma Municipality, Design and construction supervision of State House office Block at Chamwino Dodoma, Project management at design and construction supervision for National Food Reserve Authority (NFRA) SILOS at Sumbawanga, Dodoma, Babati, Shinyanga, Makambako, Mbozi, Songea and Mpanda, Design and construction supervision of Kasumulu Border Post, Design and construction supervision of 150 Staff Housing at Nzuguni B phase II in Dodoma Municipality, Design and construction supervision of 3 blocks of 36 units for TBA Apartments at Canadian Village Dar Es salaam, Design and construction supervision of 2 blocks of 32 units for Public servants at Magomeni Kota phase II, design and construction supervision of completion of 1 block of 22 units for TBA apartments at Simeoni Arusha,

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Design and construction supervision of office block for TANESCO Chato and Geita, Design and construction supervision of Chato Zonal Referral Hospital in Geita region, Design and construction supervision of 1 block of 144 units for Public Servants at Temeke Kota Dar es salaam and as well as Rehabilitation of Public servant's houses in 21 regions Tanzania Main land.

The directorate will continue implementing its functions in line with the Agency vision mission and core values using high degree of professionalism and integrity to meet the Agency objectives.

### **1.3.3 Construction Services**

The directorate of Construction is one among of the four directorates of the Agency. During the Financial year ending 30<sup>th</sup> June 2023, the directorate managed to generate TZS 1,877,649,099 equivalent to 22% of its budget in the financial year 2022/23 as a revenue from Construction fee rendered to our esteemed Client's and thus contributing to the Agency to meet its strategic objective.

During the financial year 2022/23 the Agency has successfully carried out 36 construction projects. Among other projects of which the Agency constructed includes construction of 644 apartments at Magomeni Kota Dar es Salaam, Construction of maternity and paediatric ward at Sekou Toure hospital in Mwanza region, Construction of RC Block at Mbeya, Office building for Presidents Office PSMGG-Mtumba Dodoma at Final stage of completion, and Zonal and Headquarters office for Ethics secretariat-Kilimani Dodoma at the final stage of completion.

The directorate is committed to improve performance in the area of project supervision for timely completion of projects to increase institutional profitability, customer satisfaction and trust to our Agency. The emphasis will be on the implementation of vision and mission at a high degree of professionalism and integrity to meet the Agency targets.

## **1.4 Governance and Governing Structure**

### **1.4.1 Ministerial Advisory Board**

According to Section 6 of the Executive Agency's Act No. 30 of 1997 as revised 2009, the Minister for Works and Transport (works) is responsible for appointing members of the Ministerial Advisory Board (MAB).

The Main function of the MAB is to give advice to the Minister on TBA strategic issues and its operations.

The appointment of the MAB members is done after every three years by the Minister responsible for Works and Transport (works).

The MAB's key functions and responsibilities are to ensure that:

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- i. The property of the Agency is administered in such a manner and for such purposes as in the opinion of the MAB may be necessary or desirable for the promotion of the best interest of the Agency.
- ii. The Agency has clear strategic goals and objectives.
- iii. The Chief Executive is held to account in achieving the goals and objectives.
- iv. The Agency financial position is sound in the short- and long-term.
- v. No decisions are made that can affect the Agency and no financial appropriations made, without MAB approval.
- vi. Risk management and internal controls are in place.
- vii. All the Agency's members and other stakeholders are treated in an appropriate manner.
- viii. The Agency complies with all relevant laws, regulations and accounting policies.
- ix. The committees and management necessary to achieve the above are in place, are properly constituted and have appropriate terms of reference and reporting procedures.
- x. Any Other matter provided for in the Executive Agencies Act, 1997.

The following are the members of the MAB who served the Board during the year under review.

**Table 4: Members who served in the MAB during the year under review**

S/N	Name	Position	Age	Nationality	Appointment/ Resignation
1	Arch. Dkt Ombeni Andrew Swai	Chairperson	54	Tanzanian	22-11-2021 up to 21-11-2024
2	Arch. Daud Wajanga Kondoro	Secretary	59	Tanzanian	22-11-2021 up to 21-11-2024
3	Qs. Optatus Willybroad Kanyesi	Member	60	Tanzanian	22-11-2021 up to 21-11-2024
4	Bw. Shaban Ahmed Kabunga	Member	48	Tanzanian	22-11-2021 up to 21-11-2024
5	Qs. Joseph Lumbael Mkali	Member	52	Tanzanian	22-11-2021 up to 21-11-2024
6	Bi. Vicky Jim Jengo	Member	53	Tanzanian	22-11-2021 up to 21-11-2024

During the year ended 30 June 2023, the Board held a total of 4 ordinary (normal) meetings as shown below;



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**Table 5: Attendance of the MAB Members in Meetings from 1 July 2022 to 30 June 2023**

S/N	Name	Meetings			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Ordinary	Ordinary	Ordinary	Ordinary
		27-28 October, 2022	15-16 December, 2022	15-16 March, 2023	27-28 June, 2023
1	Arch. Dkt Ombeni Andrew Swai	P	P	P	P
2	Arch. Daud Wajanga Kondoro	P	P	P	P
3	Qs. Optatus Willybroad Kanyesi	P	P	P	A
4	Mr. Shaban Ahmed Kabunga	P	P	P	P
5	Qs. Joseph Lumbael Mkali	P	P	P	P
6	Ms. Vicky Jim Jengo	P	P	P	P

*Key: P= Present; A=absent with apology; NA= Not a member*

#### 1.4.2 Management

The Management of the Tanzania Buildings Agency comprises of the Chief Executive, assisted by four Directors (Director of Business Support, Director of Consultancy Services, Director of Constructions and Director of Real Estate), eight managers of units namely (Internal Audit, Marketing & Public Relations, Legal Services, Procurement Management, ICT and Statistics, Quality Assurance and Control, Project Management, and Plant and Machinery) and twenty-six Regional Managers for regional offices.

#### 1.4.3 Audit Committee

The Audit Committee is established in accordance with legal requirements and best governance practice designed to improve overall governance framework of TBA.

The Audit Committee reviews significant accounting policies and financial reporting systems to ensure that they are adequate and are always complied with. It reviews adequacy of internal control systems and monitors implementation of actions to address issues raised by internal and external auditors.

The Agency Audit Committee's responsibilities are to:

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- i. Ensure that there is an effective process for assessing and managing risks;
- ii. Review and approve the scope of the internal audit programme;
- iii. Review the scope of the audit conducted by the independent external auditors;
- iv. Assess the financial statements for reasonability and accuracy and for compliance with accounting policies and regulations laid down by the Ministerial Advisory Board.
- v. Recommend to MAB the approval of the Annual Report, incorporating the Annual Financial Statements.
- vi. Review, with the help of Internal Audit, the adequacy and effectiveness of internal control and governance processes.
- vii. Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements;
- viii. Consider the effectiveness of the Agency’s risk management and internal control system, including information technology security and control;
- ix. Gain thorough understanding of The Risk Management Policy, Risk Management Strategy, Risk Management Implementation Plan, and Fraud Risk Management Policy of the Agency to enable them add value to the risk management process when making recommendations to improve the process;
- x. Review with Management and the Chief of Internal Audit, the Charter, budget, staffing, skills and organizational structure of the internal audit activity;
- xi. Discuss with external auditor its proposed strategy for the year with reference to areas of risk and materiality. The Committee could suggest areas which it believes require additional audit coverage.
- xii. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of the Management’s investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- xiii. Regularly, report to the MAB about Committee’s activities, issues, and related recommendations.

Members of the Audit Committee who served during the reporting period are as shown in table 6 below

**Table 6:** Members of Audit committee who served from 1st July 2022 to 30th June 2023

S/N	Name	Nationality	Position	Appointment/Resignation
1	CPA. Salmin Yusuph Malole	Tanzanian	Chairperson	07.12.2020 - 07.12.2023
2	CPA. Bruno Melchior Shirima	Tanzanian	Member	07.12.2020 - 07.12.2023

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S/N	Name	Nationality	Position	Appointment/Resignation
3	Eng. Hillary Alfred. Msaki	Tanzanian	Member	07.12.2020 - 07.12.2023
4	QS. Emmanuel Julius Wambura	Tanzanian	Member	07.12.2020 - 07.12.2023
5	Arch. Victor Madaraka Baltazary	Tanzanian	Member	07.12.2020 - 07.12.2023
6	Ms. Joyce Josephat Mtinyage	Tanzanian	Secretary	06.05.2021 - 07.05.2023

During the year 2022/23, the committee conducted a total of three (3) regular meetings and one extra ordinary meeting. The following key issues were discussed and agreed:

- (i) Risk based annual internal audit plan for the year 2022/23.
- (ii) Implementation of Risk management reports and risk register.
- (iii) Review draft of TBA Financial Statements for the year 2021/22.
- (iv) Quarterly Internal audit reports for the year 2022/23.
- (v) Review of Audit committee charter and internal audit charter.
- (vi) Implementation of CAG recommendations and internal audit recommendations for the financial year 2022/23.

Members of the Audit Committee that attended the meeting of the Committee as shown in Table 7 below.

**Table 7:** Attendance of the Audit Committee Members in Meetings from 1 July 2022 to 30 June 2023

S/N	Name	Meetings			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Normal	Special	Normal	Normal
		19 Aug, 2022	19 Sept, 2022	02 Nov, 2022	14 Feb, 2023
1	Mr. Salmin Yusuph Malole	P	P	P	P
2	Mr. Bruno Melchior Shirima	P	P	P	P
3	Mr. Victor Madaraka Balthazar	P	A	P	P
4	Mr. Hillary Alfred Msaki	P	P	P	P
5	Mr. Emmanuel Julius Wambura	A	P	P	P

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S/N	Name	Meetings			
		1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
		Normal	Special	Normal	Normal
		19 Aug, 2022	19 Sept, 2022	02 Nov, 2022	14 Feb, 2023
6	Ms. Joyce Josephat Mtinyage	P	P	P	P

*Key: P= Present; A= Absent with apology*

### 1.5 The Agency's Tender Board

The Agency's Tender Board is responsible for deliberating on the recommendations from the Procurement Management Unit and approving award of contracts; reviewing all applications for variations, addenda or amendments to ongoing contracts; approving tendering and contract documents; approving procurement and disposal by tender procedures; ensuring that the best practice in relation to procurement and disposal by tender are strictly adhered by the Agency; and ensuring compliance with the Public Procurement Act, CAP 410(R. E 2022) and Public Procurement Regulations of 2013 (as amended in 2016).

Members of the Agency Tender Board who served during the year under review are shown in Table 8 below.

**Table 8: Members of TBA Tender Board**

S/N	Name	Position	Nationality	Appointment / Resignation
1	Arch. Wencelaus P. Kizaba	Chairperson	Tanzanian	01.07.2020 - 30.06.2023
2	Mariam Wilson Kazoba	Secretary	Tanzanian	01.07.2020 - 30.06.2023
3	Mathias Shabaha Mhembe	Member	Tanzanian	01.07.2020 - 30.06.2023
4	Said Rajabu Mndeme	Member	Tanzanian	01.07.2020 - 30.06.2023
5	Likimaitare Naunga Laishorwa	Member	Tanzanian	01.07.2020 - 30.06.2023
6	Qs. Emmanuel Julius Wambura	Member	Tanzanian	01.07.2020 - 30.06.2023
7	Joyce Josephat Mtinyage	Member	Tanzanian	01.07.2020 - 30.06.2023

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S/N	Name	Position	Nationality	Appointment / Resignation
8	Asha Awadhi Myanza	Member	Tanzanian	01.07.2020 - 30.06.2023

**1.6 External factors that have Influence on the Agency's Operation**

Tanzania Buildings Agency is predisposed to the following external factors:

**i) Environmental conditions**

Climate change has become a major global challenge and TBA being in the construction industry, this has a negative impact on it. Buildings are vulnerable to climate change hence, more specialized equipment that are more resistant to climate change will be required which are more expensive. This in the long run, increases the construction costs.

**ii) Technology and Technological Environment**

Due to the rapid technological changes in the construction industry, the Agency will require new skills sets, new modernized technical machines and plant to facilitate the easiness (in terms of time and cost) of operations within the Agency. The Agency will have to acquire new technology so as to remain competitive in the global market place.

**iii) Legal and Regulatory Frameworks**

The Agency performs its functions and activities by being guided by a variety of policies, laws, regulations, and other regulatory mechanisms. TBA's mandate is enunciated in the Executive Agencies Act No. 30 of 1997 as Amended in 2009 and 2012, the TBA Establishment Order of 2003 published on Government Notice No. 24 of 14<sup>th</sup> February 2003 and in the Approved Organization Structure of TBA dated 07th July, 2018. The Agency reports to the Ministry of Works and Transport (works) and is required to comply with the Government procedures and Laws of the land. During the year under review, the Agency complied with all applicable Laws.

**iv) Stakeholders**

There are number of stakeholders that affect the operations of the Agency directly or indirectly. They include the Government, public servants, employees, regulatory authorities, suppliers, and the public. These stakeholders expect to receive quality services from the Agency that will meet their expectations.

**v) Political Conditions**

Stable political conditions and support from the Government through the ruling party manifesto, are one of the factors that have contributed to the growth of the Agency. Under the stable political situations, the Agency has acquired more projects from different government institutions that have led to the overall growth of the Agency.

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**vi) Demographic Influences**

The demographic features of the population of Tanzania provide an encouraging outlook for the growth of real estate demands in the country. For instance, the fast-growing Dodoma region has tremendously caused an increase in demand of houses both for sale and lease. The population is growing annually, implying that the demand for real estate services will increase over time. The increase in population mirrors the increasing demand of houses, consultancy, and construction services at large.

**(b) Challenges that Influenced the Agency's service delivery**

The Agency faced the following major challenges, which adversely affected the realization of the set targets during the implementation of the Strategic Plan:

- i. The narrow scope of the implementation of the Agency's responsibilities, especially in the role of selling Government houses where TBA has been established to provide building services to the Government and public servants only. This creates difficulty for projects implemented in collaboration with the private sector, especially in setting the market price (renting and selling) since the guidelines direct the Agency to rent or sell to public servants below the market price.
- ii. The long outstanding debts with Government Institutions and individual tenants has resulted into tied up of fund, which could have been used to finance Agency's activities.
- iii. The budget constraint to implement Agency's target of building 10,000 houses has resulted the Agency not to meet its annual target of constructing 1741 new houses.
- iv. Small scale salaries for Agency employees compared to the salaries of experts with similar qualifications at the Agency and other Institutions where it lowers the morale of employees and causes some experts to move to other institutions with better welfare.

**1.7 Remedial actions to address the challenges that influenced the Agency's service delivery**

- i. To revitalizing the law that established TBA to increase the scope of renting and selling houses to all people and not only public servants for houses built with loans from financial institutions or built with cooperation with the private sector and funds to be used to build other houses for public servants.
- ii. To request the Pay Master General of the Government to pay directly to the Agency from the payment of clients. Also the Agency has acquired a deduction code system that will assist the Agency in collecting rent and long overdue debts, this will reduce the defaulting rates and increase the Agency's revenues.

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- iii. The Agency set aside 40% of the total revenue to finance development projects and build new houses for sale or lease, use 40% of the revenue generated from rent for rehabilitation and review mode of payments for houses for sale. Also, the Agency prepare proposals for implementation of new projects and submit to the Government through the Ministry of Works and Transport (works) aimed at asking funds to execute the proposed project.
- iv. The Agency has prepared and submitted to the Office of the President Public Service Management and Good Governance proposals for salary levels as well as the structure of service development that have not yet been approved. Also, the Agency shifted from TGS salary scale to new TBASS Salary Scale and new Salaries after being approved by the respective Authorities.

**(c) Future Development Plan**

The future development plan of the Agency is to be a leading center of excellence in provision of Government Real Estate Development and Management. The plan will be executed by implementing the Agency's Strategic Plan's Objectives through the underlined targets.

The Agency plans on improving Health services and reducing HIV/AIDS infections. Non-communicable diseases, HIV and AIDS are among critical agenda in National Development because they affect the health and wellbeing of people. They also have significant contribution on death rate and number of sick people in which threatens productivity and economic growth in the country. TBA being among key players in the construction sector which demand enough competent professional staff, skilled and unskilled labor with good health to achieve its objectives. This sets the basis for continuous requirements to implement various health and safety interventions in all TBA's construction projects and offices. It is from this perspective that the Agency has set objective to improve health services, reduce HIV/AIDS infections and combat non-communicable diseases. Among other targets, the Agency planned to increase awareness on HIV/AIDS and NCDs from 30% to 80% by June, 2026.

Also, the Agency planned to implement and enhance National anti-corruption strategy. Corruption is one of the challenging issues affecting the National development in all sectors, due to that and because the Agency provide scarce services involving high demands of housing units and implementation of big projects attracts corruption practices which contrary to Tanzania laws and regulations due to its effects to the implementation of projects and provision of services at large. In fact, it is immoral since it reduces trust, accountability, and quality of service delivery to the public. Due to that the Agency planned on developing an Action plan for implementation of National Anti - Corruption Strategy by June, 2026.

The Agency plans on improving Government Real Estate development and management. Tanzania faces some challenges of decent and quality accommodation for the

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Government and Public Servants to the existing and new administrative areas. Currently the Government has more than 500,000 public servants and it estimated that more than 5,000 public servants are employed annually while TBA provides about 1% of the current accommodation demand. In recent years the Government extended services countrywide causing increased demand of accommodation especially in Dodoma city. TBA is committed to ensure availability of quality and affordable accommodation to the Government and Public Servants all over the country. Among other major targets, TBA plans on rehabilitating more than 781 houses for Government leader and public servants, reducing defaulters from 30% to 10% and continue constructing 10,000 public servant houses by June 2026.

The Agency plans on enhancing consultancy services for government buildings and public servants' accommodation. The Agency provides building consultancy to the Government. Consultancy services are among core functions with substantial saving of Government expenditure on development projects. Currently due to technological advancement consultancy encounter number of challenges including advanced equipment, limited professionals, competence in design, supervision of specialized facilities which suit the needs of middle-income countries and high construction rates.

The Agency plans on enhancing construction services for government buildings and public servants' accommodation. The Agency provides construction services to the government. Construction services are among core functions with substantial saving of Government expenditure on development projects. Currently, due to technological advancement construction services encounter number of challenges including advanced equipment, limited professionals, competence in design, construction of specialized facilities which suit the needs of mid income economic countries and higher construction rates.

The Agency plans on strengthening institutional capability for provision of services. The capacity of the Agency to deliver quality services is a paramount endeavor in creating confidence of stakeholders. Currently, the working environment and service delivery capabilities need to be improved through implementation of Quality Management System (QMS). TBA has therefore set this objective to ensure high qualities of service delivery are attained, revenue collection is significantly improved, and more clients are attracted.

**1.8 Appropriation of Reserve/Surplus**

Tanzania Buildings Agency is a public institution that is not for profit making and for that case there is no declaration of dividends. During the year 2022/23, the Agency recorded surplus of TZS 44,683,566,938 compared to TZS 14,630,191,465 recorded in the financial year 2021/22. This overwhelming amount is a result of recognizing Development Projects as Agency's Assets during the year.



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**1.9 Operating and Financial Review (OFR)**

**1.9.1 Performance for the year 2022/2023**

**i. Financial Performance**

The Agency's operations were mainly financed through revenue collected from TBA's core activity operations i.e., Consultancy, Construction and Real estate management. Other sources of financing included: Grants from the Government, revenue from sales of tender documents, bank interests, commissions, penalties and gain from foreign exchange transactions. Revenue generated in 2022/23 was TZS 74,928,919,260 compared to 66,714,635,026 generated in year 2021/22 indicating an increase of 12%. Also, there was a decrease of expenses by 42% from TZS 52,084,443,561 in 2021/22 to TZS 30,245,352,322 in 2022/23.

The surplus of TZS 44,683,566,938 reported in the statement of financial performance arises from receipts of development grants from the Ministry of Works and Transport (MoWT), compensation land and activities which are undertaken by the Agency as part of its service delivery activities as shown in Table 9 below.

**Table 9: Changes in the statement of Financial Performance for the Period ended 30th June 2023**

Details	2022/2023 TZS	2021/2022 TZS	Variations	% of Variations
Revenue Grants	44,313,943,635	28,335,303,950	15,978,639,685	56
Revenue from Exchange Transactions	28,645,234,719	33,670,892,493	(5,025,657,774)	(15)
Other revenue	1,969,740,906	4,708,438,583	(2,738,697,676)	(58)
<b>Total Revenue</b>	<b>74,928,919,260</b>	<b>66,714,635,026</b>	<b>8,214,284,234</b>	<b>12</b>
Expenses	30,245,352,322	52,084,443,561	(21,839,091,239)	(42)
<b>Surplus For the Period</b>	<b>44,683,566,938</b>	<b>14,630,191,465</b>	<b>30,053,375,473</b>	<b>205</b>

Revenue from the exchange transaction includes rented houses, consultancy fees, construction fee, sales of Government houses and other revenue. Overall, the financial performance results show that the Agency's existing sources of revenue can sustain its operations. Detailed financial performance for 2022/23 is provided in the Statement of Financial Performance for the year ended 30 June 2023.

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**ii. Financial Position**

Financial position comprises of current assets, non-current assets, liabilities, and net assets/equity which comprises of taxpayer's fund and accumulated surplus. The financial position of the Agency is as set out in the statement of financial position as analysed in Table 10 below.

**Table 10: Changes Occurred in Statement of Financial Position as at 30<sup>th</sup> June 2023**

Details	2022/2023 TZS	2021/2022 TZS	Variations	% of Variations
Current Assets	73,179,389,741	94,771,370,479	(21,591,980,738)	-23%
Non-Current Assets	622,441,477,108	579,988,643,562	42,452,833,546	7%
<b>Total Assets</b>	<b>695,620,866,849</b>	<b>674,760,014,041</b>	<b>20,860,852,808</b>	<b>3%</b>
Current Liabilities	18,420,323,082	42,663,228,639	(24,242,905,557)	-57%
Non-Current Liabilities	2,607,110,441	2,186,919,013	420,191,428	19%
<b>Total Liabilities</b>	<b>21,027,433,522</b>	<b>44,850,147,652</b>	<b>(23,822,714,130)</b>	<b>-53%</b>
<b>Total Net Assets</b>	<b>674,593,433,327</b>	<b>629,909,866,389</b>	<b>44,683,566,938</b>	<b>7%</b>
Taxpayer's Funds	376,135,047,532	376,135,047,532	-	0%
Accumulated Surplus	298,458,385,795	253,774,818,857	44,683,566,938	18%
<b>Total Net Assets</b>	<b>674,593,433,327</b>	<b>629,909,866,389</b>	<b>44,683,566,938</b>	<b>7%</b>

During the year, total assets of the Agency increased by TZS 20,860,852,808 (2021/22 TZS 674,760,014,041). This was mainly attributed by increase in Non-current Assets by TZS 42,452,833,546 (2021/22: TZS 579,988,643,562). On the other hand, liabilities decreased by TZS 23,822,714,130 (2021/22: TZS 44,850,147,652)

**iii. Cash Flow Statement**

Statement of Cash Flow comprises of cash flows from operating activities, cash flow from investing activities and cash flow from financing activities as analysed in Table 11 below.

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**Table 11: Changes occurred in the Statement of Cash-flow for the year ended 30th June 2023**

Details	2022/2023 TZS	2021/2022 TZS	Variations	% of Variations
Cash flows from operating Activities				
<i>Receipts</i>	76,519,598,281	143,842,050,588	(67,322,452,307)	-47%
<i>Payments</i>	(53,257,710,305)	(82,479,990,454)	29,222,280,149	-35%
<b><i>Net Cash flows from operating Activities</i></b>	<b>23,261,887,976</b>	<b>61,362,060,134</b>	<b>(38,100,172,158)</b>	<b>-62%</b>
<b><i>Net Cash flows from investing Activities</i></b>	<b>(47,355,072,739)</b>	<b>(37,708,643,307)</b>	<b>(9,646,429,432)</b>	<b>26%</b>
<b><i>Net cash flows from financing activities</i></b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>
<b><i>Cash and cash equivalent at the beginning of the period</i></b>	<b>37,278,270,471</b>	<b>13,624,853,644</b>	<b>23,653,416,827</b>	<b>174%</b>
<b><i>Cash and cash equivalent at the end of period</i></b>	<b>13,185,085,708</b>	<b>37,278,270,471</b>	<b>(24,093,184,763)</b>	<b>-65%</b>

The Agency's cash flow is as set out in the cash flows statement. During the year receipts in cash flow from operating activities decreased by TZS 38,100,172,158 (2021/22: TZS 61,362,060,134) equivalent to 62% decrease and as at 30<sup>th</sup> June 2023, the Agency closed with cash and cash equivalents of TZS 13,185,085,708 (2021/22: TZS 37,278,270,471) equivalent to 65% decrease. The decrease is mainly attributed by the less receipts of funds for development projects as the Agency had enough balance at the end of the year 2022 (opening balance of 2023).

**iv. Budget Performance**

The Agency prepares its budgets in accordance with the Medium-Term Expenditure Framework (MTEF) contained in the Guideline for the Preparation of Budget and Plans issued each year by the Ministry responsible for Finance and Planning which also includes preparation of cash flows for managing of the inflows and outflows on quarterly basis. The cash flow projection includes estimates of inflows and outflows from exchange and non-exchange transactions generated from operating, investing and financing activities. Refer the table 12 below;

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**Table 12:** Changes occurred in the Statement of Comparison of Budget and Actual amounts for the year ended 30th June, 2023

Details	Budget		Actual Amount on Comparable Basis	Variance	Performance (%)
	Original Budget	Final Budget		Final Budget	Final Budget Vs Actual Budget
	A	B	C	D=C-B	E=C/B*100
Receipts (A)	78,644,197,215	78,644,197,215	76,519,598,281	(2,124,598,933)	97.30
Payments(B)	78,644,197,215	78,644,197,215	100,612,783,044	21,968,585,830	127.93
Net Receipts (A-B)	-	-	(24,093,184,763)	(24,093,184,763)	
<b>Performance: Receipts Vs Payments (%)</b>			<b>131%</b>		

During the year under review, the Agency had revenue budget (Recurrent and Development) to the tune of TZS 78,644,197,215 as compared to the actual Government grant received and generated revenue of TZS 76,519,598,281 which is 97 percent of the budgeted amount. Similarly, the Agency had an expenditure budget of TZS 78,644,197,215 as compared to the actual expenses of TZS 100,612,783,044 which is 128 percent of total budgeted expenditure. The performance of overall actual total revenue of TZS 76,519,598,281 against the actual total expenditure of TZS 100,612,783,044 shows the performance of 131 percent. The excess expenditure is from the previous year's balance (2021/22).

### 1.9.2 Key Performance Indicators (KPIs)

Key Performance Indicators measure the nature and scope of efficiency and effectiveness of the Agency's operations. KPIs are as per Recommended Practice Guideline (RPG) on reporting service performance information that assists users of the financial statements to assess the Agency service efficiency and effectiveness. The Implementation of the Agency's Strategic Plan is evaluated on quarterly basis, basing on key performance indicators and its report compiled in semi-annual and annual basis. The assessment of performance includes both financial and non-financial aspects.

The Agency's KPIs and achievements for the period under review are as indicated in the matrix below:



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
1	HEALTH SERVICES IMPROVED AND HIV/AIDS INFECTIONS REDUCED	Create awareness and provide care to staff with HIV/AIDS and NCDs	HIV/AIDS and NCDs Policy approved by June, 2026	HIV/AIDS and NCDs Policy approved by June, 2023	1. Consultations with TACAIDS were made to purchase safety gears 2. 30 peer educators at HQ and Regional offices were identified 3. Safety gears dispenser were distribute in all TBA offices and sites	55%
2			HIV/AIDS and NCDs awareness increased from 30% to 80% by June, 2026	HIV/AIDS and NCDs awareness increased to 50% by June, 2023	1. 72 newly recruited staff were trained on HIV/AIDS and NCDs 2. HIV/AIDS messages have been posted in various construction sites bill boards 3. Safety gears have been distributed to workers 4. More than 70 employees were voluntary tested for HIV and NCD during Workers Council Meetings which was	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					held from 11 to 12 May, 2023	
3			HIV/AIDS and NCDs care provided by June, 2026	HIV/AIDS and NCDs care provided by June, 2023	1. Nutritional and medical support were provided to identify staff. 2. Provided contributions to NHIF and WCF for 99 contract staff and all permanent staff.	80%
4		Establish health and safety Mechanism in accordance to local statutory requirements and international standards.	100% compliance to statutory and standards requirement on health and safety attained by June 2026	50% compliance to statutory and standards requirement on health and safety attained by June 2023	26 sites were evaluated on Health and Safety Plan Compliances, these included dissemination of Quality Plans and Checklists to Regional Managers. Four (4) Staff from QAC Unit attended OSH in construction Industry at OSHA for capacity building	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
5	EFFECTIVE IMPLEMENTATION OF NATIONAL ANT-CORRUPTION STRATEGY ENHANCED AND SUSTAINED	Promote adherence to National Anti - Corruption Strategy (NACS) and Code of Ethics.	Action plan developed for implementation of National Anti - Corruption Strategy reviewed and approved by June, 2026	Action plan developed for implementation of National Anti- Corruption Strategy reviewed and approved by June, 2023	1. Ethics and Anti-Corruption Committee was established 2. All TBA regional Offices and TBA HQ have established complaints handling desk as per PSM - Guidelines 3. Eight (8) employees were paid salary, promotion arrears	55%
7			Four (4) action plan reports for implementation of a National Anti - Corruption Strategy (NACS) prepared annually by June, 2026	Four (4) action plan reports for implementation of a National Anti - Corruption Strategy (NACS) prepared annually by June, 2023	Code of Ethics were distributed to 79 newly recruited staff	45%
8			Five (5) awareness training on National Anti -	One (1) awareness training on	1. 72 newly recruited staff were trained on Anti - Corruption	75%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
			Corruption Strategy (NACS) conducted by June, 2026	National Anti - Corruption Strategy (NACS) conducted by June, 2023	2. Anti - Corruption messages have been posted on various construction site board 3. Awareness seminar on Anti-corruption was conducted to 150 employees during workers council meetings	
9		Facilitate ethics and integrity committee meetings.	Four (4) committee meetings on incidences of corruption practices and malpractices conducted annually by June, 2026	Four (4) committee meetings on incidences of corruption practices and malpractices conducted annually by June, 2023	One (01) Anti-corruption committee meeting was conducted during workers council meeting	25%
11	GOVERNMENT REAL ESTATE DEVELOPMENT AND MANAGEMENT	Develop public servant building houses	10,000 Public servant houses constructed for sale and rent by June, 2026	1560 Public servant houses constructed for sale and rent by June, 2023	Advertisement of houses for sale and rent has been done in media, social media, brochures, billboards, and exhibition (saba saba)	100%





No	Key Performance Indicators				2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	
12					<p>Procurement of furniture was done for Apartment No. 4G, 5H, 6G, 7F and 18B at Chimara</p>
				<p>1560 Public servant houses constructed for sale and rent by June, 2023</p>	<p>1 block flat (constitute 14 units) in Ghana quarter, Mwanza overall progress is at 11% and 2 block flats (constitute 12 units each) in Canadian village Dar es Salaam overall progress is at 15%.</p> <p>Monitoring and supervision was done during design and construction of 200 affordable housing units</p> <p>Design and implementation of adequate housing</p>



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<p>program was done</p> <p>Needs assessment, marketing of public housing program was conducted</p>	
13			10,000 Public servant houses constructed for sale and rent by June, 2026	1560 Public servant houses constructed for sale and rent by June, 2023	<p>The areas for investment have been identified in Mwanza, Arusha, and Geita. 1 block flat has been completed while 2 are in progress at 15% out of 16 block flats</p> <p>The overall physical project progress is at 10%. Whereby construction of 50 houses out of 150 has already started. Ongoing activity is construction of foundation for 49 houses and finishing for 1 house.</p> <p>The overall physical project progress is at 30%, Ongoing</p>	74%



No	Key Performance Indicators				2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	
				<p>activities are construction of blockwork walling to the ground and first floor.</p> <p>The overall physical project progress is at 66%, Ongoing activities are plumbing first fix and external plastering.</p> <p>Pre-feasibility studies have been done to Arusha, Iringa, Kilimanjaro, Manyara, Mbeya, Morogoro, Mwanza, Njombe, Shinyanga, Singida, Songwe, Tanga, Dar es Salaam, Geita and Dodoma region.</p> <p>Topographical survey was done to Magomeni, Temeke, Cannadian, and Ghana projects.</p> <p>Monitoring of quality and standards of</p>	



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					housing was done for 581 houses Market survey was done semi-annually Management survey was done	
14		Diversification of Investment for Institutional Sustainability	TBA Commercial real estate investment developed in two Regions for renting in Dodoma and Dar es salaam by June, 2026	To conduct 50 Marketing/advertising building constructed for leasing by June 2023.	Advertisement of houses for sale and rent has been done in media, social media, brochures, billboards, and exhibition (saba saba & nane nane)	100%
15				TBA Commercial real estate investment developed in One Region for renting in Dodoma and Dar es salaam by June, 2023	1. TBA Commercial building has completed to both Arusha and Pwani regions (Simeon - Arusha and Chalinze - Pwani) 2. Pre-feasibility study have been conducted to Songwe and Manyara region and report has been produced 3. Valuation and review of rent rates	60%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					for TBA's properties has been done to the following regions; Dar es Salaam, Morogoro, Pwani, Simiyu, Singida, Shinyanga, Njombe, Kagera, Songwe, Arusha, Tanga, Katavi, Rukwa and Dodoma	
16		Develop asset register of Public houses	Asset register database developed in all 26 Region by June, 2026	Asset register database developed in 5 Regions by June, 2023	1. No training conducted on asset register was conducted 2. Valuation and coding was not conducted	0%
17		Establish efficiency mechanism in rent and sales revenue collection.	Number of defaulters decrease from 30% up to 10% by June,2026	Number of defaulters decrease to 22% by June, 2023	1. Percentage decrease of defaulters has reached 17%. 2. Court broker and task force teams from TBA were engaged in collection of arrears. 3. Eviction of defaulters has been done by court broker in Dar es	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					Salaam, Mara, Morogoro, Tabora, Kilimanjaro, Mwanza, Simiyu, Singida, Shinyanga, Mtwara, Lindi and Dodoma.4. 100 Tenants complaints have been attended in all regions - Tanzania Mainland	
18		Operationalize Real Estate management and maintenance manuals	(100%) implementation of Real estate Management Manual Annual by June, 2022	100%) implementation of Real estate Management Manual Annually by June, 2023	1. The final draft of the Real Estate Management Manual has been submitted to the Permanent Secretary, Ministry of Works and Transport (Works) for approval. 2. A draft of the Real Estate Investment Manual has been approved by the Ministerial Advisory Board (MAB) and it has been submitted to the Permanent Secretary, Ministry of Works and Transport	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					(Works) for approval. 3. Printers and office furniture (Tables and chairs) were procured as needs raised.	
19				100%) implementation of Real estate Management Manual Annually by June, 2023	<ul style="list-style-type: none"> <li>• Notice have been issued to all debtors.</li> <li>• Eviction of all customers with debts have been done by court broker in Dar es Salaam, Mara, Morogoro, Tabora, Kilimanjaro, Mwanza, Simiyu, Singida, Shinyanga, Mtwara, Lindi and Dodoma.</li> <li>• Supervision was done during construction.</li> <li>• Follow up has been made and all contractual issues were resolved.</li> </ul>	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>TBA has a plan to engage financial institutions that can offer mortgage financing to public servants who are unable to pay their debts</li> </ul>	
20		Coordinate Key Stakeholders responsible for ensuring compliance to safety requirement	781 Number of houses rehabilitated for Government leader and public servant by June,2026	181 Number of houses rehabilitated for Government leader and public servant by June,2023	<ul style="list-style-type: none"> <li>Rehabilitation of Lindi TBA office is still on progress.</li> <li>Rehabilitation of 65 houses for public houses has been done in Dar es Salaam and regions</li> <li>Rehabilitation of 6 and 18 houses for Government leaders in Dodoma and Dar es Salaam respectively was done</li> <li>Rehabilitation of 198 houses has been done in</li> </ul>	73%





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<p>Pwani-21, Manyara-61, Njombe-50, Mwanza-16, and Songwe 50.</p> <ul style="list-style-type: none"><li>• Procurement has not been done</li><li>• Building inspections and maintenance of government building have been conducted within 26 regions</li><li>• Quarterly maintenance programs reports were prepared for four quarters</li><li>• Maintenance has been done regularly and 65 Houses has been maintained.</li><li>• 4 Valuers attended VRB training in Morogoro February, 2023</li></ul>	



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					14 Valuers attended VRB meeting in Tanga May, 2023	
21				181 Number of houses rehabilitated for Government leader and public servant by June,2023	<ul style="list-style-type: none"> <li>The project has been completed for tied quarters in Kilimanjaro, Mtwara, Shinyanga, and Tabora region.</li> <li>The construction is on-progress for Kagera region whereby ongoing activities are plastering, fabrication window grills, fixing of timber door frames, finishing of septic and soak away pit, brandering to eave ceiling.</li> </ul>	90%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
22		Operationalize survey and protection of TBA plots	1000 plots surveyed and protected by June 2026	170 plots surveyed and protected by June, 2023	<ul style="list-style-type: none"> <li>132 plots were surveyed in block 'J' at Mbulu Town Council - Manyara region.</li> <li>A meeting was conducted between TBA and local leaders to identify encroachers of TBA plots at Bunju Mabwepande project.</li> <li>Erection of signboards has been done to Mwanza, Rukwa, Simiyu, Tabora, Njombe, and Ruvuma.</li> <li>Land rent has been paid to plots in Arusha region.</li> <li>108 title deeds are in the final stage of completion</li> </ul>	91%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
23		Develop joint venture projects in real estate	3 Joint venture projects developed by June,2026	3 Joint venture projects developed by June,2023	The areas for investment have been identified	100%
24		Coordinate implementation of Government projects for Offices, Residential Apartments, Leaders and Public servant houses and workshops	10,000 Public servant houses constructed for sale and renting monitored and evaluated by June 2026	1741 Public servant houses constructed for sale and renting monitored and evaluated by June, 2023	Quarterly project progress report prepared and submitted to Ministry of Works and Transport for grants and own source projects. Site inspection have been conducted to Arusha, Dar es Salaam, Pwani and Dodoma and Lindi Regions	95%
25			Rehabilitation of 781 houses for government leaders are monitored and evaluated by June, 2026	Rehabilitation of 781 houses for government leaders are monitored and evaluated by June, 2023		



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
26			3 joint venture projects recommendation reports prepared by June 2026	3 joint venture projects recommendation reports prepared by June 2023	No joint venture project implemented	0%
27		Conduct research studies on real estate development	15 write-ups on investment and financial sustainability prepared annually by June, 2026	3 write-ups on investment and financial sustainability prepared annually by June, 2023	<ul style="list-style-type: none"> <li>• Prime Areas was visited in Arusha and proposal/ recommendation was provided.</li> <li>• 10 office chairs, 2 Laptops, 2 cabinets and 1 printer were procured.</li> <li>• Feasibility study, proposal write ups and for investment was not</li> </ul>	18%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					prepared by June 2023	
29	CONSULTANCY SERVICES FOR GOVERNMENT BUILDINGS AND PUBLIC SERVANTS	Promote Quality Management system in consultancy service	Percentage of consultancy projects without variations increased to 50% from 10% by June 2026	Percentage of consultancy projects without variations increased to 20% by June 2023	One (1) Software learnt (BIM), 1 study tour attended, 19 staff registered by AQRB, 5 staff were trained on Contract and Project Management and 64 professionals staff attended Continuous Development Seminars.	80%
30				Percentage of consultancy projects without variations increased to 20% by June 2023	2. Short course training from NCC and TPTC were conducted on capacity building in arbitration and contract administration, Bills of Quantities for 10 projects were reviewed, 5 TRC meeting were conducted for reviewing documents.	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					Reviewed marketing rates were conducted by attending construction exhibitions and expos and conducting marketing survey, attending 3 CPD from AQRB and TIQS.	
31				Percentage of consultancy projects without variations increased to 20% by June 2023	Fees to the ERB, NEMC paid, 25 staffs attended CPD, 2 staff attended international exhibition and teams participated in action meetings	95%
32				Percentage of consultancy projects without variations increased to 20% by June 2023	Registered Engineers attended CPDS, Annual ERB subscription fees were paid, No Structural design soft where licenses were procured and No Training of structural design software were attended.	95%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
33			Percentage of consultancy projects completed within time frame increased from 10% to 50%	Percentage of consultancy projects completed within time frame increased to 20% by June 2023	Five (5) Condition Surveys conducted out of 7 at HQ, 14 topographical maps were prepared at HQ and different regions across Tanzania, Nil equipment/tools purchased.	66%
34				Percentage of consultancy projects completed within time frame increased to 20% by June 2023	1. Manual and guidelines for Agency costs for project design and supervision prepared and updated. 2. Site visit and inspections were carried out for 40 projects	30%
35				Percentage of consultancy projects completed within time frame increased to 20% by June 2023	5 specialists were outsourced, 2 software HVAC, Pumps and water treatment, and Electrical design were acquired in order to facilitate design and submission of	50%





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					drawings and preparation of project documents.	
36			Percentage of consultancy projects completed within time frame increased from 10% to 50%	Percentage of consultancy projects completed within time frame increased to 20% by June 2023	Project supervision and management were facilitated by attending to the project Site, no office furniture and Modern equipment/tool for testing measuring and safety were procured.	50%
37			Consultancy standard Manual Reviewed twice by June 2026	Consultancy standard Manual Reviewed by June 2023	One (1) Consultancy design manual prepared.	100%
38				Consultancy standard Manual Reviewed by June 2023	Draft standards manual for designing has been prepared	50%
39				Consultancy standard Manual Reviewed by June 2023	Consultancy Services for construction of MoWT office block (phase II) was facilitated.	95%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
40			Number of technical reviewed committee meetings attended per year increased from 24 to 96	Number of technical reviewed committee meetings attended per year increased from 24 to 36 by June 2023	5 Technical Review Committees conducted.	20%
41			Number of technical reviewed committee meetings attended per year increased from 24 to 36 by June 2023	10 technical review committee conducted	65%	
43			Percentage of Projects tender documents completed within planned time schedule increased from 10% to 85% by June 2026	Percentage of Projects tender documents completed within planned time schedule increased from 10% to 40% by June 2023	43-Complete set of architectural drawings prepared and submitted.	93%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
44				Percentage of Projects tender documents completed within planned time schedule increased from 10% to 40% by June 2023	39 projects awarded in the financial year, preliminary site visit to 29 projects were carried out and drawings for 29 projects are in progress	97%
46			Number of projects awarded annually increased from 35 to 75 by June, 2026	Number of projects awarded annually increased from 35 to 75 by June, 2023	Three (3) exhibitions were conducted to reach customer satisfaction. 23 Nos of visits were made to key stakeholders, Nil physical models prepared.	67%
47				Number of projects awarded annually increased from 35 to 75 by June, 2023	39 New projects were acquired	92%
48			Facilitate timely payment of service offered	Percentage of fees notes and certificates timely Issued increased from 10% to 90%	Percentage of fees notes and certificates timely Issued increased from	63 fee notes and control numbers were issued



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
49				10% to 30% by June, 2023		
				Percentage of fees notes and certificates timely Issued increased from 10% to 30% by June, 2023	The total of 7,105,088,086.00 fee notes submitted to clients, 4.972,070,360.00 were paid as consultancy fees to financial year 2022/23	
50		Provision of Consultancy service in Government offices projects and residential apartments	10,000 Public servant's units designed and supervised by June, 2026	2025 Public servant's units designed and supervised by June, 2023	8 Nos of initial site visits attended, 8 Nos set of architectural drawings prepared, .22 Nos of site meetings and inspections conducted, 5 Nos of registration and stickers were given to the projects.	75%
51				2025 Public servant's units designed and supervised by June, 2023	Site visits conducted, the registration of the project to NEMC for ESIA has been completed. Site visits, inspections	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					and meetings are in progress	
52				2025 Public servant's units designed and supervised by June, 2023	Registration of projects were successfully done. Sets of Structural drawings and design reports were produced. Attendance to Site inspections and meetings were done	98%
53			100 Government buildings designed and supervised by June 2026.	100 Government buildings designed and supervised by June 2023.	33 Initial Site Visits were done for the projects.40 set of architectural drawings were prepared and submitted.75 Nos of site inspections and meetings conducted.14 projects were registered and issued with stickers.63 fee note claimed and issued with control numbers.	



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
54				100 Government buildings designed and supervised by June 2023.	Preliminary visit and 16 site visits conducted, registration of the project to relevant authorities (OSHA, FIRE, NEMC), service drawings prepared and monthly supervision reports	90%
55				100 Government buildings designed and supervised by June 2023.	Registration of projects were successfully done. Sets of Structural drawings and design reports were produced. Attendance to Site inspections and meetings were done	98%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
57		Operationalize quality management system in project management for consultancy and construction services	215 contracts for consultancy and construction project awarded and signed by from 40 to 80 by June 2026.	50 contracts for consultancy and construction project awarded and signed by June 2026.	66 RFP prepared and submitted to TANEPS/Clients and 39 project have been awarded and signed, where by 29 are consultancy projects, 08 construction projects and 2 design and build projects	78
58			Project without variations due to design deficiencies increased from 10% to 50% by June 2026.	Project without variations due to design deficiencies increased from 15% to 20% by June 2023.	3 training short courses conducted for architects and engineers on capacity building on project Management where by 4 CPD attended by Engineers, Architects and Town Planners	20
59			60% of project completed within time frame by June 2026.	30% of project completed within time frame by June 2023.	Program of works have been reviewed and monitored for 150 projects falling under consultancy, design and build and construction mode	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
60			Project prepared and implemented with execution plan increased from 10% to 60% by June 2026	Project prepared and implemented with execution plan increased from 20% to 30% by June 2023	Monitoring have been done for 189 projects falling under consultancy, design and build and construction mode	40
61			Technical review meeting to designed project increased from 20 to 70 annually	Technical review meeting to designed project increased from 30 to 40 annually	5 TRC meeting conducted	13
62			Update and Operationalize Quality Management system for Quality Assurance and Control	8 Standard Operating Procedure Documents in relation to consultancy services updated by June 2026	8 Standard Operating Procedure Documents in relation to consultancy services updated from 4 to 8 by June 2026	Zero Draft of SoP prepared submitted to management for review 4 SoP documents finalized for consultancy and submitted for approval





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
63			100% of staff in all cadres trained on QMS by June 2026	20% of staff in all cadres trained on QMS by June 2023	<ul style="list-style-type: none"> <li>Staff from Seven Regional trained on Quality Management System (QMS) during visit on the project implemented.</li> <li>QMS documents prepared and formalized.</li> </ul>	70%
64		Conduct assessment on quality of Design through Technical Review and Validation	Percentage of consultancy Projects scoring more than 75% of Standard TRC Checklist increased from the current to 100% by June 2026	Percentage of consultancy Projects scoring more than 75% of Standard TRC Checklist increased from 50% to 100% by June 2023	<ul style="list-style-type: none"> <li>Zero Draft Technical Review Committee (TRC) guideline Prepared and submitted for management.</li> <li>Draft TRC Guideline distributed to design teams for preparation of TRC presentations.</li> </ul>	50%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
65		Finalize standard Internal Operating Procedure for design software and hardware system to facilitate efficient and effective work flow and collaboration	Standard Operating Procedure for Building Information Modelling (BIM) for efficient and effective workflow with collaboration established by June 2026	Standard Operating Procedure for Building Information Modelling (BIM) for efficient and effective workflow with collaboration established from draft to Final SoP by June 2023	Zero draft of SOP document for BIM prepared and submitted for Approval	50%
66			Percentage of projects with Non-Conformance Reports in the use of Integrated Program for collaborative and interoperable design system reduced to 5% by June 2026	Percentage of projects with Non-Conformance Reports in the use of Integrated Program for collaborative and interoperable design system reduced to 100% by June 2023	Terms of Reference on Study Visit for BIM collaborative Design prepared.	30%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
68	CONSTRUCTION SERVICES FOR GOVERNMENT BUILDINGS AND PUBLIC SERVANTS ACCOMMODATIONS ENHANCED	Implement construction of Government office buildings	Government office buildings constructed from 43 to 100 by June 2026.	Government office buildings constructed from 50 to 65 by June 2023.	<ul style="list-style-type: none"> <li>The overall physical progress of Geita TBA Office is at 60%, ongoing works are plastering, skimming, window grill fabrication, fixing HVAC and construction of manhole and septic tanks</li> <li>3 New Construction projects were acquired in 2022/2023</li> </ul> <p>For the new and ongoing projects, master work programs, procurement schedules, labor inputs and work reports have been updated timely at different work stages and as required.</p>	80



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>Supervision of construction projects, registration of projects to regulating Boards such as CRB have been done</li> </ul>	
69		Develop and Operationalize Standard Operation Manuals and Procedures for construction services	100% completion and approval of construction manual by June, 2026.	100% completion and approval of construction manual by June, 2023.	TOR for production of construction manual is already in place. Completion and utilization of construction manual to be done in the financial year 2023/2024	50
70			100% of procedures implemented in the construction manual by June, 2026.	0% of procedures implemented in the construction manual by June, 2023.	TOR for production of construction manual is already in place.  Due to insufficient fund, Completion and utilization of construction manual is planned to be done and completed in the financial year 2023/2024	30



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
71			100% completion and approval of workshop operation manual by June, 2026.	100% completion and approval of workshop operation manual by June, 2023.	Preparation of TOR completed	30%
72		Full Operation of TBA Workshops	6 existing workshops operationalized by June 2026	8 existing workshops operationalized by June 2023	Not done	0%
73			Construction of modern workshop completed 100% by June 2026	Construction of modern workshop completed 100% by June 2023	Not done	0%
74		Monitor Implementation of construction project contracts.	Projects that meet specification increased from 20% to 100% by June, 2026.	Projects that meet specification increased from 30% to 40% by June, 2026.	One training session on was conducted on 10 <sup>th</sup> -12 <sup>th</sup> August, 2022. Close monitoring of construction progress has been done. Some projects are directly	80



# Tanzania Buildings Agency (TBA)

No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
75		Construction of leaders and public servants houses	10,000 Public servant houses constructed for sale and rent by June, 2026	1,556 Public servant houses constructed for sale and rent by June, 2023	20 Government Leaders houses have been constructed and completed at Kisasa - Dodoma The directorate of construction in collaboration with the Regional Manager offices have conducted regular project inspection for all construction projects which were undertaken in financial year 2022/2023.	74
78		Procure new and facilitate utilization of available plants and machinery in construction works.	42 of planned procurement of Plants and Machinery acquired Annually by June 2026	10 of planned procurement of Plants and Machinery acquired by June 2023	<ul style="list-style-type: none"> <li>• One (1) machine procured.</li> <li>• Plants and Machinery sector facilitate improvement of buildings standard by producing quality as approved by national laboratory test</li> </ul>	45%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
79			100% of available plants and machinery operational Annually by June, 2026	100% of available plants and machinery operational Annually by June, 2023	<ul style="list-style-type: none"> <li>• CCTV camera was installed at Nzuguni office for security purposes.</li> <li>• The sector facilitates the sock taking especially at Nzuguni office.</li> <li>• The training for operators and drivers were done internally (on Job training)</li> </ul>	55%
80		Modify system for document control of Consultancy, Construction and Real estate Government project	100% of Project Progress report updated in GRMS by June 2026	60% of Project Progress report updated in GRMS by June 2023	We provided inputs for GRMS update for version II so that it can be user friendly and produce project reports and attending GRMS user acceptance test	60
81		Update and Operationalize	Two Construction Standard Operating Procedure	One (1) Construction	20 sites were evaluated to	50%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
		Quality Management system for Quality Assurance and Control	Documents in relation to construction services reviewed by June 2026	Standard Operating Procedure Documents in relation to construction services reviewed by June 2023	Compliances on Quality Plans and Checklists to Regional Managers. SoP documents disseminated for 15 sites	
82		Conduct technical inspections and value for money technical audits	20 Inspections on Conformance of construction projects conducted by June 2026	5 Inspections on Conformance of construction projects conducted by June 2023	20 sites inspected on conformance these include Quality Plans and Checklists to Regional Managers.	60%
83		Establish, use and maintain the state of art building testing laboratory	Needs Assessment and Validation of Design, Construction and Equipment Installation conducted by June 2026.	Design and cost documents for Construction and Equipment Installation conducted by June 2023.	Needs Assessment for Establishment of materials testing Laboratory prepared and Submitted for Design proceedings	70%





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
84			100% of Building Tests in Dar es Salaam are accommodated in-house by June 2026	0% of Building Tests in Dar es Salaam are accommodated in-house by June 2023	ToR for development of Testing Guidelines Prepared ready for approval	10%
85	INSTITUTIONAL CAPABILITY FOR PROVISION OF SERVICES STRENGTHENED	Create conducive working environment	95 percentage of Staff welfare services at TBA HQ and Regional Offices attained by June 2026;	80% percentage of Staff welfare services at TBA HQ and Regional Offices attained by June 2023;	<ul style="list-style-type: none"> <li>75% of staff welfare services were provided timely.</li> <li>Timely payments of staff salaries, extra duty allowances, utilities, leave allowances have been made up to June, 2023.</li> <li>TBA staff participated in MAY DAY which was held in Morogoro Region.</li> <li>One (01) Workers Council Meetings was</li> </ul>	90%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>conducted in Dodoma.</li> <li>• Three (03) MAB Meetings have been conducted.</li> <li>• Staff participated in SHIMIWI sports held in Tanga.</li> <li>• 130 women participated in the celebration of International women's day on the 8th March, 2023</li> </ul>	
86		Develop and ensure compliance to all Government and Human Resource Management	Six (6) Human Resource Manuals developed and implemented by June, 2026	One (1) Human Resource Manuals developed and implemented by June, 2023	<ul style="list-style-type: none"> <li>• Three (3) HR Manuals have been developed implemented which are: Succession plan, Human Resource plan and Training Program.</li> <li>• Training plan for 2021/22 - 2025/26 has</li> </ul>	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					been distributed to all staff	
87			100% of employees submitted OPRAS timely by June, 2026	70% of employees submitted OPRAS timely by June, 2023	<ul style="list-style-type: none"> <li>40% of employees submitted OPRAS from July, 2022 to June 2023.</li> <li>Circular to inform all to submit OPRAS form has been prepared and circulated</li> </ul>	40%
88			350 professional staff recruited by June, 2026	70 professional staff recruited by June, 2023	<ul style="list-style-type: none"> <li>79 professional staffs have been recruited.</li> <li>8 vacancies request have been submitted to PO - PSM for the year 2022/23.</li> <li>8 TBA staff were participated in Interview panel in collaboration with PSRS.</li> </ul>	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>• 26 Regional visits were made by HR section.</li> <li>• Annual budget/plan and PE were timely prepared and submitted</li> </ul>	
89			Agency's Manning level and Job Listing reviewed by June, 2026	One (1) Agency's Manning level and Job Listing reviewed by June, 2023	TBA reviewed its manning level with total number of 806 staff	65%
90			Four (4) special recruitment committee meetings conducted annually by June, 2026	Four (4) special recruitment committee meetings conducted annually by June, 2023	<ul style="list-style-type: none"> <li>• Two (02) special recruitment committee (KAMAA) meetings have been conducted.</li> <li>• 10 employees confirmed, 33 employees were promoted and 3 employees were categorized in new cadres</li> </ul>	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
91		Develop Training Needs Assessment for staff development plan	Training Needs Assessment developed by June, 2026	Training Needs Assessment developed by June, 2023	Training Needs Assessment developed	100%
92			Staff training program developed and implemented annually by June, 2026	Staff training program developed and implemented by June, 2023	<ul style="list-style-type: none"> <li>• Staff training program was developed.</li> <li>• Induction program was conducted to 72 newly recruited staff.</li> <li>• 176 staff attended professional conferences conducted by AQRB, ERB and AREPTA.</li> <li>• Two (02) staff attended training on long course and 286 short courses.</li> <li>• 15 staff were registered by</li> </ul>	60%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					professional board.	
93			55 training program for Agency's staff facilitated annually by June, 2026	55 training program for Agency's staff facilitated annually by June, 2023	12 training was conducted from July, 2022 to June, 2023. Those training are: i. HCMIS training ii. CPD - ERB iii. E-office Version 5 training. iv. Induction course v. CPD - AQRB vi. Annual General Meeting - PSPTB vii. Kongamano la Maafisa Mipango Miji viii. CPD ix. Semina ya maadili - TRAMPA PASEA x. Semina ya maadili - Wasaidizi wa ofisi. xi. Masters of Project Management	55%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					xii. Bachelor of Engineering	
94		Promote gender mainstreaming and awareness	Two (2) Diversity management programs conducted during staff meetings annually by June, 2026	Two (2) Diversity management programs conducted during staff meetings annually by June, 2023	<ul style="list-style-type: none"> <li>• Two Annual conferences were held to 16 Women Engineers.</li> <li>• Management meeting was held in Dodoma in 10th May, 2023.</li> <li>• 3 MAB meeting were conducted in Financial Year.</li> <li>• Supervision of registry has been carried out throughout the year.</li> </ul> Cleanliness and security duties have been supervised during the entire financial year	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
95		Conduct implementation of audit policies and procedures.	Compliance of policy and procedures in the Agency attained by 100% Annually by June 2026	Compliance of policy and procedures in the Agency attained by 100% Annually by June 2023	<ul style="list-style-type: none"> <li>• Institution system developed audit was not conducted by June 2023</li> <li>• Risk based internal audit plan for 2022/2023 was prepared and approved by Audit committee for implementation 2022/2023.</li> <li>• Internal Audit charter was reviewed and approved by Audit Committee for use</li> <li>• Quarterly Internal Audit reports were prepared, submitted to Audit Committee and IAG (MOF).</li> <li>• For the financial year 2022/2023, Audit committee meetings were conducted four times, and the</li> </ul>	76%





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<p>Charter was reviewed.</p> <ul style="list-style-type: none"> <li>Audit of financial procedures was done, financial statement audit still pending.</li> </ul>	
96			95% of audit recommendation implemented within agreed time frame annually by June 2026	95% of audit recommendation implemented within agreed time frame annually by June 2023	<p>Annual conference internal audit was attended, audit issues were discussed including audit report writing.</p> <p>Training on internal control not attended due to financial constraints.</p> <p>Audit were conducted quarterly on compliance of internal policies.</p> <p>Audit was done on contract</p>	65%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					management, procurement and real estate. Due to time constraint audit was not done on operations of plants and equipment.	
97		Providing legal advice on all legal matters	50 legal matters attended and legal advice provided annually by June, 2026	50 legal matters attended and legal advice provided annually by June, 2023	<ul style="list-style-type: none"> <li>• Two hundred eighteen (218) legal research and legal advice provided.</li> <li>• Three (3) legal and building sub-sector legal reform documents were reviewed namely, Executive Agencies (Amendment Act, 2022, TBA Establishment Order, 2003 and TBA Investment Guideline, 2023.</li> <li>• Eleven (11) legal matters with</li> </ul>	236%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<p>stakeholders were dealt with.</p> <ul style="list-style-type: none"><li>• Thirty (30) Legal matters were liaised and approved with the Office of the Attorney General Chambers.</li><li>• Six (6) staffs attended Professional training given by TLS and TIAC in 2022/2023.</li><li>• Thirty-two (32) Corporate administrative matters were undertaken.</li><li>• Seven (7) Regions with Land disputes were visited and resolved.</li></ul>	



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
98		Developing all Agency Contracts	36 real estate sale and lease agreements developed and reviewed by June, 2026	36 real estate sale and lease agreements developed and reviewed by June, 2023	<ul style="list-style-type: none"> <li>• Eighty-seven (87) contracts were identified and reviewed.</li> <li>• Twenty-nine (29) contracts, a total of 17 new contracts and 12 Memorandum of understanding were drafted.</li> <li>• Three (3) due diligence on legal status of prospective Companies were conducted by June, 2023.</li> <li>• Nine (9) negotiation and meetings for legal expertise were prepared.</li> <li>• Eighty-seven (87) contracts, a total of 69 Lease agreements and 18 sale agreements</li> </ul>	284%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<p>were vetted and ratified.</p> <ul style="list-style-type: none"><li>• Three (3) contract registers, namely Sale of Government Houses (Bunju), Lease of Government Houses and Consultancy, Construction and Procurement Contracts.</li><li>• Two (2) short term course on Contract drafting was attended by June, 2023.</li></ul> <p>Four (4) meetings, being 2 TLS seminars and 2 PBA Meeting were attended.</p>	



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
99			28 Consultancy, construction and procurement contracts developed and reviewed annually by June, 2026	28 Consultancy, construction and procurement contracts developed and reviewed annually by June, 2023	<ul style="list-style-type: none"> <li>• Fifty-nine (59) contracts, being 20 Procurement Contracts, 6 construction contracts, 31 Consultancy contracts and 2 other contracts were reviewed and interpreted.</li> <li>• Seven (7) new contracts and 4 Memorandum of understanding were drafted.</li> <li>• One (1) due diligence on legal status of the prospective company was conducted.</li> <li>• Six (6) contracts were taken to the Office of the Attorney General for vetting by June, 2023.</li> </ul>	96%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>• Twelve (12) negotiations meetings that were prepared and attended.</li> <li>• One (1) Contract Register bearing Consultancy, Construction and Procurement Contracts was reviewed and improved.</li> </ul>	
100		Representing the Agency in Judicial and Quasi-Judicial Bodies	35 Cases represented and disputes managed and minimized annually by June, 2026	35 Cases represented and disputes managed and minimized by June, 2023	<ul style="list-style-type: none"> <li>• Twenty-three (23) ongoing cases were represented by June, 2023.</li> <li>• Two (2) criminal matters were dealt with in collaboration with Police and Director of Public Prosecution.</li> <li>• Pleadings, notices/responses, motions, court briefs and other legal documents</li> </ul>	86%



No	Key Performance Indicators				2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	
					<p>prepared and reviewed for 23 on going cases by June, 2023.</p> <ul style="list-style-type: none"><li>• Collection of evidence and arrangement of witnesses to appear in Court and Tribunals for 11 cases by June, 2023.</li><li>• Twenty-three (23) on going cases were organized and monitored. 11 decisions (Drawn Orders, Rulings and Judgments) are put into safe custody.</li><li>• Seven (7) Regions with Land disputes were visited and disputes attended by June, 2023. Two (2) Staffs attended 2 PBA Seminars on</li></ul>





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					dispute resolution and negotiations by June, 2023	
101		Scrutinizing Internal manuals and Guidelines for TBA operations	2 Internal Manual and guidelines for TBA operations Scrutinized annually by June, 2026	2 Internal Manual and guidelines for TBA operations Scrutinized annually by June, 2023	<ul style="list-style-type: none"> <li>Two (2) Internal Manuals/Guidelines, namely TBA Investment Manual and TBA Real Estate Management Manual were reviewed by June 2023.</li> <li>Two (2) Consultative Meetings on legal opinion on two respective manuals were conducted by June 2023.</li> <li>One (1) MAB Meeting was liaised on approval of TBA Investment Manual by June, 2023. However, the Agenda was</li> </ul>	80%



No	Key Performance Indicators				2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	
					<p>adjourned deliberately.</p> <ul style="list-style-type: none"> <li>• The Parent Ministry was liaised on both Manuals for awareness.</li> <li>• Awareness programs are pending final approval.</li> <li>• The Executive Agencies Act No. 30/1997 reviewed by June 2023.</li> <li>• The TBA Establishment Order, 2003 reviewed by June, 2023.</li> <li>• Areas of weaknesses addressed by June 2023.</li> <li>• TBA Establishment Order 2023 interpreted into Kiswahili as a draft by June 2023.</li> </ul>



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>• Three (3) Consultative Meetings on the Subsidiary Establishment Order conducted by June 2023.</li> </ul>	
102			5 Deeds of settlement attained annually by June, 2026.	5 Deeds of settlement attained annually by June, 2023.	<ul style="list-style-type: none"> <li>• Four (4) disputes that needed legal intervention by June 2023 were identified.</li> <li>• Participated in Four (4) Negotiation meetings that called for legal expertise by June, 2023.</li> <li>• Documents were organized for development of three (3) deeds of settlement by June, 2023.</li> <li>• Three (3) deed of settlement</li> </ul>	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<p>were developed by June, 2023.</p> <ul style="list-style-type: none"> <li>• Several meetings were conducted whereby three (3) deed of settlement were presented.</li> <li>• Two (2) staffs attended training on dispute reconciliation and arbitration offered by PBA by June, 2023.</li> </ul>	
103		Promote the use of Information systems	20 modules added and 3 modules upgraded in GRMS according to TBA business process by June 2026	4 modules added and 3 modules upgraded in GRMS according to TBA business process by June 2023	<ul style="list-style-type: none"> <li>• Upgrading of Government Real Estate Management System (GRMS) is completed and ready for implementation.</li> <li>• User Acceptance Test and System</li> </ul>	95%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					Flow setup was done Successful	
104			100% of ICT Policy Operationalized by June 2026	100% of ICT Policy Operationalized by June 2023	<ul style="list-style-type: none"> <li>ICT Management documents were developed and approved by ICT steering Committee - (ICT Policy, IT Strategy and ICT guidelines) Implementation of ICT Management.</li> <li>Documents (ICT Policy and its guideline) awaits training on user departments</li> </ul>	100%
105			700 staffs Trained on use/ operating information systems by June 2026	150 staffs Trained on use/ operating information systems by June 2023	<ul style="list-style-type: none"> <li>Capacity building on utilization of GRMS is scheduled to commence on the beginning of 2023/2024 FY.</li> </ul>	0%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					<ul style="list-style-type: none"> <li>Implementation delays was due to insufficient funds</li> </ul>	
106		Facilitate the use of modern equipment's	100% planned Procurement of computers, tablets, printers and security tokens (MUSE) by June 2026.	100% planned Procurement of computers, tablets, printers and security tokens (MUSE) by June 2023.	<ul style="list-style-type: none"> <li>6 computers, 2 Network heavy duty printers were procured</li> </ul>	100%
107			500 user licenses and Collaborative designing software procured by 2026	250 user licenses and Collaborative designing software procured by 2023	<ul style="list-style-type: none"> <li>Initialization of procurement under head of sections is on progress to establish user needs as per department and sections.</li> </ul>	10%
108		Operationalize internet, Network and telephones services.	LAN and WAN to 20 regional offices installed by June 2026.	LAN and WAN to 15 regional offices installed by June 2023.	<ul style="list-style-type: none"> <li>LAN Installation in previous 6 regional offices is at a final stage.</li> <li>Procurement and installation of centralized Power Backup</li> </ul>	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					was not done due to lack of funds	
109		Establishment of backup and disaster recovery plan	4 High end storage server is made available by June, 2026	2 High end storage server is made available by June, 2023	Not done due to insufficient funds	0%
110		Operationalize ICT Steering committee	6 meetings of ICT steering committee conducted annually by June, 2026	4 meetings of ICT steering committee conducted annually by June, 2023	<ul style="list-style-type: none"> <li>One ICT steering Committee Meeting was conducted to approve ICT Management Documents</li> </ul>	25%
111		Operationalization of statistical activities.	16 statistical reports produced by June 2016	4 statistical reports produced by June 2023	<ul style="list-style-type: none"> <li>Statistical report for FY 2021/2022 was prepared and submitted for approval</li> </ul>	100%
112		Facilitate Procurement Operation and Processes	100% of planned procurement as per Annual Procurement Plan implemented Annually by June 2026	70% of planned procurement as per Annual Procurement Plan implemented Annually by June 2023	<ul style="list-style-type: none"> <li>Annual Procurement Plan for 2022/23 Prepared.</li> <li>7 Ordinary and Extra-ordinary Tender Board meetings were convened.</li> </ul>	90%



No	Key Performance Indicators				2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	
					<ul style="list-style-type: none"> <li>• 203 Tender Documents were Prepared and advertised.</li> <li>• 191 Bids were evaluated.</li> <li>• 39 tenders were negotiated with Suppliers for cost reduction.</li> <li>• 1,582 Contracts and LPO's with contract terms and condition were managed.</li> <li>• Four (4) Quarterly and annual Procurement Report Prepared for Submission to Tender board, MAB and PPRA.</li> <li>• (40) Procurement and Supplies staff have registered to relevant Professional Bodies such as PSPTB and attain</li> </ul>





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					CPD hours by attending Annual Procurement and Supplies Professional's. <ul style="list-style-type: none"> <li>Internal and external Procurement Auditing have been done.</li> </ul>	
113			Tanzania National electronic Procurement System (TANePS) implemented in 26 regional Offices by June 2026	Tanzania National electronic Procurement System (TANePS) implemented in 26 regional Offices by June 2023	<ul style="list-style-type: none"> <li>Training was conducted to five Nest System users in Iringa Region 27<sup>th</sup> February 2023 to 10<sup>th</sup> March 2023.</li> <li>TBA Procurement is done through TANePS at Head Office and Regional Offices.</li> <li>Tailor made Training from PPRA was conducted in Dodoma City from 01/12/2022 - 03/12/2022 to</li> </ul>	100%



No	Key Performance Indicators				2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	
					<p>train Accounting Officer, Tender Board members, PMU and User Department on PPA.</p> <ul style="list-style-type: none"> <li>• 7 (Seven) Computers has been procured for implementation of TANePS System.</li> <li>• Nine (9) Projects Nzuguni Dodoma, Ethics Dodoma, Utumishi Dodoma, Semion Arusha, Canadian Village Dar es Salaam, Temeke Quarter, Magomeni Quarter, DC Office Ikungi in Singida and Judge house in Kagera Region were visited to oversee</li> </ul>



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					procurement processes and procedures. <ul style="list-style-type: none"> <li>Also 26 TBA Regional offices were visited to oversee procurement processes and procedures.</li> </ul>	
114		Facilitate record keeping of TBA Assets and inventories for internal control	All (100%) TBA Assets are Coded, verified and registered in the Asset Register Annually by June, 2026.	90% TBA Assets are Coded, verified and registered in the Asset Register Annually by June, 2023.	<ul style="list-style-type: none"> <li>TBA assets Identified and Assets register was updated.</li> <li>Preparation of bar coding was done to all registered assets and additional assets, Asset register uploaded on GAMIS.</li> <li>One Supplies Staff attend on the use of Government Asset Management System,</li> </ul>	79%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
115			Stock taking exercise done at TBA Head Office and 26 Regional Offices Annually by June, 2026	Stock taking exercise done at TBA Head Office and 26 Regional Offices Annually by June, 2023	<ul style="list-style-type: none"> <li>Stocktaking exercise was conducted to TBA's Head offices and Regional offices and the Stocktaking Report Prepared</li> </ul>	100%
116			Number of TBA customers increased by 200 annually	Number of TBA customers increased by 200 annually by June, 2023	<ul style="list-style-type: none"> <li>Documented, produced and aired 25 documentaries of TBA products and Services.</li> <li>Participated in Dar es Salaam International Trade Fair.</li> <li>Participated in Nanenane Exhibition.</li> <li>Participated in Minerals Exhibition.</li> </ul>	100%
117			Approved communication strategy in place by June, 2026	Approved communication strategy in	<ul style="list-style-type: none"> <li>TBA communication</li> </ul>	95%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
				place by June, 2023	strategy developed	
118			Awareness of TBA products and services increased by 5% annually	Awareness of TBA products and services increased to 55% from 50% by June 2023	<ul style="list-style-type: none"> <li>Participated in "Kikao Kazi cha 18 cha Maafisa Mawasiliano &amp; Uhusiano Serikalini" (TAGCO).</li> <li>Participated in TBC's "Mkutano wa 107 wa Mafunzo ya Watayarishaji wa Vipindi vya Elimu kwa Umma".</li> <li>Updated 645 posts on TBA website and social media accounts.</li> <li>Prepared, printed and disseminated paper flags - 4,000; diary &amp; calendar-3,877; brochures - 1,400; Woven</li> </ul>	90%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					bags-150; pens - 250; shirts - 64; t-shirts - 300; Magazines- 400. Sponsored JUMAVIWACHA in constructing their school; sponsored CHAVITA in attending training in Mtwara; rehabilitation of Vigaeni Local Authority Offices; Rehabilitation of Kigogo Police Station; Donation to an Orphanage in Geita. Prepared,1 TBA newsletter	
119		Develop and Implement Customer Relationship Management Programme	4 quarterly customer feedback reports prepared annually	4 quarterly customer feedback reports prepared by June, 2023	Reviewed client services Charter.	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
120			Customer satisfaction level increased to 100% by June, 2026	Customer satisfaction level increased to 70% by June, 2023	<ul style="list-style-type: none"> <li>Four (4) Marketing Survey conducted to establish consumer preference.</li> <li>Four (4) customer satisfaction survey Conducted.</li> </ul>	100%
121		Facilitate operational efficiency in revenue collection	Consultancy fee collection increased from 4.2 bill to 11.5bill by June 2026	Consultancy fee collection increased from 5.7 bill to 6.55 bill by June 2023	<ul style="list-style-type: none"> <li>List of unpaid fees and certificates prepared and submitted to management</li> </ul>	80%
122		Comply with financial management standards and guidelines	Monthly, Quarterly and Semi-annual reports prepared for revenue and expenditure performance by June, 2026	12 Monthly, Quarterly and Semi-annual reports prepared for revenue and expenditure performance by June, 2023	<ul style="list-style-type: none"> <li>All report has been prepared on timely manner.</li> </ul>	100%
123			Annual Financial Statements prepared annually and submitted to Accountant General before	Annual Financial Statements prepared	<ul style="list-style-type: none"> <li>All Financial statement (2021/22) have been prepared</li> </ul>	100%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
			15th August for review and to CAG before 30th September for auditing by June, 2026	annually and+E5:E12 submitted to Accountant General before 15th August for review and to CAG before 30th September for auditing by June, 2023	<p>according to the procedure and guidelines and submitted to the CAG Office by September 2022.</p> <ul style="list-style-type: none"> <li>• 4 individuals have been registered in NBAA.</li> <li>• All reconciliations have been done on timely based.</li> <li>• All activities have been performed full</li> </ul>	
124			Unqualified opinion issued by External Auditor annually by June 2026	Unqualified opinion issued by External Auditor annually by June 2023	<ul style="list-style-type: none"> <li>• All documents, vouchers and complete register for batches and fixed assets have been maintained.</li> <li>• All audits have been facilitated and resulted to un qualified report for the year ended 2022.</li> </ul>	100%





No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
125			Unqualified Opinion on proper and prompt payments rated annually by June, 2026	Unqualified Opinion on proper and prompt payments rated annually by June, 2023	<ul style="list-style-type: none"> <li>All payments were vetted.</li> <li>Salaries were prepared and all statutory contribution were well submitted.</li> <li>Budgets were well reviewed and all fund were distributed and allocated according to the requirement of the user departments</li> </ul>	100%
126		Establish new and increase existing own sources of Revenue	One new source of Revenue established annually by June 2026	One new source of Revenue established annually by June 2023	<ul style="list-style-type: none"> <li>All tax and financial regulation were well complied.</li> <li>All statement were prepared by observing sources of Agency's income.</li> </ul>	80%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
127			Percentage of revenue collection increased from 43.7% to 90% by June, 2026	Percentage of revenue collection increased from 43.7% to 60% by June, 2023	<ul style="list-style-type: none"> <li>Percentage of revenue collection increased to 51% by June 2023.</li> <li>All records were well monitored.</li> <li>Cash were well monitored in relation to the Budgets.</li> <li>All returns were well submitted to the respective authorities.</li> </ul>	60%
128		Consultancy revenue increased by 15% annually	Receivable and Payable policy Approved by June 2023	Receivable and Payable policy Approved by June 2023	<ul style="list-style-type: none"> <li>The approval for Receivable and Payable policy not yet done</li> </ul>	0%
129		Develop and implement financial policies and manual.	100% implementation of Receivables and Payables Policy annually by June 2024	100% implementation of Receivables and Payables Policy annually by June 2023	<ul style="list-style-type: none"> <li>The implementation of Receivables and Payables Policy is in progress.</li> </ul>	50%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
130			Financial Accounting manual approved by June 2022	Financial Accounting manual approved by June 2023	<ul style="list-style-type: none"> <li>Not done and is expected to begin the process of approving the manual in the financial year 2023/24</li> </ul>	0%
131			100% Implementation of approved Financial Accounting manual annually by June 2026	100% Implementation of approved Financial Accounting manual annually by June 2023	<ul style="list-style-type: none"> <li>Financial Accounting manual annually have been implemented through all process of accounting in the Agency.</li> </ul>	100%
132			Conduct Monitoring and evaluation	10 Projects monitored and evaluated annually by June 2026	10 Projects monitored and evaluated annually by June 2023	<ul style="list-style-type: none"> <li>Monitoring and evaluation was conducted in Dodoma and Arusha to government, Clients and own sources projects.</li> <li>Implementation of Agency's plans and Budget</li> </ul>



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					(MTEF) were monitored	
133			Seven (7) performance review reports prepared annually by June 2026	Seven (7) performance review reports prepared annually by June 2023	<ul style="list-style-type: none"> <li>Quarterly Implementation reports for MoWT was prepared.</li> <li>Semi and annual implementation report was prepared.</li> <li>Quarterly, semi-Annual and Annual Implementation reports as per Targets were prepared.</li> <li>Parliamentary Committee reports were prepared and Parliamentary meetings were attended.</li> <li>Agency's economic status report was prepared</li> </ul>	95%



No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
134			2 Performance agreement prepare annual by June 2026	2 Performance agreement prepare annual by June, 2023	<ul style="list-style-type: none"> <li>• Performance Agreement between MoWT and Agency prepared.</li> <li>• Performance Agreement between Treasury Registrar and Agency prepared</li> </ul>	100%
135		Coordinate preparation and implementation of plans and Budget	Plans and Budget prepared and implemented annually by June 2026	3 Plans and Budget prepared and implemented annually by June 2023	<ul style="list-style-type: none"> <li>• Agency's Action Plan was prepared.</li> <li>• Agency's Medium Term Expenditure Framework (MTEF) was prepared.</li> <li>• Training to TBA staff on preparation and implementation of plans (MTEF, PLANREP and Action Plan was conducted during</li> </ul>	75%



# Tanzania Buildings Agency (TBA)

No	Key Performance Indicators					2022/23 achievements in %
	Strategic Objective	Strategies	SP Targets	Annual Targets 2022/23	Actual achievements (July 2022- June 2023)	
					the preparation of 2023/24 MTEF.	



## 1.10 Resources

### 1.10.1 Gender Parity

Tanzania Buildings Agency is an equal opportunity employer and gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion, and disability which does not impair ability to discharge duties. The Agency has skilled and experienced employees who are considered as key resource in pursuing the Agency's strategic objectives. As at 30<sup>th</sup> June 2023 the Agency had the following distribution of employees by gender as shown below in Table 13.

**Table 13:** Distribution of employees by gender

Gender	2022/23	2021/22
Female	129	105
Male	308	265
<b>Total</b>	<b>437</b>	<b>370</b>

During the year, the Agency had 437 (2021/2022: 370 employees) out of whom 308 (70.5%) were male and 129 (29.5 %) were female.

**Table 14:** Staff position by Directorate/Unit/Region

No	Name of Directorate/Unit/Region	Female	Male	Total
1	Business Support and Administration	23	29	52
2	Real Estate Management	5	15	20
3	Consultancy	21	45	66
4	Construction	3	4	7
5	Legal Services	2	3	5
6	Internal Audit	1	2	3
7	ICT and Statistics	0	6	6
8	Procurement Management	3	4	7
9	Marketing &Public Relations	2	1	3
10	Project Management	3	3	6
11	Plants and Machinery	0	3	3
12	Quality Assurance and Control	0	3	3
13	Regional Offices	66	190	256
<b>Total</b>		<b>129</b>	<b>308</b>	<b>437</b>

In addition, out of 437 staff, 50 staff are in decision making position (from Chief Executive to Head of sections). Distribution of Tanzania Buildings Agency Management team by age is as shown in **Table 15**



**Table 15: Management Distribution by age as at 30<sup>th</sup> June 2023**

No	Position	26-35 Years	36-45 Years	46-60 Years	Total
1	Chief Executive	0	0	1	1
2	Directors	1	0	3	4
3	Head of Units	1	3	2	6
4	Regional Managers	3	12	11	26
5	Head of Sections	3	5	4	12
<b>Total</b>		<b>8</b>	<b>21</b>	<b>21</b>	<b>50</b>

Management distribution by age as provided in Table 15 above indicates that more than 50% of the managerial staff are aged below 50 years which means that the Agency has a comprehensive succession planning programme. The programme is focusing on identification and development of a talent pool from internal staff with potential to fill key managerial positions in the organization.

### 1.10.2 Staff Qualifications

The Agency has skilled and experienced employees who are considered as key resource in pursuing the Agency strategic objectives. At 30<sup>th</sup> June 2023, the Agency had a total of 437 staff with diverse experiences and competencies as summarized in Table 16. The Agency has a Staff Development and Training Programme which ensures that in each year, at least numbers of all employees attend either short-term or long-term training to build capacity and improve employees' performance

**Table 16: Number of Staff qualifications**

Qualifications	Number of Staff by Gender		Total
	Male	Female	
Masters	31	6	37
Bachelors	206	83	289
Diploma	21	24	45
Certificates	51	9	60
Form IV/STD VII	3	3	6
<b>Total</b>			<b>437</b>

### 1.11 Related Party Transactions

The Agency related party are key Management personnel. Key Management personnel are described as those persons having authority and responsibility for planning, directing, and controlling the activities of the Agency, directly or indirectly.





During the year related party transaction includes key Management personnel emoluments and other benefits.

The details of transactions and balances with related parties have been disclosed in Note 25 to the financial statements.

### 1.12 Political and Charitable Donations

During the year 2022/23, the Agency managed to Contribute to the construction of classrooms in the municipality of Ilemela in Mwanza, Building a fence and water tank tower at Mabibo Secondary School in Dar es Salaam, Contributing to the construction of a preparatory school in Michungwani, Chakecheke Pemba, Contributing to Deaf Training from Chama Cha Viziwi Tanzania (CHAVITA) held in Mtwara region and providing raw materials for the renovation of two police stations of Vianiza and Tambukareli, Temeke in Dar es Salaam.

### 1.13 Accounting Policies

A summary of key accounting policies in Notes to these financial statements are obtained in page 77 - 124.

### 1.14 Employee Welfare

#### 1.14.1 Management and Employees relationship

The relationship between the Management and employees was good. There were no unresolved complaints received by Management from the employees during the year.

The management maintains good relation between management and employees through;

- i. Departmental and Sectional/Unit meetings,
- ii. TUGHE (chairman and Secretary) involved and participated in various extended meetings,
- iii. Workers Council,
- iv. Internal memos for employees' comments on various issues, and
- v. Suggestion Box.

#### 1.14.2 Recruitment and Cessation

During financial year 2022/23, The Agency employed 81 new employees in various positions (Male 53 and Female 28), 8 employees were transferred from other institutions (7 Male and 1 Female), 15 employees were transferred to other Institution (10 Male and Female 5) and 7 employees leave the public service due to various reason like retire, dismissal, abscond or deceased (7 Male). Movement of employee is shown in Table 17



**Table 17: Movement of employee**

No	Gender	2021/22	Recruitment	Transferred from other institution	Transferred to other institution	Deceased/ Retired/ Absconded/dismisal	Total (31-12-2022)
A	B	C	D	E	F	G	H=C+D+E-F-G
1	Female	105	28	1	5	0	129
2	Male	265	53	7	10	7	308
<b>Total</b>		<b>370</b>	<b>81</b>	<b>8</b>	<b>15</b>	<b>7</b>	<b>437</b>

### 1.14.3 Training Facilities

The Agency has a Staff Development and Training Programme which ensures that in each year, a good number of employees attend either short-term or long-term training to build capacity and improve employees' performance. For the financial year 2022/23, 132 members of staff were sponsored and attended various long and short courses, 130 employees were sponsored on short courses and 2 employees were sponsored on long term courses. List trained staff is shown on Table 18 below

**Table 18: Trained staff**

No	Type of training	No of employees	Amount paid
1	Masters	1	11,988,833
2	Undergraduate	1	1,450,000
3	Short courses	130	135,740,211
<b>Total</b>			<b>149,179,044</b>

### 1.14.4 Medical and Financial Assistance to Employees

All Members of Staff together with a maximum number of four beneficiaries (dependents) for each employee were availed with medical insurance through NHIF which they contribute 3% of their basic salary and employer contributes 3%. Also, the Agency provides health care to 12 staff with special needs requirement which is not covered by the Insurance Policy.

TBA provides financial assistance to the employees by being a guarantor to the employees on loan issues from different financial institutions, TBA SACCOS and Salary Advance.

List of Medical Assistance, and Health and Safety is shown on **Table 19**



**Table 19: Medical Assistance**

No	Details	No of employees	Amount paid
1	Medical Assistance	12	14,400,000
<b>Total</b>		<b>12</b>	<b>14,400,000</b>

#### **1.14.5 Persons with Disabilities**

During the year under review, the Agency has not recruited any person with disabilities. However, it is the policy of the Agency not to discriminate persons with disability in recruitment. There is one disabled employee in TBA.

#### **1.14.6 Annual Leave**

Annual leave is granted in accordance to the Regulation no H.4 of the Government Standing Orders of the Public Service, 2009 of which 28 days are provided to every staff for every annual leave cycle of the year.

According to regulation No. H.5 (b) of the Standing Order every public servant is paid leave assistance once during the two years leave cycle to cover for transport of the staff, spouse and four dependents.

However, within the Agency the calculations for annual leave transport fare is in accordance to the S. 30(e) of the Executive agencies Act No.30 of 1997 and its amendments of 2009 of which public servants on leave are paid in relation to their monthly salary.

During the financial year 141 staff were granted their annual leave with transport allowance of TZS 193,726,786.00

#### **1.15 Stakeholders' relationship**

##### **1.15.1 Relationships with Stakeholders (Local and International)**

The Agency has established and maintained a harmonious relationship with its internal and external stakeholders. The Agency receives cooperation and strong support from suppliers of goods and services and consumers of its services. Specifically, the Agency receives continuous support from the Government of Tanzania through the Ministry of Works and Transport (Works), The Parliament of the United Republic of Tanzania, the surrounding community and general public.

TBA has continued to maintain good relations with public through the use of mass media, participating in national exhibitions and trade fairs. The Agency is registered as a consultant firm under Architects and Quantity Surveyors Registration Board (AQRB), Engineers Registration Board (ERB) and National Environmental Management Council (NEMC), National Board of Accountants and Auditors (NBAA), Public Procurement Regulatory Authority (PPRA) and the Tanzania Revenue Authority (TRA). Also, TBA has construction directorate which is registered under Contractors Registration Board (CRB) as Class I Building Contractor.



In addition, the Agency has maintained relations with international organizations performing similar activities; where the Agency is working in association/collaboration with Engineering Consultants Group (ECG) of Egypt in various Construction projects in Tanzania and East Africa at large, in order to improve capacity and technology transfer. These relations have enhanced the Agency's current technical as well as professional standards in performing its mandate. See table20 showing the Agency's stakeholders' analysis.

**Table 20: Stakeholders Analysis Matrix**

SN.	STAKE HOLDERS	PRODUCT/SERVICES OFFERED	STAKEHOLDERS EXPECTATIONS	EFFECT OF NOT MEETING EXPECTATION
1	Ministry of Works and Transport (Works)	<ul style="list-style-type: none"> <li>• Annual budgets</li> <li>• Construction of government buildings</li> <li>• Annual performance agreement</li> <li>• Periodic performance reports</li> </ul>	<ul style="list-style-type: none"> <li>• Reliable and timely information sharing</li> <li>• Realistic budgets</li> <li>• Timely completion of building projects</li> <li>• Timely submission of performance Agreement</li> <li>• Timely submission of performance reports</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to complete Government Projects on time</li> <li>• Tarnish TBA image</li> </ul>
2	Public Servants	<ul style="list-style-type: none"> <li>• Public residential houses</li> </ul>	<ul style="list-style-type: none"> <li>• Availability of Quality, sustainable and affordable houses for rent/ purchase</li> <li>• Timely maintenance of rented houses</li> <li>• Reliable and timely information sharing</li> <li>• Clear and friendly policies, bylaws, and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to implement planned activities</li> <li>• Increase in vacancy rate</li> <li>• Loss of revenue</li> <li>• Inefficiency to public servants</li> </ul>
3	Government Institutions	<ul style="list-style-type: none"> <li>• Consultancy services</li> <li>• Construction services</li> <li>• Real Estate management services</li> <li>• Accommodation to eligible Government Leaders</li> <li>• Office for Government institutions</li> </ul>	<ul style="list-style-type: none"> <li>• Timely maintenance of houses</li> <li>• Availability of houses for Government leaders and eligible officers</li> <li>• Time, Quality and budget adherence on project delivery</li> <li>• Provision of furniture to entitled Government leaders</li> </ul>	<ul style="list-style-type: none"> <li>• Project delays</li> <li>• Failure to meet client expectation</li> <li>• Cost overruns</li> <li>• Increase Government expenditure due to lack of accommodation to Government Leaders and offices</li> </ul>



SN.	STAKE HOLDERS	PRODUCT/SERVICES OFFERED	STAKEHOLDERS EXPECTATIONS	EFFECT OF NOT MEETING EXPECTATION
			<ul style="list-style-type: none"> <li>• Availability of Government buildings for office use</li> </ul>	
4	Suppliers	<ul style="list-style-type: none"> <li>• Bidding documents</li> <li>• Provision of Local Purchasing Order (LPO)/ contract</li> <li>• Payment</li> </ul>	<ul style="list-style-type: none"> <li>• Timely payment due</li> <li>• Clear definition of goods and /services required</li> <li>• Good will</li> <li>• Reliable and timely information sharing</li> <li>• Timely payment</li> </ul>	<ul style="list-style-type: none"> <li>• Demoralization of suppliers</li> <li>• Loss of trust</li> <li>• Increase Government expenditure due to penalties</li> <li>• Cause legal litigation</li> <li>• Delay in project execution due to untimely delivery of goods and services</li> </ul>
5	Parliamentary Sectorial Committee	<ul style="list-style-type: none"> <li>• Projects performance reports</li> <li>• Financial performance</li> </ul>	<ul style="list-style-type: none"> <li>• Reliable and timely information</li> <li>• Timely submission of performance reports</li> <li>• Adherence to Government Laws, Rules and Regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to complete Government Projects on time</li> <li>• Tarnish TBA image</li> <li>• Disciplinary actions to responsible staff</li> </ul>
6	AG Chamber	<ul style="list-style-type: none"> <li>• Contract for vetting</li> <li>• Filed cases</li> </ul>	<ul style="list-style-type: none"> <li>• Proper preparation of contract documents</li> <li>• Adherence to Government Laws, Rules and Regulations to minimize disputes</li> </ul>	<ul style="list-style-type: none"> <li>• Delays TBA operations</li> <li>• Increase legal disputes</li> <li>• TBA defeated on legal disputes</li> </ul>
7	CAG	<ul style="list-style-type: none"> <li>• Financial statement</li> <li>• Management Response on Audit report</li> </ul>	<ul style="list-style-type: none"> <li>• Timely submission of TBA Financial statement</li> <li>• Adherence to Government Laws, Rules and Regulations</li> <li>• Timely management Response on Audit report</li> <li>• Proper utilization of Government resources</li> </ul>	<ul style="list-style-type: none"> <li>• Qualified audit report</li> <li>• Tarnish TBA image</li> <li>• Disciplinary actions to responsible staff</li> <li>• Difficulty to obtain loan from Financial Institutions</li> </ul>



SN.	STAKE HOLDERS	PRODUCT/SERVICES OFFERED	STAKEHOLDERS EXPECTATIONS	EFFECT OF NOT MEETING EXPECTATION
8	PPRA	<ul style="list-style-type: none"> <li>• Annual Procurement Plan</li> <li>• Tender Advertisements</li> <li>• Procurement Report</li> <li>• Quarterly procurement report</li> <li>• Management Response on Audit report</li> </ul>	<ul style="list-style-type: none"> <li>• Timely Receiving of TBA Annual Procurement Plan</li> <li>• Timely Receiving of TBA Procurement Report</li> <li>• Timely payment of due for advertisement</li> <li>• Adherence to Procurement Laws, Rules and Regulations</li> <li>• Timely management Response on Audit report</li> </ul>	<ul style="list-style-type: none"> <li>• Lower rank on procurement audit</li> <li>• Tarnish TBA image</li> <li>• Disciplinary actions to responsible staff</li> </ul>
9	Regulatory Boards (AQRB, ERB, CRB, NEMC, OSHA, NCC, VRB, PSPTB, NBAA, NCPS)	<ul style="list-style-type: none"> <li>• Projects for registration</li> <li>• Professionals for registration</li> <li>• Subscription Fees</li> </ul>	<ul style="list-style-type: none"> <li>• Timely payment of Registration and Subscription fee</li> <li>• Receiving of Projects for registration</li> <li>• Host for internship</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to promote employees</li> <li>• Failure to build capacity to employees</li> <li>• Result into legal action</li> </ul>
10	TRA	Tax payment	<ul style="list-style-type: none"> <li>• Timely payment of Tax</li> </ul>	<ul style="list-style-type: none"> <li>• Cause unplanned TBA expenditure due to Penalty accrual</li> </ul>
11	TBA employees	<ul style="list-style-type: none"> <li>• Adequate working environment</li> <li>• Accommodation</li> <li>• Resources allocation</li> <li>• Internal health support to needy</li> <li>• Facilitate to registration professional bodies</li> <li>• Staff recruitment</li> </ul>	<ul style="list-style-type: none"> <li>• Good and Conducive working environment</li> <li>• Fair allocation of resources</li> <li>• Fair recruitment procedures</li> <li>• All qualified staff are registered and retained</li> <li>• Equal treatment of needy employee</li> </ul>	<ul style="list-style-type: none"> <li>• Failure to meet organization plans</li> <li>• Increase of staff turnover</li> </ul>
12	Higher learning institutions	<ul style="list-style-type: none"> <li>• Practical Training</li> <li>• Employment</li> </ul>	<ul style="list-style-type: none"> <li>• Timely payment of fees</li> <li>• Provision of practical training to students</li> <li>• Provision of input in research work</li> </ul>	<ul style="list-style-type: none"> <li>• Unqualified professionals</li> <li>• Un-adaptability of modern skills</li> </ul>



SN.	STAKE HOLDERS	PRODUCT/SERVICES OFFERED	STAKEHOLDERS EXPECTATIONS	EFFECT OF NOT MEETING EXPECTATION
13	Financial institutions	<ul style="list-style-type: none"> <li>Borrowing money for projects development</li> <li>Loan re-payment</li> <li>Cash deposits</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with terms and conditions for loan acquisition.</li> <li>Timely and commitment in loan re-payment</li> </ul>	<ul style="list-style-type: none"> <li>Increase TBA expenditure due to penalty</li> </ul>
14	Ministry of Finance and Planning	<ul style="list-style-type: none"> <li>Implementation reports</li> <li>Audited financial statements</li> <li>Building consultancy</li> </ul>	<ul style="list-style-type: none"> <li>Timely provision of all required reports</li> <li>Well prepared financial statements</li> <li>Timely and quality consultancy services</li> </ul>	<ul style="list-style-type: none"> <li>Delays TBA operations</li> </ul>
15	Private Tenants	<ul style="list-style-type: none"> <li>Houses for rent</li> <li>Land for rent</li> <li>Commercial buildings for rent</li> </ul>	<ul style="list-style-type: none"> <li>Quality houses and commercial buildings</li> <li>Timely maintenance of rented houses and commercial buildings</li> </ul>	<ul style="list-style-type: none"> <li>Failure to implement planned activities</li> <li>Increase in vacancy rate</li> <li>Loss of revenue</li> </ul>

### 1.16 Policies, Guidelines and Strategies

Most important policies, guidelines and strategies for facilitating implementation of the core functions of the Agency are in place and are reviewed and updated regularly based on the need and emerging trends. They are based on information from performance measurement, benchmarking, and continuous learning.

### 1.17 Risk Management and Internal Controls

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

- Effectiveness and efficiency of operations.
- Safeguarding the Agency's assets.
- Compliance with applicable laws and regulations.
- Reliability of accounting records.
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Agency system is designed to provide MAB



with reasonable assurance that the procedures in place are operating effectively. The Agency mainly faces operational risk, risk of non-compliance, credit risk and foreign currency risk. Apart from this general categorization of risks, the Agency decided to specifically categorize risks against their objective and target according to the Strategic Plan.

### 1.17.1 Risk and Internal Control Assessment

Risk assessment is being carried out for the purpose of determining how identified risks can be mitigated so that the Agency objectives can be achieved through the implementation of the Strategic Plan (2022/23 - 2025/26).

### 1.17.2 Principal Risks and Uncertainties

After identifying all the risks that could affect the Agency, the risks are assessed to identify the likelihood and impact of each specific risk against the Agency's objective.

As a general rule, low risks levels, as given in the Agency risk rating scales are tolerated, any risk above this level will require specific mitigation strategies that keep the risk within the acceptable levels, however the Agency has no tolerance for compliance risk and financial risk.

During the year under review, the Agency faced the following major risks as follows,

#### i. Operational Risk

The Agency has a low appetite for operational risk. The Agency always make resources available to control operational risks to acceptable levels. This is a risk that affects an ongoing management process of the Agency. The Agency face Encroachment and loss of plots in various region, this has impact on Implementation of the Agency development plan not to be achieved in near future.

The mitigating measures were taken to ensure the Agency plans are not affected, these includes Securing of plots through putting a guard hurt and security guards, fencing the plots (chain-link fence, renting plots on temporary terms with condition of not developing permanent structure, regular monitoring by inspecting the plots, the need of interventions from higher government authorities in the cases of colliding interests between two different Public Institutions.

#### ii. Financial Risk

These are risk that the Agency financial resources will be impaired because of adverse economic conditions, reduction in assets under supervision, inefficient resource utilization, or increasing expenditures reducing the ability to successfully complete the Agency's Objectives. The Agency has no appetite for any practices that will lead to financial waste, fraud, embezzlement, or any form of financial mismanagement by its employees and other stakeholders.





The Agency face low revenue collection hence may not be attain its planned activities like fail to meet its financial obligations when they fall due.

To mitigate this risk, the Directorate of business support has been vested with the role of managing risks. The Agency will improve awareness through departmental meeting and media to other stakeholders, conduct annual meeting with stakeholders in preparation of receivable policy and Improve current Systems or to develop new system for revenue collection.

### iii. Strategic Risk

Strategic risks are risk that Agency’s strategy selection, prioritization, modification, and implementation jeopardize achievement of the Agency’s goals and objectives. Strategic risk is a function of business decisions, the execution of those decisions, and resources deployed against strategies. The risks arising from the Agency’s strategic approach in fulfilling its policy responsibilities can be significant.

This is a risk that affects the Agency’s ability to achieve its goals. For instance, the Agency depends on approval of the reviewed framework document and Subsidiary Establishment Order to implements its activities and increase other source of revenue. To mitigate this risk, the Agency Management has continued to increase conducting awareness programs to stakeholders and time to time seeking approvals from responsible authorities.

### 1.18 Solvency

The Management confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Management has reasonable expectation that TBA has adequate resources to continue in operational existence for the foresee-able future.

### 1.19 Capital Maintenance

Capital is maintained through national budget allocation to TBA through the Ministry of Works and Transport (works). As at 30<sup>th</sup> June 2023 the Capital balance was TZS 376,135,047,532 as shown in Table 21 below.

**Table 21: Capital Maintenance**

No.	Description	2022/2023 (TZS)	2021/2022 (TZS)
1	Taxpayer’s fund	376,135,047,532	376,135,047,532
<b>Total</b>		<b>376,135,047,532</b>	<b>376,135,047,532</b>

### 1.20 Statement of Compliance

The report has been prepared in compliance with the Tanzania Financial Reporting Standard No.1 on The Report by Those Charged with Governance and in accordance with



the provisions of the Public Audit Act, Cap. 418 [R.E 2021], Public Finance Act, Cap. 348 [R.E 2020].

### 1.21 Statutory Auditors

The Controller and Auditor General is the statutory auditor of Tanzania Buildings Agency by virtue of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (Revised 2005) and further elaborated in section 10(1) of the Public Audit Act CAP 418 [R.E 2021]



## 1.0 PREPARATION OF FINANCIAL STATEMENTS

According to Section 25(2), of Public Finance Act CAP 348 [R.E 2020] each public organization is required to prepare and submit its Financial Statements to the Controller and Auditor General (CAG) before or on 30<sup>th</sup> September, each year.

The Controller and Auditor General (CAG) is the Statutory Auditor of the Tanzania Buildings Agency (TBA) by the virtue of article 143 of the Constitution of the United Republic of Tanzania (Revised 2005) and further elaborated in section 10(1) of the Public Audit Act CAP 418 [R.E 2021]

In conclusion, we are cognizant of the fact that the impressive operational results have been a product of joint efforts of several key TBA stakeholders. I would therefore like to acknowledge the contribution of the Ministry of Works and Transport (works), Audit committee, TBA staff, management, and our stakeholders. We wish to extend our gratitude and thanks for their continued commitments and efforts in supporting the Agency.

We assure you that we will continue to work hard to achieve the best for Government real estate development and management in Tanzania. This is possible through joint efforts from our stakeholders and teamwork of skilled and well-motivated staff.

.....  
Arch. Daud W. Kondoro  
CHIEF EXECUTIVE



## 2.0 STATEMENT OF MINISTERIAL ADVISORY BOARD RESPONSIBILITY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

Tanzania Buildings Agency Financial Statements have been prepared by the Management in accordance with the provisions of Sec. 25(4) of Public Finance Act CAP 348 [R.E 2020]. The Financial Statements required by the said Act are presented in manner consistent with the International Public Sector Accounting Standards (IPSAS) Accrual basis of Accounting.

Management of the Agency is responsible for establishing and maintaining a system of Control designed to provide reasonable assurance that the transactions recorded in the accounts are within the statutory authority and that they contain the receipt and use of all financial resources by Tanzania Buildings Agency.

To the best of my knowledge, the systems of internal control has operated adequately throughout the reporting period and that the financial statements and underlying records provide a reasonable basis for the preparation of the financial statements for the financial year 2022/23.

I accept responsibility for the integrity of the financial statements, the information they contain and their compliance with the Public Finance Act CAP 348 [R.E 2020] and instructions issued by Treasury in respect of the year under review.

This report was approved by the Ministerial Advisory Board on ..... and signed on its behalf by:

Arch. Dr. Ombeni Swai, Chairperson, Signature:  Date: 30.08.2023

Arch. Daud Kondoro, Secretary, Signature:  Date: 30.8.2023



## 3.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTS OF TANZANIA BUILDINGS AGENCY

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance and Accounts responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with International Public Sector Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Management as per the statement of management responsibility on the financial statement on an earlier page.

I, CPA Ally Juma Kiko being the Acting Finance and Accounts Manager of Tanzania Buildings Agency hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30<sup>th</sup> June 2023 have been prepared in compliance with International Public Sector Accounting Standards-Accrual basis and statutory requirements. I thus confirm that the financial statements give a true and fair view position of Tanzania Buildings Agency as on that date and that they have been prepared based on properly maintained financial records.

Signed by: .....  
CPA (T) Ally Juma Kiko  
Ag. Finance and Accounts Manager  
ACPA 3051

30/06/2023  
Date



## 4.0 FINANCIAL STATEMENTS

### 4.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/23 TZS	2021/22 (Restated) TZS
<b>ASSETS</b>			
<b>Current Asset</b>			
Cash and Cash Equivalents	11	13,185,085,708	37,278,270,471
Inventories	13	2,169,622,895	3,332,259,093
Prepayments	16	5,540,881	6,006,248
Receivables	14	57,819,140,257	54,154,834,667
<b>Total Current Asset</b>		<b>73,179,389,741</b>	<b>94,771,370,479</b>
<b>Non-Current Asset</b>			
Intangible Assets	27.3	4,593,270	14,080,808
Investment Property	27.2	438,812,266,814	426,266,758,101
Property, Plant and Equipment	27.1	61,383,926,126	63,582,834,771
Work In Progress	12	122,240,690,899	90,124,969,883
<b>Total Non-Current Asset</b>		<b>622,441,477,108</b>	<b>579,988,643,562</b>
<b>TOTAL ASSETS</b>		<b>695,620,866,849</b>	<b>674,760,014,041</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deferred Income (Revenue)	17	9,130,674,459	31,873,416,955
Deposits	18	5,059,794,743	5,623,242,317
Other Financial Liabilities			
Payables and Accruals	19	2,938,853,879	3,875,569,367
Provisions	20	1,291,000,000	1,291,000,000
<b>Total Current Liabilities</b>		<b>18,420,323,082</b>	<b>42,663,228,639</b>
<b>Non-Current Liabilities</b>			
Deferred Income (Capital)	17	2,607,110,441	2,186,919,013
<b>Total Non-Current Liabilities</b>		<b>2,607,110,441</b>	<b>2,186,919,013</b>
<b>TOTAL LIABILITIES</b>		<b>21,027,433,522</b>	<b>44,850,147,652</b>
<b>Net Assets</b>		<b>674,593,433,327</b>	<b>629,909,866,389</b>
<b>NET ASSETS</b>			
<b>Capital Contributed by:</b>			
Taxpayers' Funds	21	376,135,047,532	376,135,047,532
Accumulated Surplus	22	298,458,385,795	253,774,818,857
<b>TOTAL NET ASSETS</b>		<b>674,593,433,327</b>	<b>629,909,866,389</b>

The Notes 1 to 27 on pages 77 to 124 forms part of the financial statements.

Arch. Daud W. Kondoro  
CHIEF EXECUTIVE

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## 4.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Note	2022/23	2021/22 (Restated)
Classification of Expenses by Nature			
		TZS	TZS
<b>REVENUE</b>			
Revenue			
Gain on Foreign Currency Translation	9.4	44,690,154	55,719,518
Other Revenue	9.3	1,925,050,753	4,652,719,065
Revenue from Exchange Transactions	9.2	28,645,234,719	33,670,892,493
Revenue Grants	9.1	44,313,943,635	28,335,303,950
<b>Total Revenue</b>		<b>74,928,919,260</b>	<b>66,714,635,026</b>
<b>TOTAL REVENUE</b>		<b>74,928,919,260</b>	<b>66,714,635,026</b>
<b>EXPENSES AND TRANSFERS</b>			
Expenses			
Wages, Salaries and Employee Benefits	10.5	12,883,723,848	12,156,184,829
Use of Goods and Service	10.4	4,032,779,672	30,454,991,253
Other Expenses	10.3	274,071,427	1,128,734,846
Maintenance Expenses	10.2	6,258,422,746	492,996,937
Construction costs for Bunju Houses	10.1	1,148,079,356	2,450,064,453
Impairment Loss	10.8	193,302,408	-
Amortization of Intangible Assets	10.7	9,487,538	26,456,503
Depreciation of Property, Plant and Equipment	10.7	5,145,485,327	5,075,014,739
<b>Total Expenses</b>		<b>29,945,352,322</b>	<b>51,784,443,561</b>
Transfer			
Grants, Subsidies and other Transfer Payments	10.6	300,000,000	300,000,000
<b>Total Transfer</b>		<b>300,000,000</b>	<b>300,000,000</b>
<b>TOTAL EXPENSES AND TRANSFERS</b>		<b>30,245,352,322</b>	<b>52,084,443,561</b>
<b>Surplus</b>		<b>44,683,566,938</b>	<b>14,630,191,465</b>

The Notes 1 to 27 on pages 77 to 124 forms part of the financial statements.

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## Tanzania Buildings Agency (TBA)

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

Details	Tax payer's Fund	Accumulated Surplus/Deficit	Total
	TZS	TZS	TZS
Balance At 30th June 2021	376,135,047,532	239,144,627,392	634,261,276,749
At 1st July 2021	376,135,047,532	239,144,627,392	615,279,674,925
Surplus for the year ended 30th June 2022	-	14,630,191,464	14,630,191,464
Balance At 30th June 2022	376,135,047,532	253,774,818,856	629,909,866,389
At 1st July 2022	376,135,047,532	253,774,818,856	629,909,866,389
Surplus for the year ended 30th June 2023	-	44,683,566,938	44,683,566,938
Balance At 30th June 2023	376,135,047,532	298,458,385,794	674,593,433,327

The Notes 1 to 27 on pages 77 to 124 forms part of the financial statements.

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## 5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22 (Restated)
		TZS	TZS
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Revenue Grants	23.4	22,192,307,605	49,106,391,024
Revenue from Exchange Transactions	23.1	25,523,036,989	53,071,107,239
Other Revenue	23.2	1,925,050,753	4,652,719,065
Other Receipts	23.3	26,879,202,935	37,011,833,260
<b>Total Receipts</b>		<b>76,519,598,281</b>	<b>143,842,050,588</b>
<b>PAYMENTS</b>			
Wages, Salaries and Employee Benefits	24	12,882,531,438	12,201,145,502
Use of Goods and Service	24	4,208,186,954	30,482,323,504
Other Payments	24	28,575,446,349	37,951,289,445
Other Expenses	24	274,071,427	1,120,833,546
Maintenance Expenses	24	7,017,474,138	424,398,457
Grants, Subsidies and other Transfer Payments	24	300,000,000	300,000,000
<b>Total Payments</b>		<b>53,257,710,305</b>	<b>82,479,990,454</b>
<b>Net Cash Flow generated from Operating Activities</b>		<b>23,261,887,976</b>	<b>61,362,060,134</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Investing Activities</b>			
Acquisition of Property, Plant and Equipment	27.1	291,267,381	144,484,101
Investment Properties	27.2		128,356,207
Work in progress	27.2	47,063,805,358	37,435,802,999
<b>Total Investing Activities</b>		<b>47,355,072,739</b>	<b>37,708,643,307</b>
<b>Net Cash Flow used in Investing Activities</b>		<b>47,355,072,739</b>	<b>37,708,643,307</b>



# Tanzania Buildings Agency (TBA)

## CASH FLOW FROM FINANCING

### ACTIVITIES

#### Financing Activities


Grants refunded/ transferred	0	0
<b>Total Financing Activities</b>	<b>0</b>	<b>0</b>
<b>Net Cash Flow from Financing Activities</b>	<b>0</b>	<b>0</b>

#### Activities

Net (decrease)/Increase in cash and cash equivalent	(24,093,184,763)	23,653,416,827
Cash and cash equivalent at beginning of period	37,278,270,471	13,624,853,644
<b>Cash and cash equivalent at end of period</b>	<b>13,185,085,708</b>	<b>37,278,270,471</b>

The Notes 1 to 27 on pages 77 to 124 forms part of the financial statements

  
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## Tanzania Buildings Agency (TBA)

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

Details	Budgeted Amount			Actual Amount (A) TZS	Different Final Budget & Actual (B-A) TZS
	Original Budget	Reallocations	Final Budget (B)		
	TZS	TZS	TZS		
<b>RECEIPTS:</b>					
Other receipts	-	-	-	26,879,202,935	(26,879,202,935)
Other revenue	2,873,787,310	-	2,873,787,310	1,925,050,753	948,736,558
Revenue from Exchange Transactions	41,569,163,603	-	41,569,163,603	25,523,036,989	16,046,126,615
Revenue Grants	34,201,246,301	-	34,201,246,301	22,192,307,605	12,008,938,696
<b>Total</b>	<b>78,644,197,215</b>	<b>-</b>	<b>78,644,197,215</b>	<b>76,519,598,281</b>	<b>2,124,598,934</b>
<b>Receipts</b>					
<b>PAYMENTS:</b>					
Grants and other Transfer Payments	2,500,000,000	-	2,500,000,000	300,000,000	2,200,000,000
Maintenance expenses	5,188,528,650	53,000,000	5,241,528,650	7,017,474,138	(1,775,945,488)
Other expenses	3,446,632,686	(10,650,000)	3,435,982,686	274,071,427	3,161,911,259
Other Payments	-	-	-	28,575,446,349	(28,575,446,349)
Use of Goods and Service	5,491,383,605	(8,663,425)	5,482,720,180	4,208,186,954	1,274,533,226
Wages, salaries and employee benefits	15,664,521,123	(40,686,575)	15,623,834,548	12,882,531,438	2,741,303,109



## Tanzania Buildings Agency (TBA)

Acquisition of Property, Plant and Equipment	634,790,786	7,000,000	641,790,786	291,267,381	350,523,404
Development Grants	27,941,160,000	-	27,941,160,000	38,296,481,033	(10,355,321,033)
Own source Development projects	17,777,180,366	-	17,777,180,366	8,767,324,325	9,009,856,041
<b>Total</b>	<b>78,644,197,215</b>	<b>-</b>	<b>78,644,197,215</b>	<b>100,612,783,044</b>	<b>(21,968,585,829)</b>
<b>Payments</b>					
Net Receipts/Payments		-	-	(24,093,184,763)	24,093,184,763
-					

See Note 26 for reason of variation and Reconciliation of Cash Flow and Budget

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#### 4.4 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30<sup>TH</sup> JUNE 2023

##### NOTE 1 GENERAL INFORMATION

The Tanzania Buildings Agency (TBA) was established under section 3(1) of the Executive Agencies Act No 30 of 1997 and became operational on 17th May 2002. The Tanzania Buildings Agency operates as semi-autonomous Executive Agency under the Ministry of Works and Transport.

##### NOTE 2 BASIS OF PREPARATION

These Financial statements comprise of Statement of Financial Position, Statement of Financial Performance, Statement of Change in Net Asset, Statement of Cash Flow, Statement of Comparison of Budget and Actual Amount and Notes to the Financial Statements. These Financial statements have been prepared on a going concern basis.

The Statement of Cash Flows is prepared using the direct method. The financial statements have been prepared on the accrual basis.

##### Note 2.1 Authorization Date

The authorised date for issue of Financial Statements to the Public is after receiving opinion from the Controller and Auditor General and the report being tabled to the Parliament.

##### Note 2.2 Statement of Compliance

The Agency's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standard (IPSAS) Accrual Basis of Accounting as issued by the International Public Sector Accounting Standard Board (IPSASB).

##### Note 2.3 Functional and presentation currency

These financial statements are presented in Tanzania Shillings (TZS), which is the Agency's functional and presentation currency

##### NOTE 3 CHANGES IN ACCOUNTING POLICIES, ESTIMATES AND CORRECTION OF ERRORS

The Agency recognized the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical as per IPSAS 3 Paragraph 28 to 30.

##### Note 3.1 Standard issued not yet adopted by the Agency

###### i. IPSAS 41 - Financial Instruments.

Financial instrument are contract that give rise to both financial assets in one entity and financial liability or an equity instrument in another entity the



## NOTES TO THE FINANCIAL STATEMENTS CONTINUES

Common financial instrument in statement of financial position are accounts receivable (exclude statutory receivables and prepayments), Cash and account payable.

IPSAS 41 does not change the basic accounting mode for financial liabilities in IPSAS 29.

Two measurement categories continue to exist

1. Fair value through surplus or deficit
2. Amortized cost

Subsequent measurement of the financial assets depends on their classification. Financial assets measured at fair value through surplus or deficit are carried in the statement of financial position at fair value with changes in fair value recognized in surplus or deficit.

Financial liabilities held for trading are measured at fair value through surplus or deficit and all other financial liabilities are measured at amortized cost unless the fair value option is applied.

### ii. IPSAS 42 - Social Benefits.

Social benefits are cash transferred to specific individual and/or house hold who meet eligibility criteria to mitigate the effect of social risk, specific example includes, retirement benefit, disability benefit, income support and an employment benefit.

The new standard IPSAS 42 requires an entity to recognize an expenses and Liabilities for the next social benefits. It seeks to improve the relevance, faithful representativeness and comparability of the information that a reporting entity provides in its financial statement about social benefit.

To accomplish this reporting entity shall;

1. Recognize expenses and Liabilities for social benefits
2. Measuring expenses and liabilities for social benefits.
3. Representing information about social benefits in the financial statement and
4. Determining what information to disclose to enable users of the Financial Statement to evaluate the nature and financial effects of the social benefits provided by the reporting entity.

The standard is effective on or after 1<sup>st</sup> January 2023.

### iii. IPSAS 43 - Leases

This standard replaces IPSAS 13 - Leases, previously required to classify leases as either finance lease or operating leases, and operating leases did not require lessees to recognize assets and liabilities while finance leases did.

New standards enhance the accounting for leases by lessees because; no longer require the classification of leases as either finance or operating leases and require the recognition of assets and liabilities related to the right and obligations created by leases.



## NOTES TO THE FINANCIAL STATEMENTS CONTINUES

The Agency did not apply for these changes in these financial statements but will apply in the coming financial periods.

The standard is effective on or after 1<sup>st</sup> January 2025.

### iv. IPSAS 44

This standard replaces the IFRS 5 non-current assets held for sale and discontinued operations.

The new standard includes additional public sector requirements, IPSAS 44 specifies the accounting for assets held for sale, presentation and disclosure of discontinued operations. This standard requires assets that meet the criteria to be classified as held for sale to be:

1. Measured at the lower of carrying amount and fair value less costs to sale and depreciation on such assets to cease.
2. Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

The agency did not apply for these changes in these financial statements but will apply in the coming financial periods.

The standard is effective on 1<sup>st</sup> January 2025 with earlier application permitted.

## NOTE 4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies outlined below have been consistently applied to all the years presented, unless otherwise stated.

### Note 4.1 Foreign Currency Transactions - IPSAS 4

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the dates of the transaction in accordance with IPSAS 4 Paragraph 24 to 26. They were translated into Tanzanian Shillings (TZS) at the exchange rate ruling at the dates of the transactions. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date in accordance with IPSAS 4.

The Exchange differences arising from the settlement of such transactions and from translation at the reporting date exchange rates are generally recognized in the profit and loss account. During the year under review there was TZS 44,690,154 that resulted from exchange gain.



**NOTES TO THE FINANCIAL STATEMENTS CONTINUES**

Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

**Note 4.2 Revenue Recognition**

**Note 4.2.1 Revenue from Exchange Transaction - IPSAS 9**

Sources of revenue of the Agency include sale of government houses, rental income (special properties and public servants rent), and consultancy fee and construction services. Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the Agency and that revenue can be reliably measured in according with IPSAS 4. The following specific recognition criteria must also be met before revenue is recognized:

**a) Sale of government houses**

Revenue from the sale of government houses is recognized when the significance risk and rewards of ownership have been transferred to buyer/ usual on delivered of goods and when the amount of revenue can be measured reliably and it's probable that the economic benefit or service potential associated with transaction will flow to Agency.

**• Recognition of Sale of Government Houses**

In accordance with IPSAS 9.28 revenue from the sale of goods is recognize when all of the following conditions are satisfied.

- (i) The Agency has transferred to the buyer both the significant risks and rewards of ownership of the goods.
- (ii) The Agency retain neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- (iii) The amount of revenue can be measured reliably
- (iv) It is probable that the economic benefit (funds received) associated with the transaction will flow to the entity; and
- (v) The cost incurred or to be incurred in respect of the transaction can be measured reliably.

The Agency will recognize sales of Government Houses to Public servants after ascertaining that Sales of house contract agreement with Public servant has been signed in accordance with internal procedures outlined in the Accounting Manual.

The Sales of Government Houses will be measured at Cost of Land and Construction Cost plus additional 10%.





## NOTES TO THE FINANCIAL STATEMENTS CONTINUES

The Sales of Government Houses will be recognized and presented in the financial statement in the financial year in which the sales contract has been signed, and the buyer of the house will be termed as Sales of the Government house Debtors.

The Agency Policy requires the buyer of Government house to make down payment of 10% of the sales value at the signing of Contract, the buyer of Government house is also required to pay 40% of the sales value within the first year of Sales of Government house, while the remaining 50% will be paid in the subsequent period as agreeable in the sales contract.

The Agency recognizes sale of Government house during the first year (50%) in statement of financial performance as sales and the remaining amount in the statement of financial position as receivable in current asset and deferred Revenue in Non-current liabilities. The deferred revenue will be amortized every year as they fall due.

### **Repossession and Refund**

The Agency shall repossess the Government House sold, if and only if the conditions mentioned on the contract for sale has not been fulfilled and the prospective customer has denied an offer hence the Agency shall be liable to make a refund to the prospective customer as per condition stipulated in the contracts and Agency Directive (Manuals and circulars).

For the case of denied offers, the Agency shall charge cancellation cost and will be reflected in the Agency's financial statements.

During the Year the Agency has refunded TZS 54,136,000 to various customers as a denied offer.

### **b) Rental Income**

Rental income from investment property is recognized on straight line basis over the period of the lease. It includes special and public rent.

- Tenant Advance rent used in repair and maintenance of Government Houses

The Agency will recognize the amount of repair and Maintenance of buildings in Investment Properties on Non-Current Assets or in statement of performance as expense. The 50% of repair and Maintenance by Tenants will be amortized every year as they fall due as rent for the year. The remaining 50% will be paid by the tenants every month until the period allowed end.

During this financial year the Agency Recognized Repair and Maintenance of buildings by tenants on behalf of the Agency as Expense expenditure. The Agency recognized repair and maintenance of buildings made by tenants amounting to TZS 6,926,562.39 as expense and TZS 420,242,746 as asset (Investment Property).

The above treatment is in line with TBA internal procedure manuals as well as International Public Sector Accounting Standard IPSAS's dealing with Revenues and Investment Properties.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**c) Rendering of services - Consultancy fee**

The Agency recognized revenue from rendering of services by reference to the stages of completion when the outcome of the transaction can be estimated reliably (through Certificate raised). A stage of completion is measured by the reference to survey of work performed.

**d) Construction Contracts-**

The Agency was registered by the Contractors Registration Board (CRB) of Tanzania in September 2012. By virtue of this registration the Agency has legal capacity to carry out construction works.

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work and claims to extent that it is probable that they will result in revenue and can be measured reliably.

The revenue from construction contracts is recognized in proportional to the stage of completion of the contract if the outcome of construction contract can be estimated reliably. The stage of completion is assessed with reference to the survey of work performed. Otherwise, contract revenue is recognized only to the extent of contract cost incurred that are likely to be recoverable.

Contract expenses are recognized as incurred unless they create an asset related to future contract activity. An expected loss on a contract is recognized immediately in the statement of financial performance.

**Note 4.2.2 Revenue from Non-exchange Transaction - IPSAS 23**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Entity and the revenue can be reliably measured in accordance with IPSAS 23. The following specific recognition criteria must also be met before revenue is recognized:

Government grants: IPSASs 23 requires all grants or any other receipt from non-exchange transaction to be recognized in full as revenue and should appear in a statement of financial performance unless liability is recognized in respect of the same inflow. Government grants whose primary condition is that the Agency should purchase, construct, or otherwise acquire non-current assets are recognized as revenue in the statement of financial performance except to the extent that a liability is also recognized in respect of the same inflow.

**Note 4.3 Non-Current Assets Held for Sale**

Non-current assets and disposal group are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset [or disposal group] is available for immediate sale in its present condition. Management be committed to the sale, which should be expected to qualify for recognition as a



**NOTES TO THE FINANCIAL STATEMENTS CONTINUES**

completed sale within one year from the date of classification. Non-current assets [and disposal group] classified as held for sale are measured at the lower of the asset's previous carrying amount and fair value less costs to sell.

**Note 4.4 Property, Plant and Equipment (PPE) - IPSAS 17**

PPE are initially recorded at cost, which includes the purchasing price and costs directly attributable to bring them to the location necessary for them to be capable of operating in the manner intended by management.

In accordance with IPSAS 17, other items of PPE are reported at cost less accumulated depreciation and accumulated impairment, if any. Repairs and maintenance costs, if not adding to the useful life of PPE, are charged to the Statement of Financial Performance during the financial period in which they are incurred.

The carrying amount of an item of PPE shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognizing of an item PPE is included in the Statement of Financial Performance when the item is derecognized, unless where IPSAS requires otherwise on a sale and lease back.

Land is not depreciated; however, one of the fundamental principles of the land Policy that has been incorporated in the Government of Tanzania's Land Act, 1999 is that when one is assessing compensation of land, one of the factors to consider is the market value of the land / real property.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life as follows:

The assets residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period

**Table 22: Useful lives and Depreciation Rate**

DESCRIPTION	DEPRECIATION RATE	USEFUL LIFE - YEARS
Buildings	2%	50
Office Furniture	8%	12.5
Household Furniture	1.43%	70
Office Equipment	8%	12.5
Household Equipment	8%	12.5
Machinery	8%	12.5
Motor Vehicle	6%	16.7



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

DESCRIPTION	DEPRECIATION RATE	USEFUL LIFE - YEARS
Computer Equipment	5%	20

**Note 4.5 Impairment of Assets - IPSAS 26 and IPSAS 21**

The Agency assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists or when annual impairment testing for an asset is required, the Agency makes an estimate of an asset’s recoverable service amount. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use.

The Agency derecognizes items of PPE and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the statement of financial performance when the asset is derecognized.

During the year, the Agency suffered a fire tragedy on one of its buildings (tied quarters house number 1987) located at Masaki-Msarani in Dar es Salaam. The building is a non-cash generating asset which is classified as Property, Plant and Equipment in the Agency’s Financial Statements. After testing for impairment, the Agency recognized impairment loss of TZS 193,302,408 that was expensed in the Statement of Financial Performance under line item “Impairment Loss”. This is in accordance to IPSAS 21 Impairment of Non Cash Generating Assets.

**Note 4.6 Intangible Assets - IPSAS 31**

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. The useful life of the intangible assets is assessed as finite.

During the year the Agency correct prior year (2021/2022) error for change in useful life of Government Real Estate Software (GRMS). The change was effected in last financial year as correction of error (Refer Note 3.2 above)

Intangible assets with a finite life are amortized over its useful life as follows:

**Table 23: Intangible Asset Useful Life**

Description	Year
Software	04-40



**NOTES TO THE FINANCIAL STATEMENTS CONTINUES**

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

The amortization period and the amortization method, for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in statement of financial performance as the expense category that is consistent with the future of the intangible asset.

Gains or losses arising from de-recognition of an intangible assets are measured as the different between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of financial performance when the asset is derecognized.

**Note 4.7 Leases - IPSAS 13**

**Note 4.7.1 The Agency as A Lessee**

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Agency. Operating lease payments are recognized as an operating expense in the statement of financial performance on a straight-line basis over the lease term.

**Note 4.7.2 The Agency as a Lessor**

Leases in which the agency does not transfer substantial all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

Rent received from an operating lease is recognized as income on a straight-line basis over the lease term. The contingent rents are recognized as revenue in the period in which they are earned.

**Note 4.8 Investment Property (IP) - IPSAS 16**

Investment Property is the property held by the Agency to earn rentals or for capital appreciation or both rather than for use in production or supply of goods or services or for administrative purpose or sale in the ordinary course of operation.

IP are recognized as an asset when and only when it is probable that future economic benefit or service potential that are associated with the investment property can be measured reliably.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

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In accordance with IPSAS 16, IP are measured initially at cost at the date when the construction or development is complete if it is self-constructed investment property. When an investment property is acquired through a non-exchange transaction its cost is measured at its fair value as at that date of acquisition. And if it is purchased, the cost of IP comprises its purchase price and direct attributable expenditures such as professional fee for legal services, property transfer taxes and other transaction cost. Repair and maintenance cost if not adding to the useful life of IP are charged to the Statement of Financial Performance in a period in which they are incurred. After initial recognition the Agency measure it's IP by using cost model.

**Note 4.9 Cash and Cash Equivalents - IPSAS 2**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents comprise investments in money market instruments with maturity periods of three months or less from the date of acquisition. During the year the Agency had cash in bank and at hand of TZS 13,178,996,854.

**Note 4.10 Inventories - IPSAS 12**

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

After initial recognition, inventory is measured at the lower of cost and current replacement cost. Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Agency in accordance with IPSAS 12 Paragraph 15.

The cost of Inventory is based on FIFO basis. Provision for obsolete /damaged stock is made at 100% of the value of obsolete /damaged stock identified during the year end stock taking. During the year under review, there was no provision to inventory.

**Note 4.11 Provisions - IPSAS 19**

Provisions are recognized when the Agency has a present obligation (legal or constructive) a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Agency expects some or all the provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Financial Performance net of any reimbursement. During the year under review, there were no provisions provided.



**Note 4.12 Contingent Liabilities - IPSAS 19**

The Agency does not recognize a contingent liability but discloses details of any contingencies in the notes to the financial statement as required by paragraph 100 of IPSAS 19, unless possibility of an outflow of resources embodying economic benefits or services potential as remote.

Also, the Agency have contingent liability resulted from different Suppliers claims amounting to TZS 6,761,962,511.90 that arose from past events that do not meet the recognition criteria of this standard and has yet to be confirmed whether the entity has a present obligation that could lead to an outflow of resources embodying economic benefits or service potential, Also the Agency continues with assessment of submitted claims documents to determine whether an outflow of resources embodying economic benefits or service potential has become probable.

**Note 4.13 Contingent Assets - IPSAS 19**

The Agency does not recognize a contingent assets but discloses details of a possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the agency in the notes to the financial statements. As at 30<sup>th</sup> June 2023 the Agency did not have any contingent assets.

**Note 4.14 Joint Arrangements - IPSAS 37**

International Public Sector Accounting Standard establish principles for financial reporting by entities that have an interest in arrangements that are jointly controlled, IPSAS 37 para 3 requires parties to joint arrangements which have rights to the assets and obligations for the liabilities to the joint arrangement, to recognize those assets and liabilities in their financial statements.

IPSAS 37 para 20 states that rights and obligations conferred on the parties can arise in various ways: from a legal perspective, from binding arrangements between the parties to the arrangements or from other facts and circumstances.

Tanzania Buildings Agency (TBA) and Ms. Royale Orchard Inn Ltd entered into an agreement for Joint venture of re-development and joint ownership of the property on Plot 45 & 46 Chimala Road, and the property on Plot No. 266 Chole-Haile Selasie Road, Dar es Salaam. Tanzania Buildings Agency owns 25% and Ms. Royale Orchard Inn Ltd owns 75% of the joint venture.

**Note 4.15 Employee's Benefit - IPSAS 39**

**Note 4.15.1 Short term employee benefits**

The costs of all short-term employee benefits are recognized during the period in which the employee renders the related service. The Agency recognizes the expected cost of employee rewards only when the Agency has a present legal or constructive obligation



## NOTES TO THE FINANCIAL STATEMENTS CONTINUES

to make such payment, and a reliable estimate can be made. Short term employee benefits includes salary, wages and annual leave for current employees.

### Note 4.15.2 Defined Contribution Plans

The Agency provides retirement benefits for its employees. Defined contribution plans are post-employment benefit plan under which an entity pays fixed contributions into a separate entity (pension funds); the Agency will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefit relating to employee service in the current and prior periods.

The Agency and its employees contribute to the following pension fund

- Public Service Social Security Fund (PSSSF)

The Agency's contributions to the defined contribution scheme are charged to the statement of financial performance in the year to which they relate.

### Note 4.15.3 Termination benefit

Termination benefits are payable when employment is terminated by the Agency before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Agency recognizes termination benefit when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### Note 4.16 Impairment of Financial Asset - IPSAS 41

The Agency assesses at each reporting date whether a financial assets or group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the assets (an incurred loss events) and that loss event has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganization and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlated with defaults.

### Note 4.17 Account Payable

Account payable is obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.





**NOTES TO THE FINANCIAL STATEMENTS CONTINUES**

Trade payables are recognized initially at fair value and subsequently measured at amortized cost.

**Note 4.18 Related Parties - IPSAS 20**

The Agency regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Agency or vice versa. Members of key management are regarded as related parties and comprise the Board Members, Management and Employees. Related party transactions are disclosed under Note 25.

**NOTE 5 SIGNIFICANT JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Agency's financial statements in conformity with IPSAS requires management to make judgments, estimate 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 assets or liability affected in future periods.

**i. Judgments**

In the process of applying the Agency's accounting policies, management has made judgments which have the most significant effect on the amounts recognized in the financial statements.

Estimate and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

**ii. Estimates and Assumption**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Agency based its assumptions and estimates on parameters available when financial statements were prepared.

However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Agency. Such changes are reflected in the assumptions when they occur.

The changes in accounting estimates in the Agency have resulted from new Government Directives in a prospective application in line with IPSAS 3. The



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

prospective recognition of the effect of a change in an accounting estimate means that the change is applied to transactions, other events and conditions from the date of the change in estimate. However, a change in the estimated useful life of the expected pattern of consumption of the future economic benefits embodied in a depreciable asset, affects depreciation expense for the current period and for each future period during the asset's remaining useful life. In both cases, the effect of the change relating to the current period and future is recognized as income or expense in both periods.

The Agency through accounting circular No. 2 of 2017/2018 Testing for Impairment and Charging Depreciation as per standards, has adopted straight line depreciation method to allot the cost of the asset over its remaining useful life. Previously, the Agency was using reducing balance depreciation method.

**iii. Useful Life and Residual Values**

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a. The condition of the asset based on the assessment of experts (professional values) engaged by the Agency.
- b. The nature of the assets, its susceptibility and adaptability to changes in technology and processes.
- c. The nature of the processes in which the asset is deployed
- d. Availability of funding to replace the assets.
- e. Changes in the market relation to the asset.

The useful lives of property, plant and equipment (PPE) is detailed out in Note 4.4 above.

**iv. Provisions**

Provisions were raised and management determined an estimate based on the information available. The carrying value of provisions for expenses is given under Note 20.

**Note 5.1 Notes and other explanatory information.**

**Note 5.1.1 Adjustment of Prior year Figures**

In the current period (2022/2023) the Agency discovered that TZS 28,082,969,939 (TZS 3,935,899,200 for furniture and TZS 24,147,070,739 for rent, service charge and interest) was mistakenly recognized in the Financial Statements of 2021/2022. From the said amount TZS 3,935,899,200 was mistakenly recognized in the Statement of Financial Performance as revenue from non-exchange transactions and TZS 24,147,070,739 in both the Statement of Financial Position and Cash flow as other receipts.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

However, the funds received of TZS 28,082,969,939 from Ministry of Finance through Ministry of Works was purposely meant to settle debt owed to TBA by Royale Orchard Inn Ltd in exchange for TBA to settle all debts owed to Government Institutions by TBA against the funds received through letter with ref no: **CBA.187/623/01**.

Therefore, in FY 2021/2022 the accumulated surplus was overstated by TZS 28,082,969,939 since revenue were overstated by TZS 3,935,899,200 and expenses understated by TZS 24,147,070,739. Trade Receivable was overstated by TZS 28,082,969,939. Therefore, retrospective restatement is used to correct financial statements as if the prior period error had never occurred.

Also, the Agency identified buildings (tied quarters) to the tune of TZS 54,644,720,217 that were still being recognized as Work In Progress but should have been transferred from Work In Progress to Property, Plant and Equipment in the respective years that construction was completed.

Hence, Accumulated Surplus was overstated by TZS 8,743,155,235, Property, Plant and Equipment was understated by TZS 45,901,564,982 and Work In Progress was overstated by TZS 54,644,720,217. Therefore, retrospective restatement is used to correct financial statements as if the prior period error had never occurred.

And according to Para 4.2 of Treasury Circular No. 2 of 2018/19 and Para 42 of IPSAS 1 the prior year figures have been restated due to correction of errors and adjustments. The difference of changes and reasons for changes has been shown in the table below:-

**Table 24:** Adjustment of prior year figures

**Disclosures of Prior year adjustments as per Format stipulated by Para 4.2 of the Treasury circular no. 2 of 2018/19**

SN	Item	Audited Figure in 2021/22	Difference TZS	Restated Figure FY 2021/22 TZS	Reason for restatement
		<b>FINANCIAL POSITION</b>			
1	Intangible Assets	0	14,080,807	14,080,807	The error was due to change of useful life of an intangible assets that is still in use. The change effects statement of financial performance, Financial Position and Change in equity in prior year 2021/2022
2		290,586,863,223	(14,080,807)	253,774,818,857	



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

SN	Item	Audited Figure in 2021/22	Difference TZS	Restated Figure FY 2021/22 TZS	Reason for restatement
3	Accumulated Surplus		(28,082,969,939)		Error was due to recognition of TZS 3,935,899,200 as Payables and accruals instead of trade receivable and TZS 24,147,070,739 as other payments in statement of cash flows instead of Trade Receivable. Thus, resulting to understatement of Trade Receivable.
4			(8,743,155,235)		
5	Account Receivable	82,237,804,606	28,082,969,939	54,154,834,667	Error was due to recognition of TZS 3,935,899,200 as Payables and accruals instead of trade receivable and TZS 24,147,070,739 as other payments in statement of cash flows instead of Trade Receivable. Thus, resulting to understatement of Trade Receivable.
6	Property, Plant and Equipment (PPE)	17,681,269,789	(45,901,564,982)	63,582,834,771	Error was due to recognition of additional buildings (tied quarters) transferred from WIP to PPE in 2021/2022
7	Work In Progress (WIP)	144,769,690,099	54,644,720,217	90,124,969,882	

**NOTE 6 FINANCIAL RISK MANAGEMENT POLICY**

**Note 6.1 Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Agency's principal financial assets are cash and bank balances, and trade and other receivables. The Agency's credit risk is primarily attributable to its trade receivables. No allowances have been made to the amounts presented in the statement of financial position for doubtful receivables estimated by the management based on the long outstanding balances and the assessment of the current economic environment.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

However, the Agency does not regard there to be any significant concentration of credit risk, thus, it mitigates the credit risk by maintaining major part of its cash and cash equivalents at the Bank of Tanzania. The Agency’s exposure to Credit Risk as at 30<sup>th</sup> June, 2023 is as shown below.

	30.06.2023	30.06.2022
<b>Financial Assets</b>		
Cash and cash equivalents	13,185,085,708	37,278,270,471
Receivables	57,819,140,258	54,154,834,667
<b>Total</b>	<b>71,004,225,966</b>	<b>91,433,105,138</b>
<b>Financial Liabilities</b>		
Trade and other Payables	2,938,853,879	3,875,569,367
Clients' Deposits	5,059,794,743	5,623,242,317
Deferred Revenue	3,934,943,861	4,161,767,231
Deferred Grant	7,802,841,039	29,898,568,737
Provision for liabilities	1,291,000,000	1,291,000,000
<b>Total</b>	<b>21,027,433,522</b>	<b>44,850,147,652</b>

**Note 6.2 Foreign Currency Risk**

The Agency minimizes foreign exchange risk by maintaining foreign currency account as the Agency had some receivables in foreign currency mainly the US\$, The Agency does not engage in foreign currency swaps or speculations. The risks are also managed by ensuring that the service value is negotiated and fixed in the local currency whenever possible. However, the Agency does not consider that there is a downside risk on holding foreign currencies or debtors balances arising from exchange rate movements.

As at 30<sup>th</sup> June 2023, the Agency had receivables of US\$ 2,711,919.79 and monetary balances were US\$ 538,752.48 which are stated in the financial statements at exchange rates of TZS 2,315.94/US\$ 1.

**Note 6.3 Liquidity Risk**

The Agency ensure sufficient liquidity is maintained to meet short-term maturing obligations without incurring unacceptable losses or risking damage to the Agency’s reputation. The Agency manages its liquidity risk to ensure it is able to meet forecasted expenditure requirements based on approved budget and through the use of cash flow forecasts.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**NOTE 7 TAXES**

Tanzania Buildings Agency being an Executive Agency of the Government with Value added Tax Registration No. 40-025978-M and Taxpayers Identification Number (TIN) 101-024-490 is exempt from all taxes for the year (except Value Added Tax).

Revenue, Expenses, and assets are recognized net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from Tax Authority, in which case the value added tax is recognized as part of the cost of acquisition of the assets or as part of the expense item as applicable and,
- Receivables and payables that are stated with the amount of value added tax included.

**NOTE 8 COMPARATIVE FIGURES**

Previous year's figures have been regrouped wherever considered necessary in order to facilitate comparability with current year's figures.

**Note 8.1 Reclassification, aggregation and Item amount**

The comparative amount is reclassified in accordance with IPSAS 1 Para 44 & 56 due to adjustment of prior year figures the reclassification, and item amount of revenue, expenses, assets, accumulated surplus as follows:

- Fees, fines, penalties, and Forfeits is included in revenue from exchange transaction under note 9.2. The fee, fines, penalties and forfeits are revenue from exchange transaction
- Imprest receivables under note 14.1 have been reclassified to have two line items of imprest receivable use of goods and services and imprest receivable maintenance. This was to ease presentation.
- Fees, fines, penalties, and Forfeits is included in revenue from exchange transaction under note 23.1. The fee, fines, penalties and forfeits are revenue from exchange transaction
- Work in progress was reclassified to note 27.2 instead of Acquisition of Property, Plant and Equipment under note 27.1. The work in progress does not form part of acquisition of property, plant and equipment.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**NOTE 9. REVENUE**

**Note 9.1 Revenue Grants - Revenue from Non-Exchange Transactions**

**Note 9.1.1 Recurrent Grant - Personal Emoluments**

During the year 2022/2023, The Agency received Personal Emoluments (PE) of TZS 5,992,307,605 from Ministry of Work and Transport (MoWT).

At the start of the year there was a Deferred Personal Emoluments grant of TZS 36,801,599 as unamortized plus TZS 5,992,307,605 as amount received during the year that make a total of TZS 6,029,109,204 ready to be amortized during the year.

The Agency made actual payment of TZS 5,991,554,268 to TBA staff out of TZS 6,029,109,204 while the difference of TZS 37,554,935 as unpaid deduction during the year due to various reasons.

	30.06.2023	30.06.2022
Opening Balance	36,801,599	48,130,204
Receipts during the year	5,992,307,605	5,561,557,651
Amortized amount	(5,991,554,268)	(5,572,886,256)
Deferred Grant	37,554,935	36,801,599

**Note 9.1.2 Development Grants for construction and rehabilitations**

This represents all the funds of construction which have been budgeted in the Agency's subvention or grant where the Agency receives fund directly from the Ministry of Works and Transport in order to implement strategic development projects on behalf of the Ministry, during the financial year under review, the Agency received TZS 16,200,000,000 for implementation of development projects including Nzuguni, Temeke Kota and Rehabilitation of Leaders Houses. The Agency has recognized TZS 29,846,886,147.54 as Work in Progress (construction) and TZS 8,449,594,885.48 for rehabilitation for the year

	30.06.2023	30.06.2022
Opening Balance	29,861,767,137	8,178,909,210
Received during the year	16,200,000,000	43,544,833,373
Available grants during the year	46,061,767,137	51,723,742,583
Amortized during the year - Rehabilitation	(8,449,594,885)	(1,020,908,260)
Amortized during the year - Construction	(29,846,886,148)	(20,841,067,186)
Total amortized during the year	(38,296,481,033)	(21,861,975,446)
Deferred Grant (Closing Balance)	7,765,286,104	29,861,767,137



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**Note 9.1.3 Capital Grants**

During the financial year the Agency received forty-eight (48) office chairs from TSM and Sons Investment as donation. The acquired office chairs were measured at fair value as per IPSAS 23 Paragraph 42 and IPSAS 17 Paragraph 27. The fair value of the chairs were TZS 25,908,333. The Agency recognized the office chairs as Property Plant and Equipment under class of office furniture.

	30.06.20223	30.06.2022
Donations	25,908,333	
Capital Grant		900,442,248
<b>Total capital grants and donations</b>	<b>25,908,333</b>	<b>900,442,248</b>
<b>Total Revenue Grants (9.1.1, 9.1.2, &amp; 9.1.3)</b>	<b>44,313,943,635</b>	<b>28,335,303,950</b>

**Note 9.2 Revenue from Exchange Transactions**

These are revenue recognized as a result of housing provision, consultancy and construction fees by stage of completion and other incomes.

	30.06.2023	30.06.2022
Rent revenue		
Public Rent	4,003,272,669	4,148,412,319
Special Rent	6,030,780,217	4,723,551,369
<b>Total Rent revenue</b>	<b>10,034,052,886</b>	<b>8,871,963,688</b>
Consultancy services	14,950,353,808	20,357,195,841
<b>Total Rent and consultancy fee</b>	<b>24,984,406,694</b>	<b>29,229,159,529</b>

**Note 9.2.1 Fees, fines, penalties, and Forfeits**

These are sales recognition of Government houses in various parts of the Country, comprises of Bunju houses and other houses. During the year Agency recognized sales amounting to TZS 3,660,828,024.67 as shown below under note 9.2.1.1 and note 9.2.1.2

**Note 9.2.1.1 Sales recognition of Bunju Houses**

During the year under review the Agency recognized sales of Bunju houses TZS 3,255,628,569.22 after meeting recognition criteria under IPSAS 9 - Revenue from Exchange Transaction Paragraph 28 (From current deferred TZS 1,852,420,467.00 and Current year TZS 1,403,208,102.22). Also, TZS 924,640,000 is cash collected during the year under review for the recognized houses comprises of TZS 782,390,000 as cash for deferred houses and TZS 142,250,000 as cash for current houses recognized.

The Sales amount of TZS 3,255,628,569.22 recognized was matched with cost of TZS 1,148,079,356.36 incurred to construct the houses recognized during the year under review to meet matching principle





NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Deferred sales Recognized	1,852,420,467	2,211,203,856
Current year Sales Recognized	1,403,208,102	720,002,434
<b>Sales recognized during the year</b>	<b>3,255,628,569</b>	<b>2,931,206,290</b>
Cash collected during the year	(980,740,000)	(577,475,489)
<b>End balance</b>	<b>2,274,888,569</b>	<b>2,353,730,801</b>

**Note 9.2.1.2 Other Government Houses**

These are sales of Government houses received by the Agency from the Government in different areas of the country. During the year the Agency recognized sales of TZS 405,199,455.45

	30.06.2023	30.06.2022
Sales recognized from Other Government Houses	405,199,455	1,510,526,674
<b>Total Fees, fines, penalties, and Forfeits (9.2.1.1 &amp; 9.2.1.2)</b>	<b>3,660,828,025</b>	<b>4,441,732,964</b>

<b>Total Revenue from exchange transactions</b>	<b>28,645,234,719</b>	<b>33,670,892,493</b>
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**Note 9.3 Other revenue**

	30.06.2023	30.06.2022
Construction services	1,877,649,099	1,947,277,616
Miscellaneous revenue	47,401,654	2,705,441,449
<b>Total other revenue</b>	<b>1,925,050,753</b>	<b>4,652,719,065</b>

**Note 9.4 Gain on foreign exchange transactions.**

During the financial year the Agency recognized gain on foreign exchange as a result of favourable exchange rate on receivables from special rented houses of TZS 44,690,154. The Gain is recognized in statement of financial performance and Statement of financial position as receivable.

At the start of the financial year the Agency had outstanding receivable of USD 1,269,770.73 from various customers and managed to collect USD 167,509.00 out of the outstanding receivable.

	30.06.2023	30.06.2022
Gain/(loss) upon settlement of receivable	1,120,734	49,169,532
Gain/(loss) At closing date	43,569,419	6,549,985



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

Total Gain/(loss)	44,690,154	55,719,518
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**NOTE 10. EXPENSES**

These are payments and accrual effected during the financial year under review.

**Note 10.1 Construction costs for Bunju Houses**

These were costs incurred during the construction of Bunju Houses. The construction cost amounting to TZS 1,148,079,356.36 recognized was matched with sales of TZS 1,403,208,102 recognized during the year under review to meet matching Concept.

	30.06.2023	30.06.2022
Total Costs for Government Houses sold	1,148,079,356	2,450,064,453

**Note 10.2 Maintenance Expenses**

	30.06.2023	30.06.2022
Air conditioners	2,360,690	-
Cement, Bricks and Building Materials	2,446,271,499	-
Cement, bricks and construction materials	2,394,568,029	-
Computers, printers, scanners, and other computer related equipment	10,714,000	-
Electrical and Other Cabling Materials	506,021,957	-
Fax machines and other small equipment	65,000	-
Metal Fence and Posts	73,581,540	-
Motor Vehicles and Watercraft	43,931,189	444,723,259
Outsource Maintenance Contract Services	388,112,547	46,879,570
Paint and Weather Protection Coatings	1,182,242	-
Photocopiers	160,000	-
Photographic and survey equipment	2,935,760	-
Plumbing Supplies and Fixtures	295,151,097	-
TV sets and Radios	1,250,000	-
Tyres and Batteries	23,969,340	1,394,108
Wood and Timber Supplies	68,147,856	-
<b>Total</b>	<b>6,258,422,746</b>	<b>492,996,937</b>

**Note 10.3 Other Expenses**

	30.06.2023	30.06.2022
Audit fees	90,595,000	50,000,000
Bank Charges and Commissions	1,389,944	1,490,484
Burial Expenses	33,439,600	33,671,700
Car Wash	10,954,000	-



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Consultancy fees	15,000,000	-
Honorariums (expert opinion)	-	176,965,070
Other Payments	-	178,995,811
Parastatal Rehabilitation	22,801,393	9,998,100
Parking Expenses	14,400,000	-
Registration Fees	16,880,160	232,729,206
Security Services	39,091,560	256,863,267
Sundry Expenses	2,300,000	-
Surveys	9,001,420	188,021,208
Taxes Levied by another Level of Government	17,668,350	-
Witnesses Expenses	550,000	-
<b>Total</b>	<b>274,071,427</b>	<b>1,128,734,846</b>

**Note 10.4 Use of Goods and Services**

This was known as Supplies and consumables, but it is termed as use of goods and services due to the requirement of the Government, after the Agency adopted the new reporting accounting system (MUSE)

	30.06.2023	30.06.2022
Advertising and publication	100,305,972	199,882,866
Air Travel Tickets	74,884,563	69,896,116
Cleaning Supplies	7,648,859	31,593,892
Computer Software	-	3,875,500
Computer Supplies and Accessories	16,862,100	31,720,435
Conference Facilities	44,505,000	96,025,000
Consumables Medical Supplies	528,000	
Diesel	363,142,292	932,245,734
Drugs and Medicines	22,321,691	
Electricity	159,716,516	245,945,795
Entertainment	1,200,000	16,956,000
Exhibition, Festivals and Celebrations	6,090,000	
Food and Refreshments	80,686,596	183,851,904
Gifts and Prizes	63,770,000	-



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Ground Transport (Bus, Train, Water)	19,043,669	291,365,665
Ground travel (bus, railway taxi, etc)	61,513,206	220,069,549
Health Insurance	1,200,000	
Internet and Email connections	41,979,816	186,188,256
Land Rent Expenses	54,767,040	
Lubricants	-	275,100
News Services Fees	1,101,450	
Newspapers and Magazines	3,245,000	720,000
Office Consumables (papers, pencils, pens and stationaries)	230,603,429	136,863,740
Outsourcing Costs (includes cleaning and security services)	304,398,797	362,071,818
Per Diem - Domestic	1,771,533,201	2,695,796,123
Per Diem - Foreign	43,114,894	20,377,949
Posts and Telegraphs	4,909,625	6,136,363
Printing and Photocopy paper	2,166,542	53,854,259
Printing and Photocopying Costs	1,391,900	26,788,007
Printing Material	18,000	
Protective Clothing, footwear and gears	750,000	
Publicity	6,360,000	
Remuneration of Instructors	1,150,000	
Rent - Office Accommodation	5,400,000	24,147,070,739
Sewage Charges	44,711,945	21,739,645
Special Foods (diet food)	1,050,000	15,108,471
Special Women Clothes	510,000	
Subscription Fees	78,372,088	9,474,269
Tapes, Films, and Materials (split)	300,000	
Telephone charge	814,616	1,717,290
Telephone Charges (Land Lines)	1,398,993	5,840,957
Training Allowances	1,620,000	9,433,000
Tuition Fees	303,638,511	333,240,684
Uniforms and Ceremonial Dresses	15,701,600	27,870,671
Water Charges	88,353,761	70,995,456
<b>Total</b>	<b>4,032,779,672</b>	<b>30,454,991,253</b>

**Note 10.5 Wages, Salaries and Employees Benefits**

	30.06.2023	30.06.2022
Acting Allowance	-	10,269,602
Casual Labourers	49,620,371	
Civil Servants	5,991,554,268	5,572,886,256
Civil Servants Contracts	1,771,435,440	1,657,128,520



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Court Attire Allowance	4,000,000	
Electricity		109,020,568
Electricity Allowance	56,025,000	57,360,000
Extra-Duty	1,510,168,757	1,036,017,325
Facilitation Allowance	15,270,000	
Food and Refreshment	100,438,122	276,692
Furniture	32,000,000	328,000,000
Hardship Allowance	982,838,408	1,064,906,250
Honoraria	836,380,447	1,058,419,365
Housing Allowance	103,000,000	89,440,000
Leave Travel	193,726,786	221,451,500
Moving Expenses	255,540,672	246,702,030
National Health Insurance Schemes (NHIF)	2,400,000	
Outfit Allowance	900,000	
Professional Allowances	2,005,000	
Public Service Pension Fund (PSPF)	1,145,870	
Risk Allowance	200,000	1,600,000
Sitting Allowance	883,929,399	684,428,885
Special Allowance	-	17,607,248
Spouse Allowance	20,390,310	629,350
Telephone Allowance	70,754,998	-
Water and Waste Disposal	-	41,238
<b>Total</b>	<b>12,883,723,848</b>	<b>12,156,184,829</b>

**Note 10.6 Grants, Subsidies, and other Transfer Payments**

	30.06.2023	30.06.2022
Contribution to CF (15%)	300,000,000	300,000,000
<b>Total</b>	<b>300,000,000</b>	<b>300,000,000</b>

**Note 10.7 Amortizations of Intangible Assets and Depreciation of Property, Plant and Equipment**

	30.06.2023	30.06.2022
Property, Plant and Equipment	2,322,666,952	2,310,316,958
Investment Property	2,822,818,375	2,764,697,781
Intangible assets	9,487,538	26,456,503
<b>Total</b>	<b>5,154,972,865</b>	<b>5,101,471,242</b>

**Note 10.8 Impairment Loss**



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

During the year under review, one of the Agency's residential buildings located at Masaki-Msasani had a fire accident that resulted to impairment of the said building

	30.06.2023	30.06.2022
Property, Plant and Equipment	193,302,408	-
<b>Total</b>	<b>193,302,408</b>	<b>-</b>

**NOTE 11. CASH AND CASH EQUIVALENTS**

The Agency is not exposed to credit risk to cash and bank balance because these are held with sound financial institutions.

At the end of the year the Agency had a total of USD 538,752.48 exchanged at a rate of 2,315.9406 held at Bank of Tanzania, TZS 11,935,716,966.01 held in various banks and TZS 1,650,000.00 cash held in NMB Imprest Account. The carrying amount of the Agency's cash and cash equivalent were denominated in the respective currencies as shown below

	30.06.2023	30.06.2022
BoT Own source Collection Account	8,224,802,765	20,897,456,065
Cash in hand	1,650,000	9,962,551
Own source Collection Account - CRDB	158,682,814	70,555,684
Own source Collection Account - NMB	704,000	153,639,797
Own source Collection Account CRDB - USD	-	-
Recurrent account CRDB - TZS	12,286,035	269,749,568
Tanzania Building Agency sales BOT -TZS	45,950,000	44,150,000
Tanzania Buildings Agency CRDB - Tower	10,716,535	1,042,048
Tanzania Buildings Agency Expenditure Cash BOT -TZS	3,482,374,810	15,087,051,249
USD BOT Collection Account	1,247,718,742	744,663,509
Tanzania Building Agency - TIB	200,006	
<b>Total Cash and Cash Equivalent</b>	<b>13,185,085,708</b>	<b>37,278,270,471</b>

**NOTE 12. WORK IN PROGRESS**

Work in Progress represents cost incurred in building projects implemented by Agency own source fund and funds from Ministry of Work and Transport whose construction is not yet completed.

Work in Progress (WIP), which are an asset category of property and equipment, and Investment Property are stated at cost and are not depreciated. The recognition amount of these WIP are shown under Note 27. WIP depreciation will commence when the assets are ready for their intended use.



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**Note 12.1 Constructed house (Tied Quarters)**

	30.06.2023	30.06.2022
WIP Opening	-	49,540,724,599
Addition During the year	-	-
Transfer during the year	-	(49,540,724,599)
<b>WIP Closing note 12.1</b>	-	-

**Note 12.2 Non-Current Asset (Investment Property- Own Fund)**

	30.06.2023	30.06.2022
WIP Opening	24,572,043,792	8,998,216,240
Addition During the year	8,767,324,325	15,573,827,553
Transfer during the year	(6,116,640,445)	
<b>WIP Closing</b>	<b>27,222,727,672</b>	<b>24,572,043,792</b>

**Note 12.3 Non-Current Asset (Investment Property-Grant)**

	30.06.2023	30.06.2022
WIP Opening	65,552,926,090	50,090,950,644
Addition During the year	38,296,481,033	21,861,975,446
Transfer during the year	(8,831,443,896)	(6,400,000,000)
<b>WIP Closing</b>	<b>95,017,963,227</b>	<b>65,552,926,090</b>
<b>WIP Closing note 12.2 &amp; 12.3</b>	<b>122,240,690,899</b>	<b>90,124,969,882</b>
<b>Total Additional WIP (12.1, 12.2 &amp; 12.3)</b>	<b>47,063,805,358</b>	<b>37,435,802,999</b>
<b>Total transfer during the year</b>	<b>(14,948,084,341)</b>	<b>(55,940,724,599)</b>
<b>Total WIP Closing balance</b>	<b>122,240,690,899</b>	<b>90,124,969,882</b>

**NOTE 13. INVENTORY**

Inventory comprises of completed/Finished houses ready to be sold and stocks of stationery and other consumables that will be expensed in the subsequent year. During the year Inventory decrease from TZS 3,332,259,093 to TZS 2,169,622,895 after cost recognition for bunju houses.

	30.06.2023	30.06.2022
Completed Bunju Houses	2,095,780,510	3,243,859,866
Supplies and Consumables	73,842,385	88,399,227
<b>Total</b>	<b>2,169,622,895</b>	<b>3,332,259,093</b>



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**NOTE 14. TRADE AND OTHER RECEIVABLES**

The receivables of TZS 43,393,988,679.41 consist of public and commercial housing provision, consultancy fees, construction fees, sales of Government houses exchange transactions and Sales of Government houses to University of Dodoma located at Mwangaza Dodoma Region. Other receivables of TZS 9,993,820,229.97 include TZS 8,501,444,803.14 as Agency own source advanced to projects for construction services to various clients and TZS 1,492.375,427 as imprest which is not yet retired. The imprest was issued in respect to the execution of client projects and when retired will be expensed to the respective client projects

**Note 14.1 Trade receivables.**

	30.06.2023	30.06.2022
Public Rent Receivables	3,480,993,192	3,192,595,454
Special Rent Receivables	10,868,190,287	9,232,359,027
Consultancy fee receivables	17,889,727,523	18,658,762,656
Sale of Government House-Bunju	6,710,398,675	4,435,510,106
Mwangaza Houses	4,444,679,003	4,444,679,003
<b>Total trade receivables</b>	<b>43,393,988,679</b>	<b>39,963,906,246</b>
<b>Other receivables</b>		
Debtors - Client works-construction projects	8,501,444,803	8,333,319,181
Imprest receivables maintenance	891,718,826	126,542,682
Imprest receivables use of goods	600,656,601	359,762,848
<b>Total other receivables</b>	<b>9,993,820,230</b>	<b>8,819,624,711</b>
<b>Total Receivables</b>	<b>53,387,808,909</b>	<b>48,783,530,957</b>

**Note 14.2 Staff loans.**

During the year under review, loan and advance balance is TZS 25,565,461 compared to previous financial year balance of TZS 48,350,595 due to loan recovery of TZS 22,785,134 caused by management decision to speed up the rate of loan recovering from various staff and not issuing new loans.

	30.06.2023	30.06.2022
As at the start of the Year	48,350,595	110,613,458
Loan issued during the year	-	1,436,000
Loan recovered	(22,785,134)	(63,698,863)
<b>Staff loans end of year</b>	<b>25,565,461</b>	<b>48,350,595</b>

**Note 14.3 Sales of Government houses Receivables.**

**Note 14.3.1 Other Government Houses**

These are receivables as a result of sales of Government houses received by the Agency from the Government in different areas of the country. During the year the Agency recognized sales of TZS 405,199,455





NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Remain balance	1,718,664,375	1,422,944,561
Additional of new Sales	405,199,455	1,510,526,674
Refund	-	-
Less: Receipt for payment of houses	873,174,319	1,214,806,860
<b>End balance</b>	<b>1,250,689,511</b>	<b>1,718,664,375</b>

**Note 14.3.2 Bunju Houses**

These are deferred receivables as a result of sales of houses constructed by the Agency in Bunju area. The Sales are not recognized in the Statement of Financial Performance as they will be amortized as they fall due. This is according to the Agency's Policy

	30.06.2023	30.06.2022
Remain balance	3,604,288,741	5,095,490,162
Additional of new Sales	1,403,208,102	720,002,434
Less: Sales Recognized	(1,852,420,467)	2,211,203,855
<b>End balance</b>	<b>3,155,076,376</b>	<b>3,604,288,741</b>
<b>Total Sales of Government Houses (Note 14.3.1 &amp; Note 14.3.2)</b>	<b>4,405,765,888</b>	<b>5,322,953,115</b>
<b>Total Receivables (Note 14.1, Note 14.2 &amp; Note 14.3)</b>	<b>57,819,140,258</b>	<b>54,154,834,668</b>

**NOTE 15. CASH FLOW RECONCILIATION - CASH FLOW GENERATED FROM OPERATIONS**

Reconciliation of net cash flows from operating activities to surplus/ (deficit)

	30.06.2023	30.06.2022
<b>Surplus/ Deficit for the Period</b>	<b>44,683,566,938</b>	<b>14,630,191,465</b>
<b>Add/ (Less) Non-Cash Item</b>		
Amortizations of Intangible Assets	9,487,538	26,456,503
Impairment Loss	193,302,408	
Depreciation of Property, Plant and Equipment	5,145,485,327	5,075,014,739
Gain/ (Loss) on Foreign Currency Translation	(43,569,419)	(6,549,985)
<b>Add/ (Less) Change in Working Capital</b>		
Deferred Income (Capital)	420,191,428	(1,254,845,783)
Deferred Income (Revenue)	(22,742,742,496)	21,312,745,935
Inventories	1,162,636,198	1,390,246,851
Other Payments	(27,845,117,169)	(33,613,278,130)
Other Receipts	26,879,202,935	37,011,833,260



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Payables and Accruals	(936,715,488)	(927,526,536)
Prepayments	465,367	4,387,104
Receivables	(3,664,305,591)	17,713,384,712
<b>Net Cash Generated from Operations</b>	<b>23,261,887,976</b>	<b>61,362,060,134</b>

**NOTE 16. PREPAYMENTS**

During the year under review prepayment comprise of Diesel TZS 5,540,881 for office use

	30.06.2023	30.06.2022
Advance Supplies of goods and services	5,540,881	6,006,248

**NOTE 17. DEFERRED INCOME (REVENUE)**

**Note 17.1 Grants**

**Note 17.1.1 Development**

During the financial year under review, the Agency received TZS 16,200,000,000 for implementation of development projects including Magomeni, construction of Government houses and Rehabilitation of Leaders and residential houses from Ministry of Work and Transport. The Agency recognized deferred revenue of TZS 7,765,286,104 after expenditure of TZS 38,296,481,033

	30.06.2023	30.06.2022
Opening Balance	29,861,767,137	8,178,909,210
Additional funds received	16,200,000,000	43,544,833,373
<b>Total funds</b>	<b>46,061,767,137</b>	<b>51,723,742,583</b>
Utilized funds	(38,296,481,033)	(21,861,975,446)
<b>Deferred Grant</b>	<b>7,765,286,104</b>	<b>29,861,767,137</b>

**Note 17.1.2 Personal Emoluments (PE)**

During the financial year under review, the Agency recognized deferred revenue from Personal Emoluments of TZS 37,554,935 the deferred Personal Emoluments will be amortized next year. Refer Note No 9 - Amortization of Recurrent Grant

	30.06.2023	30.06.2022
Opening Balance	36,801,599	48,130,204
Received during the Year	5,992,307,605	5,561,557,651
Amortized during the Year	(5,991,554,268)	(5,572,886,256)
<b>Deferred Grant</b>	<b>37,554,935</b>	<b>36,801,599</b>
<b>Total Grant (Note 17.1.1 &amp; Note 7.1.2)</b>	<b>7,802,841,039</b>	<b>29,898,568,737</b>



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

Note 17.2 Sales and rehabilitation of houses

Note 17.2.1 Sales Government houses

Deferred revenue comprises of sales of Bunju houses. The Agency recognizes sale of Government house during the first year (50%) in statement of financial performance. During the year TZS 3,255,628,569.22 was recognized as sales (New sales 50% TZS 1,403,208,102.22 and from amortized deferred TZS 1,852,420,467.00). Also the remaining amount from first year 50% is recognized in the statement of financial position as receivable in asset and deferred Revenue (TZS 492,204,536.74 current liability and TZS 911,003,565.48). The deferred revenue will be amortized every year as they fall due

	30.06.2023	30.06.2022
Opening Balance-Deferred Revenue	3,604,288,741	5,095,490,162
Additional Sales for the year	2,806,416,204	1,440,004,869
Less: Sales Amortized during the year	(3,255,628,569)	2,931,206,290
<b>Deferred Revenue-(Non-Current Liability)</b>	<b>1,985,862,204</b>	<b>1,751,868,274</b>
<b>Deferred Revenue-(Current Liability)</b>	<b>1,169,214,172</b>	<b>1,852,420,467</b>

Note 17.2.2 Rehabilitation of Rented Houses

"According to TBA Accounting Manual (Para 4.4.3.1.3), the Agency may allow tenant to renovate, repair or modify Agency owned estates by using tenant funds (See Note 4.2.1. rental Income). The Agency amortizes the amount used by tenants to rehabilitate the rented house every financial year.

During the year the Agency recognize TZS 197,853,750.60 as public rent from previous last financial year (TZS 122,427,751) and current year (TZS 75,426,000). Current liability (deferred) recognized TZS 158,619,248.48 and the TZS 621,248,236.35 as non-current deferred liability. Also, amount of TZS 6,926,562.39 was expensed in favor of recognition of public rent for financial year 2022/23.

	30.6.2023	30.06.2022
Opening Balance total deferred revenue (rented)	557,478,490	679,906,241
Add: Rehabilitated houses during the year	420,242,746	-
Less: Rent recognized during the year	(197,853,751)	(122,427,751)
<b>Total deferred rented houses</b>	<b>779,867,486</b>	<b>557,478,490</b>
<b>Deferred Revenue - (Non-Current Liability)</b>	<b>621,248,236</b>	<b>435,050,739</b>
<b>Deferred Revenue - (Current Liability)</b>	<b>158,619,248</b>	<b>122,427,751</b>



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.6.2023	30.06.2022
Total Deferred Income (Revenue) Non-current - Note 17.2.1 & Note 17.2.2	2,607,110,441	2,186,919,013
Total Deferred Income (Revenue) current - Note 17.2.1 & Note 17.2.2	1,327,833,420	1,974,848,218
Total Deferred Income (Revenue) current - Note 17.1 & Note 17.2	9,130,674,459	31,873,416,955

**NOTE 18. DEPOSITS**

**Note 18.1 Client deposit for construction of Government houses.**

These are deposit for constructions of Government houses in Tanzania. The Agency enter into contracts with various Government Institutions to build various projects every Financial Year through the Department of Construction, during the year the Agency continue the constructions of ongoing projects and new projects, and as at 30th June 2023 the Agency remain with the amount of TZS 2,935,056,267

	30.06.2023	30.06.2022
Opening balance	4,316,311,090	1,880,377,954
Client deposit for construction of Houses	26,655,432,935	36,440,172,383
<b>Total funds</b>	<b>30,971,744,025</b>	<b>38,320,550,337</b>
Utilized funds	(27,533,739,999)	(34,004,239,247)
Un-utilized funds	3,438,004,026	4,316,311,090
<b>Balance</b>	<b>3,438,004,026</b>	<b>4,316,311,090</b>

**Note 18.2 Customer deposit for Bunju Houses**

The Agency receives funds for the purchase of Government houses at Bunju area, however for the amount to be treated as Sales have to meet recognition criteria. The funds deposited by various customers is treated in the Financial Statements as down payments due to failure to meet recognition criteria under IPSAS 9 - Revenue from Exchange Transactions paragraph 28 - 30

	30.06.2023	30.06.2022
At the Beginning	1,291,975,350	746,421,350
Collected During the year	471,151,368	556,705,000
Refunded during the year	(54,136,000)	(11,151,000)



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

	30.06.2023	30.06.2022
Total payable	1,708,990,718	1,291,975,350
Sales recognition	(87,200,000)	-
Total Customer Deposits for Bunju houses	1,621,790,718	1,291,975,350
Total Deposit (Note 18.1 & Note 18.2)	5,059,794,743	5,623,242,317

**NOTE 19. PAYABLES AND ACCRUALS**

These are current and non-current obligations which rose from operating activities of the Agency. Other expenses include Security Service, Telephone charge -Mobile and Internet and mail connections recognized as creditors and advertising and publication costs as payment of creditors during the year.

CATEGORIES	30.06.2023	30.06.2022
<b>a) Sundry Creditors</b>		
Wages, salaries, and employee benefits	15,757,079	14,564,669
Use of Goods and Service	377,967,334	327,503,073
Maintenance expenses	87,043,242	87,845,052
Other expenses	36,059,862	36,059,862
<b>Sub Total (Sundry creditors)</b>	<b>516,827,517</b>	<b>465,972,656</b>
b) Bunju Claims to be refunded	229,222,875	229,222,875
c) Construction goods and services	2,192,803,487	3,180,373,836
<b>Total Trade and Other Payables</b>	<b>2,938,853,879</b>	<b>3,875,569,367</b>

**NOTE 20. PROVISIONS**

During the financial year the Agency has no new provisions provided for Bad debts. However, the Agency continues to maintain TZS 700,000,000 as the provision for liabilities due to on-going negotiations to formulate addendum of the contract with Issa Said Matta to cease the acquisition of the remaining plots.

Also, the Agency await for the ruling of Ex NASACO case dispute of her houses located at Kurasini and Masaki to effect the payment of TZS 591,000,000.00.

	30.06.2023	30.06.2022
Issa said Matta-Land Kiluvya	700,000,000	700,000,000
NASACO Building	591,000,000	591,000,000
<b>Total Provision</b>	<b>1,291,000,000</b>	<b>1,291,000,000</b>



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**NOTE 21. TAXPAYER'S FUND**

	30.06.2023	30.06.2022
At start of the year	376,135,047,532	376,135,047,532
Additions	-	-
<b>At the end of the year</b>	<b>376,135,047,532</b>	<b>376,135,047,532</b>

**NOTE 22. ACCUMULATED SURPLUS**

During the year, the Agency restated the surplus' for FY 2021/2022 due to error that occurred of not changing the useful life of intangible assets (GRMS) as the software is still in use, also in the financial year 2022/2023 the Agency recognizes surplus of TZS 44,683,566,938.

	30.06.2023	30.06.2022
At start of the year	253,774,818,857	239,144,627,392
Surplus for the period	44,683,566,938	14,630,191,465
<b>Retained Earnings at the end</b>	<b>298,458,385,795</b>	<b>253,774,818,857</b>

**NOTE 23. RECEIPTS**

**Note 23.1 Revenue from Exchange Transactions**

Own source cash collections of TZS 23,669,122,670 are collections from housing provision and consultancy.

	30.06.2023	30.06.2022
Public rent	3,510,094,618	5,957,363,644
Special Rent	4,439,639,110	28,308,867,740
Consultancy services	15,719,388,941	16,618,209,389
<b>Total rent and consultancy</b>	<b>23,669,122,670</b>	<b>50,884,440,773</b>

**Note 23.1.1 Fees, fines, penalties and Forfeits.**

	30.06.2022	30.06.2022
Receipts from Sales of Government Houses	873,174,319	1,214,806,860
Sale of Bunju houses	980,740,000	971,859,606
<b>Total Fees, fines, penalties and Forfeits</b>	<b>1,853,914,319</b>	<b>2,186,666,466</b>

<b>Total revenue from exchange transaction</b>	<b>25,523,036,989</b>	<b>53,071,107,239</b>
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NOTES TO THE FINANCIAL STATEMENTS CONTINUES

**Note 23.2 Other Revenue**

	30.06.2023	30.06.2022
Miscellaneous income	47,401,654	2,705,441,449
Receipts from Construction services	1,877,649,099	1,947,277,616
<b>Total other revenue</b>	<b>1,925,050,753</b>	<b>4,652,719,065</b>

**Note 23.3 Other Receipts**

**Note 23.3.1 Clients - contract works.**

The Agency entered into contracts with various Government Institutions to build various projects every Financial Year through the Department of Construction, Agency received TZS 26,655,432,935 for constructions of ongoing projects and new projects and paid TZS 28,036,687,758 for the same, these payments include opening balance of contract works during the year

	30.06.2023	30.06.2022
Previously balance	4,316,311,090	1,880,377,954
<b>Other receipts during the year</b>	<b>26,655,432,935</b>	<b>36,440,172,383</b>
Total deposit	30,971,744,025	38,320,550,337
Amount spent during the year	(27,533,739,999)	(34,004,239,247)
<b>Balance during the year</b>	<b>3,438,004,026</b>	<b>4,316,311,090</b>

**Note 23.3.2 Receipts from down payment.**

These are funds deposited by various customers as down payments for purchase of Bunju houses and Government Houses, but they fail to meet recognition criteria under IPSAS 9 Paragraph 28 - 30, during the year total amount collected is TZS 223,770,000.

	30.06.2023	30.06.2022
Other Sales down payments	-	14,955,877
Receipt from Sales of Bunju Houses	223,770,000	556,705,000
<b>Total down payment</b>	<b>223,770,000</b>	<b>571,660,877</b>
<b>Total Other Receipts (Note 23.3.1, &amp; Note 23.3.2)</b>	<b>26,879,202,935</b>	<b>37,011,833,260</b>



NOTES TO THE FINANCIAL STATEMENTS CONTINUES

Note 23.4 Revenue Grants

During the financial year under review, the Agency received TZS 22,192,307,605 of which TZS 16,200,000 for development activities and TZS 5,992,307,605 recurrent for personal emolument from the Ministry of Works and Transport

	30.06.2023	30.06.2022
Development funds received	16,200,000,000	43,544,833,373
Recurrent Grant received	5,992,307,605	5,561,557,651
<b>Total funds received</b>	<b>22,192,307,605</b>	<b>49,106,391,024</b>

NOTE 24. PAYMENTS

These are payments made during the financial year under review. Other expenses include Security Service, Telephone charge -Mobile and Internet and mail connections and advertising and publication expenses and others.

	30.06.2023	30.06.2022
Wages, Salaries and Employee Benefits	12,882,531,438	12,201,145,502
Use of Goods and Service	4,208,186,954	30,482,323,504
Maintenance Expenses	7,017,474,138	424,398,457
Other Expenses	274,071,427	1,120,833,546
Grants, Subsidies, and other Transfer Payments	300,000,000	300,000,000
<b>Total Operating Expenses</b>	<b>24,682,263,956</b>	<b>44,528,701,009</b>
Other Payments	28,575,446,349	37,951,289,445
<b>Total Payments</b>	<b>53,257,710,305</b>	<b>82,479,990,454</b>

NOTE 25. RELATED PARTY TRANSACTIONS AND BALANCE

Related parties comprise of Ministerial Advisory Board, the top Management, and staffs of the TBA who includes Directors and Managers that have significant influence over the Agency's affairs. The following transactions were carried out with related parties:

	30.06.2023	30.06.2022
Salaries	1,656,277,600	1,527,959,000
Contribution to post employment Benefit plan	248,441,640	244,491,510
Other Emoluments	446,825,000	474,574,375
<b>Total</b>	<b>2,351,544,240</b>	<b>2,247,024,885</b>





**NOTE 26. INFORMATION ON BUDGET PERFORMANCE**

IPSAS 24 requires a public sector entity that is required or elect to make publicly available its approved budget to present budgetary information covering classification and basis adopted in the approved budget, budget period covered, and material difference (variances) between the final budget amount and actual amounts during the year for both revenue and expenditure.

**Note 26.1 Budgetary basis.**

The budget for financial year 2022/2023 is based on TBA Rolling Strategic Plan, operational polices and relevant Government Circulars. It was also prepared in line with the Medium-Term Expenditure Framework (MTEF) as one of the requirements of the Government Budget Guidelines for Preparation of budget

**Note 26.2 Budgetary period covered.**

The budget for financial year 2022/2023 covered a twelve (12) months period starting 1<sup>st</sup> July 2022 to 30<sup>th</sup> June 2023

**Note 26.3 Explanation for Material Variances**

During implementation of the approved budget for financial year 2022/23, the Agency noted some material variances (above or below 10%) against its revenue and expenditure budget. Explanation on such variances is given below.

**Note 26.4 Revenue from Exchange Transactions**

During the year ended 30<sup>th</sup> June 2023 the Agency earned TZS 25,523,036,989 on rented houses, Sales of Government houses and consultancy fee compared to TZS 41,569,163,603 budgeted equivalent to 61%. The decrease of TZS 16,046,126,615 was caused by the Agency's mission to provide housing to public servants, hence replaces most of the expired commercial rented houses contract with public rented houses contract to fulfil the Agency's mission due to high demand of public servant houses in Dodoma region.

**Note 26.5 Other revenue**

During the year ended 30<sup>th</sup> June 2023 the Agency earned TZS 1,925,050,753 from receipts from Construction Works and miscellaneous revenue compared to TZS 2,873,787,310 budgeted equivalent to 67%. Reduction in construction works was caused by the decision of the Government to open room to private contractors to construct Government houses which increased competition between public and private contractors.

**Note 26.6 Other receipts**



## NOTES TO THE FINANCIAL STATEMENTS CONTINUES

During the year ended 30<sup>th</sup> June 2023 the Agency received TZS 26,879,202,935 from Contract works - Clients, and Receipt from Sales of Commercial Houses (Down payment) these funds are not budgeted in the Agency budget and are neither consider as Agency's fund nor Agency's Projects, that is why neither fund from this category has been estimated in the Agency's budget

### **Note 26.7 Revenue Grants**

During the year ended 30<sup>th</sup> June 2023 the Agency received TZS 22,192,307,605 on Development Grants and Personal emoluments compared to TZS 34,201,246,301 budgeted equivalent to 65%. The decrease of TZS 12,008,938,696 was caused by the under release of development funds by the Government.

### **Note 26.8 Wages, salaries and employee benefits.**

During the year ended 30<sup>th</sup> June 2023 the Agency incurred TZS 12,882,531,438 as Wages, salaries, and employee benefits equivalent to 82% of the budgeted amount TZS 15,623,834,548. The difference of TZS 2,741,303,109 was mainly due to Agency cost reduction.

### **Note 26.9 Use of Goods and Service.**

During the year ended 30<sup>th</sup> June 2023 the Agency incurred TZS 4,208,186,954 as Supplies and consumables equivalent to 77% of the budgeted amount TZS 5,491,383,605. The decrease of expenditure was due to management of consultancy projects from reimbursable funds to TBA.

### **Note 26.10 Maintenance expenses.**

During the year ended 30<sup>th</sup> June 2023 the Agency incurred TZS 7,017,474,138 as Maintenance expenses equivalent to 134% of the budgeted amount TZS 5,241,528,650. The increase expenses was due to management initiative to rehabilitate its rented houses.

### **Note 26.11 Other Expenses**

During the year ended 30<sup>th</sup> June 2023 the Agency incurred TZS 274,071,427 as other expenses equivalent to 8% of the budgeted amount TZS 3,435,982,686. The decrease of expenditure was due to management initiative for cost reduction.

### **Note 26.12 Other Payments**

During the year ended 30<sup>th</sup> June 2023 the Agency incurred TZS 28,575,446,349 as Contract works from Clients, these funds are not budgeted in the Agency budget and are neither considered as Agency's fund nor Agency's Projects, that is why neither fund from this category has been estimated in the Agency's budget.

### **Note 26.13 Development Grants**



**NOTES TO THE FINANCIAL STATEMENTS CONTINUES**

During the year ended 30<sup>th</sup> June 2023 the Agency incurred TZS 38,296,481,033 as Development - Grant equivalent to 137% of the budgeted amount TZS 27,941,160,000. The increase was due to remained funds from last financial year 2022.

**Note 26.14 Reconciliation of Cash flow and Budget**

The Government through circular No. 07 of 2020/21 adopted reconciliation of actual amount on comparable bases between statement of comparison of budget and actual amounts and cash flow statement as per requirement of IPSAS 24 Para 47.

The analysis of the reconciliation of statement of comparison of budget and actual amounts and statement of cash flows is detailed table no 18 below.

**Table 25: Reconciliation of Statement of Comparison of Budget and Actual Amounts and Statement of Cash Flows**

Description	Operating	Financing	Investing	Total
Actual Amount on comparable basis as presented in the statement of comparisons of Budget and Actual	23,261,887,976		47,355,072,739	(24,093,184,763)
Basis Differences	-		-	-
Timing Differences	-	-	-	-
Entity Differences	-		-	-
Actual Amount in the statement of Cash Flows	23,261,887,976		(47,355,072,739)	(24,093,184,763)



## NOTE 27. SUMMARY OF MOVEMENTS ON ASSETS

During the year under review, the Agency acquired assets from own source funds TZS 291,267,381.20 and TZS 25,908,333.38 as donations as part of property, Plant and Equipment. Also, Investment property Agency recognizes TZS 14,948,084,341 from capitalized costs after completions of constructions and rehabilitation of the Agencies buildings and TZS 420,242,746 as non-monetary after various customers rehabilitated Agency rented houses.

### 27.1 PROPERTY, PLANT AND EQUIPMENT



PROPERTY, PLANT AND EQUIPMENT										
2022/2023										
Description	Rate	Initial Cost	Additions		Total cost as at 30/6/2023	Impairment	Accumulated Depreciation as at 1/7/2022	Depreciation for the year	Total Accumulated Depreciation	Carrying amount as at 30/6/2023
			Monetary	Non Monetary						
Land	0%	8,216,429,657.06			8,216,429,657.06				-	8,216,429,657.06
Buildings	2%	59,101,983,890.57	-	-	59,101,983,890.57	193,302,407.60	9,201,523,698.72	1,182,039,677.81	10,383,563,376.53	48,525,118,106.44
office furniture	8%	862,562,934.68	35,732,904.39	25,908,333.38	924,204,172.45		577,993,714.54	71,810,013.75	649,803,728.29	274,400,444.16
Household furniture	1.43%	1,456,223,931.41	51,935,300.00	-	1,508,159,231.41		1,439,818,847.82	21,383,071.44	1,461,201,919.26	46,957,312.15
office equipment	8%	3,376,231,058.26	60,030,010.00	-	3,436,261,068.26		1,213,652,008.80	273,034,784.93	1,486,686,793.73	1,949,574,274.53
Household equipment	8%	176,089,401.00	-	-	176,089,401.00		153,124,932.45	14,087,152.08	167,212,084.53	8,877,316.47
Machinery	8%	3,266,387,271.07	7,100,000.00	-	3,273,487,271.07		1,818,493,659.63	261,483,981.69	2,079,977,641.31	1,193,509,629.76
Motor vehicles	6%	7,240,432,159.50	-	-	7,240,432,159.50		5,835,627,088.65	434,425,929.57	6,270,053,018.22	970,379,141.28
Computer and IT equipment	5%	1,222,825,407.32	136,469,166.81	-	1,359,294,574.13		1,096,211,989.47	64,402,340.74	1,160,614,330.21	198,680,243.92
<b>Total June 2023</b>		<b>84,919,165,710.87</b>	<b>291,267,381.20</b>	<b>25,908,333.38</b>	<b>85,236,341,425.45</b>		<b>21,336,445,940.07</b>	<b>2,322,666,952.00</b>	<b>23,659,112,892.07</b>	<b>61,383,926,125.77</b>



2021/2022										
Description	Rate	Initial Cost	Additions		Total cost as at 30/6/2022	Impairment	Accumulated Depreciation as at 1/7/2021	Depreciation for the year	Total Accumulated Depreciation	Carrying amount as at 30/6/2022
			Monetary	Non Monetary						
Land	0%	8,216,429,657	-	-	8,216,429,657		-	-		8,216,429,657
Buildings	2%	4,457,263,674	-	54,644,720,217	59,101,983,891		8,019,484,021	1,182,039,678	9,201,523,699	49,900,460,192
office furniture	8%	821,711,308	40,851,627	-	862,562,935		509,256,233	68,737,482	577,993,715	284,569,220
Household furniture	1.43%	1,456,223,931	-	-	1,456,223,931		1,418,994,846	20,824,002	1,439,818,848	16,405,084
office equipment	8%	3,357,060,198	19,170,860	-	3,376,231,058		944,313,770	269,338,239	1,213,652,009	2,162,579,049
Household equipment	8%	176,089,401	-	-	176,089,401		139,037,780	14,087,152	153,124,932	22,964,469
Machinery	8%	3,265,287,271	1,100,000	-	3,266,387,271		1,557,270,678	261,222,982	1,818,493,660	1,447,893,611
Motor vehicles	6%	7,240,432,160	-	-	7,240,432,160		5,401,201,159	434,425,930	5,835,627,089	1,404,805,071
Computer and IT equipment	5%	1,139,463,794	83,361,614	-	1,222,825,407		1,036,455,496	59,641,493	1,096,096,989	126,728,418
<b>Total June 2022</b>		<b>30,129,961,393</b>	<b>144,484,101</b>	<b>54,644,720,217</b>	<b>84,919,165,711</b>		<b>19,026,013,982</b>	<b>2,310,316,958</b>	<b>21,336,330,940</b>	<b>63,582,834,771</b>

## 27.2 INVESTMENT PROPERTY

2022/2023										
Description	Rate	Initial Cost	Additions		Total cost as at 30/6/2023	Impairment	Accumulated Depreciation as at 1/7/2022	Depreciation for the year	Total Accumulated Depreciation	Carrying amount as at 30/6/2023
			Monetary	Non Monetary						
Land	0%	298,815,986,000			298,815,986,000				-	298,815,986,000
Buildings	2%	139,016,966,299		15,368,327,087	154,385,293,386		11,566,194,197	2,822,818,375	14,389,012,572	139,996,280,813
<b>Total June 2023</b>		<b>437,832,952,299</b>	<b>14,948,084,341</b>	<b>420,242,746</b>	<b>453,201,279,386</b>		<b>11,566,194,197</b>	<b>2,822,818,375</b>	<b>14,389,012,572</b>	<b>438,812,266,813</b>
Work In Progress		90,124,969,883	47,063,805,358	-14,948,084,341	122,240,690,900				-	122,240,690,900



# Tanzania Buildings Agency (TBA)

2021/2022										
Description	Rate	Initial Cost	Additions		Total cost as at 30/6/2022	Impairment	Accumulated Depreciation as at 1/7/2021	Depreciation for the year	Total Accumulated Depreciation	Carrying amount as at 30/6/2022
			Monetary	Non Monetary						
Land	0%	298,697,621,000		118,365,000	298,815,986,000				-	298,815,986,000
Buildings	2%	138,106,532,843	128,356,207	782,077,248	139,016,966,299		8,801,496,416	2,764,697,781	11,566,194,197	127,450,772,101
<b>Total June 2022</b>		<b>436,804,153,843</b>	<b>128,356,207</b>	<b>900,442,248</b>	<b>437,832,952,299</b>		<b>8,801,496,416</b>	<b>2,764,697,781</b>	<b>11,566,194,197</b>	<b>426,266,758,101</b>
Work In Progress		59,089,166,884	37,435,802,999	- 6,400,000,000	90,124,969,883					90,124,969,883

## 27.3 INTANGIBLE ASSETS

2022/2023										
Description	Rate	Initial Cost	Additions		Total cost as at 30/6/2023	Impairment	Accumulated Depreciation as at 1/7/2022	Armotization for the year	Total Accumulated Depreciation	Carrying amount as at 30/6/2023
			Monetary	Non Monetary						
Software	3%	652,738,721		-	652,738,721		638,657,914	9,487,538	648,145,451.76	4,593,269
<b>Total June 2023</b>		<b>652,738,721</b>	<b>-</b>	<b>-</b>	<b>652,738,721</b>	<b>-</b>	<b>638,657,914</b>	<b>9,487,538</b>	<b>648,145,451.76</b>	<b>4,593,269</b>

2021/2022										
Description	Rate	Initial Cost	Additions		Total cost as at 30/6/2022	Impairment	Accumulated Depreciation as at 1/7/2021	Armotization for the year	Total Accumulated Depreciation	Carrying amount as at 30/6/2022
			Monetary	Non Monetary						
Software	3%	652,738,721		-	652,738,721		612,201,410	26,456,503	638,657,914	14,080,808
<b>Total June 2022</b>		<b>652,738,721</b>	<b>-</b>	<b>-</b>	<b>652,738,721</b>		<b>612,201,410</b>	<b>26,456,503</b>	<b>638,657,914</b>	<b>14,080,808</b>
<b>GRAND TOTAL 2022/2023</b>		<b>523,404,856,731</b>	<b>15,239,351,722</b>	<b>446,151,080</b>	<b>539,090,359,532</b>		<b>33,541,298,051</b>	<b>5,154,972,865</b>	<b>38,696,270,916</b>	<b>500,200,786,208</b>
<b>GRAND TOTAL 2021/2022</b>		<b>467,586,853,958</b>	<b>272,840,308</b>	<b>55,545,162,465</b>	<b>523,404,856,731</b>		<b>28,439,711,809</b>	<b>5,101,471,242</b>	<b>33,541,183,051</b>	<b>489,863,673,680</b>