



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL STATEMENTS AND COMPLIANCE AUDIT OF WEIGHTS AND
MEASURES AGENCY (WMA) FOR THE FINANCIAL YEAR
ENDED 30 JUNE 2021**

Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41104 Tambukareli,
Dodoma, Tanzania.
Tel: +255 (026) 2161200,
Fax: +255 (026) 2117527,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

March 2022

AR/CG/WMA/2020/21

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, 1977 and in Section 10(1) of the Public Audit Act, Cap. 418 [R.E 2021].

Vision

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

Mission

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

Motto: "Modernizing External Audit for Stronger Public Confidence".

Core values

In providing quality services, NAO is guided by the following Core Values:

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

We do this by:

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

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

TABLE OF CONTENTS

	Page
Abbreviations	iii
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS	1
1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS	5
2.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021	7
2.1 STATEMENT BY THE CHIEF EXECUTIVE OFFICER FOR THE YEAR ENDED 30 JUNE 2021	7
2.2 COMMENTARIES BY ACCOUNTING OFFICER ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021.....	12
2.3 STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021	20
2.4 DECLARATION OF HEAD OF FINANCE AND ACCOUNTS.....	21
2.5 BASIC WEIGHTS AND MEASURES AGENCY'S INFORMATION.....	22
2.6 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021	25
2.7 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021...	26
2.8 STATEMENT OF CHANGE IN NET ASSETS FOR THE YEAR ENDED 30, JUNE, 2021 ...	27
2.9 CASH FLOW STATEMENT FOR YEAR ENDED 30 JUNE 2021	28
2.10 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021	29
2.11 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021	31

Abbreviations

AR	Audit Report
CAG	Controller and Auditor General
Cap.	Chapter
CG	Central Government
GN	Government Notice
HQ	Head Quarter
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standards of Supreme Audit Institutions
NAO	National Audit Office
NBAA	National Board of Accountants and Auditors
No.	Number
OCAG	Office of the Controller and Auditor General
R.E	Revised Edition
S/N	Serial Number
TZS	Tanzania Shillings
WMA	Weights and Measures Agency



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chief Executive Officer,
Weights and Measures Agency,
NSSF House (Mafao),
P. O. Box 313,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

I have audited the Financial Statements of Weights and Measures Agency which comprise the Statement of Financial Position as at 30 June 2021 and the Statement of Financial Performance, Statement of Changes in Net Assets and Cash Flow Statement and the Statement of Comparison of Budget and Actual Amounts for the year then ended, as well as the Notes to the Financial Statements including A Summary of Significant Accounting Policies.

In my opinion, the accompanying Financial Statements present fairly in all material respects, the Financial Position of Weights and Measures Agency as at 30 June 2021, and its Financial Performance and its Cash Flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348 [R.E 2020].

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 Auditor's Responsibilities for the audit of the Financial Statements section of my report. I am independent of Weights and Measures 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 Matter

I draw attention to the matters below. My opinion is not modified in respect of these matters.

- (a) Note 11 to the Financial Statements and Para 2.6.1 of the Commentaries to the Financial Statements describe outstanding receivables of TZS 1,963,712,324.22. Out of reported total receivables, trade receivables of TZS 1,520,979,180.60 remained outstanding for more than twelve (12) months.
- (b) Note 14 to the Financial Statements and Para 2.9 of the Commentaries to the Financial Statements describe outstanding payables of TZS 2,651,507,681.93. Out of the reported total payables, TZS 2,152,893,394.83 remained outstanding for more than twelve (12) months that include outstanding Tax Assessment Liability of TZS 1,942,702,703, Retention Money of TZS 175,188,621.78 and Salary Arrears of TZS 35,002,070.05.

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 of the Chairperson of Ministerial Advisory Board, Statement of the Chief Executive 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 or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with IPSAS and for such internal control as management

determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.

- 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 benefits 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, 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

Compliance with the Public Procurement Act, 2011 (as amended by the Public Procurement (Amendment) Act, 2016)

Subject matter: Compliance audit on procurement of works, goods and services
I performed a compliance audit on procurement of works, goods and services for Weights and Measures Agency for the financial year 2020/21 as per the Public Procurement Laws in Tanzania.

Conclusion

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

Absence of aggregated annual procurement plan and its implementation status
Sections 49(1)(b) and (d) of the Public Procurement Act, 2011 state that, "a procuring entity shall prepare its annual procurement plan in a rational manner and in particular shall aggregate its requirements wherever possible, both within the procuring entity and between procuring entities, to obtain value for money and reduce procurement costs, and integrate its procurement budget with its expenditure programme". Also, Section 38(o) of the same Act provides the functions of the Procurement Management Unit one being preparing and submitting to the management meeting quarterly reports on the implementation of the annual procurement plan.

Neither annual procurement plan for WMA nor implementation status were available for audit only part of the annual procurement plan for headquarters amounting to TZS 6,379,791,247.64 was submitted for audit while procurement undertakings at regional levels were not consolidate in the Agency's annual plan contrary to the aforementioned Sections. I'm of the view that, this practice may lead to misappropriation of the Government funds due to failure in the plan monitoring versus implementation.



Charles E. Kichere
Controller and Auditor General
Dodoma, United Republic of Tanzania.
22 March 2022



Copy to:

Chief Secretary,
Office of the President - State House,
1 Julius Nyerere Road,
Chamwino,
P.O. Box 1102,
40400 DODOMA.

Permanent Secretary and Paymaster General,
Ministry of Finance and Planning,
Treasury Square Building,
18 Jakaya Kikwete Road,
P.O. Box 2802,
40468 DODOMA.

Permanent Secretary,
Ministry of Industry and Trade,
Government City - Mtumba,
P.O. Box 2996,
DODOMA.

Treasury Registrar,
Office of the Treasury Registrar,
CHC House,
50 Mirambo Street and 33 Samora Machel Avenue,
P.O. Box 3193,
11104 DAR ES SALAAM.



2.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2.1 STATEMENT BY THE CHIEF EXECUTIVE OFFICER FOR THE YEAR ENDED 30 JUNE 2021

1. INTRODUCTION

The Weights and Measures Agency (WMA) is an Executive Agency responsible for fair trade transactions, through Legal Metrological Control. It was established in 2002 in pursuance to the Executive Agencies Act, Cap. 245 to replace the Weights and Measures Bureau under the Ministry of Industry and Trade. The move was part of the Public Service Reform Program (PSRP) whose objective was to improve efficiency and effectiveness of Public service delivery. Presently, WMA is operating under the Weights and Measures Act, Cap. 340 and the Executive Agencies Act Cap. 245.

1.1 WMA Mandate

To provide protection to consumers in relation to Legal Metrological control which includes legal control of measuring instruments, metrological supervision and metrological expertise in trade, health, safety and environment.

1.2 Roles and Functions

The roles of WMA as stipulated under the Weights and Measures Act, Cap. 340 and the Executive Agencies Act, Cap. 245 are to:

- a) Protect consumers in trade, health, safety and environment in relation to legal Metrology;
- b) Protect society from the consequences of false measurements in public and private transactions related to safety, health and environment sectors;
- c) Approve or ensure approval by another designated institutions measuring instruments to be used for a public or private transactions related to trade;
- d) Control the use of measuring instruments in public and private transactions;
- e) Control pre-package of products;
- f) Liaise with regional and international organizations with similar objectives;
- g) Give effect to the decisions and recommendation of the OIML Council and Committee with regard to Legal Metrology;
- h) Provide information on Legal Metrology in general; and
- i) Ensure that the legal metrology measurements standards are traceable to national and International measurement standards.

1.3 Action Plan and Budget for the year 2020/21

WMA's Action Plan and Budget for the year 2020/21 aimed at achieving Six (6) Strategic Objectives. The Strategic objectives are as follows:

1. HIV/AIDS Infections and Non-Communicable Diseases reduced and supportive services improved.
2. Good Governance, Ethics, Gender and Environmental issues strengthened.
3. Legal control of measuring instruments and measuring systems strengthened.



4. Metrological supervision and expertise on measurements improved.
5. Administration and Human Resources Management strengthened.
6. Institutional Capacity Building to support service delivery improved.

1.4 Progress in Implementation of Agency Annual Plan and Budget

For the period ended June 2021, implementation of the plan and Budget recorded some achievements based on the targets set in the above strategic objectives as follows:

1.4.1 Achievements during the year 2020/21

During the year under review the Agency undertook certain number of strategic initiatives geared to effectively and efficiently discharge its legal Metrology functions which contribute to the assurance of accuracy and reliability of measures in trade, health, safety and environment.

1.4.2 Verification of electricity meters

The Weights and Measures Agency through its internal sources generated fund initiated process of acquisition of two Electricity test benches which will be used to verify electricity Meters before put into use. The facility will be installed at Misugusugu Verification Center at Kibaha in Coast and Kilimanjaro Regions.

1.4.3 Verification and inspection of instruments

During the year under review WMA verified 758,224 measuring instruments out of 732,648 estimated to be verified. This is equivalent to 3.5 percent increase hand in hand with that 4,722 surprise inspections conducted against 4,000 estimated, this is equivalent to 18 percentage increase.

1.5 Challenges faced by the Agency

During the year under review, WMA faced a number of challenges, which to some extent affected smooth implementation of the planned activities as follows:

- a) Shortage of employees especially Weights and Measures Officers and Drivers WMA is exposed to risks associated with nature of the work performed in relation to the nature of employment of some staff (Temporary staff).
- b) Delays in delivery of procured motor Vehicles to facilitate verification activities to cover large area within specified time.
- c) Rapidly changes in science and technology evolve more advanced measuring instruments and systems to be introduce in the country thus challenges professional to match the same.
- d) WMA is facing increase in labour turnover, one of the reasons being the low Salary and motivation packaged earned by staff compared to staff from other government Institutions of the like.
- e) Rapidly changes in science and technology evolve more advanced measuring instruments and systems to be introduce in the country thus challenges professional to match the same.



1.6 Addressing challenges faced by the Agency

To address the challenges faced the Agency in the last financial year, apart from normal operations:

WMA has set to implement the following activities:

- a) Continue liaise with PO - PSM in recruiting Permanent staff as well as asking for permit to recruit temporally employees as a short term measure;
- b) Provide technical training to staff in line with technological changes;
- c) Increased public awareness to the public through advertising and publication.
- d) Liaise with PO PSM on the issue of low salary through Treasure Registrar whose team also revealed same during assessment of Contract Implementation session for the year 2020/21.
- e) To review WMA's Staff Regulations, 2014 to match the current situation as a means of retaining employees.

1.7 Audit Committee

Regulations 11(4)(a), 28 and 30 of the Public Finance Regulations, GN No. 132/2001 require the Accounting Officer to establish an effective Audit Committee.

During the year under review, the Audit Committee had four meetings and various issues were discussed.

1.7.1 Composition of Audit Committee

The committee is composed of appointed three internal members and two external members. Members of Audit Committee for the financial year 2020/21 were as follows:

S/N	Name	Title	Position
1.	CPA Richard R. Magongo	Director of Internal Audit	Chairperson & External
2.	CPA Elightness Mchome	Chief Internal Auditor	External Member
3.	Mr. Deogratias Maneno	Director of Business Support	Member
4.	Mr. Judicial Mushi	Standard Section Manager	Member
5.	Adv. Theresia Mang'ung'ula	Head of Legal Services Unit	Secretary

1.8 Tender Board

Sections 31 and 37 of the Public Procurement Act No.7 of 2011 require the Agency to establish a Tender Board and Procurement Management Unit (PMU). WMA conformed to the requirements of the Law by establishing Tender Board and Procurement Management Unit.



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



1.8.1 Composition

For the financial year 2020/21 the Tender Board had the following members:

S/N	Name	Title	Position
1.	Mr. Deogratias Maneno	Director of Business Support	Chairperson
2.	Mr. Peter Chuwa	Regional Manager -Ports Units	Member
3.	CPA. Albert Kitale	Ag. Finance and Accounts Manager	Member
4.	Mr. Alban Kihulla	Regional Manager -Pwani	Member
5.	Mr. Nelson Ruturagara	Head of Planning Unit	Member
6.	Ms. Faith Minani	Human Resource Manager	Member
7.	Mr Joseph V. Maliti	Head of Procurement Unit	Secretary

The Tender Board was effective and fulfilled its obligations accordingly.

1.9 Ministerial Advisory Board (MAB)

The Ministerial Advisory Board (MAB) was established under Section 6 of the Executive Agencies Act, Cap. 245. Members are appointed by the Minister responsible for Trade and Industries.

1.9.1 Composition

The MAB composed of six members; Chairperson and other five members, the Secretary of the MAB is the Chief Executive Officer (CEO) of the Agency. During the year under review the Board met three times.

For the Financial Year 2020/21 the Ministerial Advisory Board had the following members:

S/N	Name	Organization	Position
1.	Dr. Eng. Adelhem J. Meru	RETIRED PS	Chairperson
2.	Eng. Gerald M. Maganga	EWURA	Member
3.	Mr. Frank James Dafa	CTI	Member
4.	Mr. Cosmas Ngangaji	PO-PSM	Member
5.	Mr. Wilson Malosha	MIT	Member
6.	Ms Stella Kahwa	WMA	Secretary

During the year ended 30 June 2021, the Board held three (3) ordinary meetings and various issues were discussed.

2. PROJECT IMPLEMENTATION

For the financial year 2020/21 WMA had four ongoing projects, namely Katavi office block, Mara office block, Canteen and Electricity Test Bench house in PWANI Region.

3. CROSS - CUTTING ISSUES

During the period under review WMA employees were sensitized on communicable and non-communicable disease (e.g. HIV & AIDS, Cancer, Diabetes and etc).



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



4. CONCLUSION

The Weights and Measures Agency is committed to provide accurate, timely reliable and complete financial information which is user friendly to decision makers.

Stella R. Kahwa

Ag. CHIEF EXECUTIVE OFFICER

21st.03.2022

Date





2.2 COMMENTARIES BY ACCOUNTING OFFICER ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. INTRODUCTION

The Financial Statements for the financial year 2020/21 provide a record of the Agency's Financial Performance, Financial Position, Cash Flows, Change in Net Assets/Equity and Notes to the Financial Statements.

1.1 Summary of Financial Information

The table below shows a snapshot of financial information for the year ended 30 June 2021:

	2020/21 TZS	2019/20 TZS
Revenue	31,246,804,083.52	30,114,773,215.66
Expenses	29,412,090,923.09	32,101,153,725.21
Total Assets	34,761,122,033.67	33,789,679,044.65
Total Liabilities	2,651,507,681.93	3,516,777,853.34
Net Assets	32,109,614,351.74	30,272,901,191.31

2. FINANCIAL POSITION

2.1 Total Assets

The Agency had total assets of TZS 34,761,122,033.67 at the end of the financial year 2020/21 compared to TZS 33,789,679,044.65 in 2019/20.

2.2 Property, Plant and Equipment (PPE)

During the year ended 30 June 2021, the Agency had PPE amounting to TZS 26,839,846,761.36 compared to TZS 26,727,279,162.37 in 2019/20. Depreciation charged during the year was TZS 2,381,716,434.83 compared to TZS 2,728,126,473.07 in 2019/20; no impairment observed during the year 2020/21 compared to TZS 14,152,824.19 in 2019/20.

2.3 Additions to Property, Plant and Equipment

During the year, the Agency made addition of assets amounting to TZS 2,571,462,993.07 compared TZS 2,045,813,171.44 in 2019/20.

2.4 Intangible Assets

For the financial year ended 30 June 2021, the Agency had intangible assets with a carrying value of TZS 8,980,451.31 compared to TZS 13,470,676.97 in the financial year 2019/20. There were no additions during the financial year 2020/21. Amortization charge for the year was TZS 4,490,225.66 compared to TZS 4,490,225.66 in the financial year 2019/20.



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



2.5 Inventories

For the financial year ended 30 June 2021, the Agency had inventories of TZS 181,323,273 compared to inventories of TZS 154,392,416.24 in the the financial year 2019/20. The major components of Inventories for the year ended were consumables (stationeries), foods and refreshments, computer accessories and verification stickers. The categorization of inventories is as shown below:

S/N	ITEM	Amount (TZS)
1.	Consumables (stationeries)	21,369,113
2.	Foodstuffs (food and refreshment)	2,657,950
3.	IT and Computer Accessories	24,880,710
4.	Printed Matters (e.g. Verification stickers)	132,415,500
	Total	181,323,273

2.6 Receivables

The Agency had receivables of TZS 1,893,698,226.60 at the end of the financial year 2020/21 compared to TZS 1,951,022,451.61 in the the financial year 2019/20.

2.6.1 Trade Receivable Aged Analysis

The Age analysis of trade receivables for the year ended 30 June 2021 is as shown below:

1-30 DAYS	70,651,578.00	354,932,235.92
31-60 DAYS	120,007,500.00	12,528,000.00
61-90 DAYS	94,999,032.00	197,057,246.25
91-120 DAYS	29,551,936.00	7,447,000.00
121-365 DAYS	57,509,000.00	24,049,687.00
ABOVE 365 DAYS	1,520,979,180.60	1,355,008,282.44
Total	1,893,698,226.60	1,951,022,451.61

2.6.2 Provision for doubtful debts

A provision for doubtful debts amounting to TZS 65,017,514.57 is 20% of the long overdue Receivables of more than five years. The provision is made due to uncertainty of recovering the amount and is stipulated in the Agency's Credit and Debts Control Policy, the comparison between previous year's allowance for doubtful and 2020/21 charge create increase in provision (65,017,514.57 less 45,237,478.80) equals to TZS 19,780,035.77 recognized in the Statement of Financial Performance as an expense.

2.6.3 Other Receivables

The amount of TZS 135,031,612.19 was the special and safari imprest generated for the financial year 2020/21 which was not yet due for retirement.

2.7 Prepayments

For the financial year ended 30 June 2021, the prepayment amount was TZS 1,305,500,649.56 compared to TZS 167,698,213.76 in 2019/20. TZS 165,649,825.60 was pre-paid for rent to WMA HQ and Regional Offices; TZS 1,100,213,247.64 for motor vehicles and TZS 39,637,576.32 for diesel.



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



2.7.1 Prepayment for rent as at 30 June 2021

S/N Name	Amount (TZS)	Amount (TZS)
	2020/21	2019/20
1. Kigoma WMA Office	0.00	24,000,000.00
2. WMA-HQ	63,720,000.00	70,092,000.00
3. Manyara WMA Office	0.00	1,560,000.00
4. Rukwa WMA Office	7,200,000.00	7,200,000.00
5. Geita WMA Office	7,200,000.00	7,200,000.00
6. Simiyu WMA Office	4,200,000.00	4,200,000.00
7. Arusha WMA Office	10,000,000.00	10,000,000.00
8. Lindi WMA Office	2,994,840.00	2,994,840.00
9. Dodoma WMA Office	70,334,985.60	0.00
Total	165,649,825.60	127,246,840.00

2.7.2 Prepayment for fuel as at 30 June 2021

For the financial year ended 30 June 2021, the prepayment for fuel amounted to TZS 39,637,576.32.

2.7.3 Prepayment for motor vehicles as at 30 June 2021

For the financial year ended 30 June 2021, the prepayment for motor vehicles amounted to TZS 1,100,213,247.64.

2.8 Cash and Cash Equivalents

For the financial year ended 30 June 2021, the Agency had a Cash and Cash Equivalents of TZS 3,852,688,160.47 compared to TZS 3,912,866,642.27 in 2019/20.

2.9 Payables and Accruals

Payables and accruals for the financial year 2020/21 was TZS 2,651,507,681.93 compared to TZS 3,516,777,853.34 in 2019/20. The payables and accruals were divided as follows:

VENDOR NAME	TOTAL (TZS)	<30 DAYS	< 90 DAYS	>90 < 365	>365 DAYS
GROUP 6-RETENTION	127,521,574.85				127,521,574.85
TBW-RETENTION	47,667,046.93				47,667,046.93
SALARY ARREAR	35,002,070.05			0.00	35,002,070.05
TR-OFFICE	44,824,593.10	44,824,593.10			
TRA	1,943,368,236.50	665,533.50			1,942,702,703.00
DEDUCTION	33,398,392.60	33,398,392.60			



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



VENDOR NAME	TOTAL (TZS)	<30 DAYS	< 90 DAYS	>90 < 365	>365 DAYS
STAFF ALLOWANCE	294,912,927.50	294,912,927.50			
GPSA	6,920,000.00	6,920,000.00			
TANTRADE	3,447,000.00	3,447,000.00			
ADAM	7,420,600.00	7,420,600.00			
MOTOR	4,365,000.00	4,365,000.00			
TBS	14,299,763.90		14,299,763.90		
CHUNGA	13,528,632.75		13,528,632.75		
AUTO	9,330,000.00		9,330,000.00		
TEMESA	1,000,000.00	1,000,000.00			
VETA	16,162,686.00	16,162,686.00			
MBEYA	21,646,000.00		21,646,000.00		
TANESCO	8,700,000.00	8,700,000.00			
LODHIA	17,993,157.75	17,993,157.75			
STEEL	2,651,507,681.93	439,809,890.45	58,804,396.65	0.00	2,152,893,394.83
MZINGA					
CORP					
NJOMBE					
MUNIC					
PAYABLES(
MISC)					
GRAND					
TOTAL					

The distribution of retention is as shown below:

Contractor	Project Name	2020/21 TZS	2020/21 TZS
Tanzania Building Works	Misugusugu Calibration	47,667,046.93	54,953,432.07
Group Six International	Kilimanjaro Office Block	127,521,574.85	127,521,574.85
Suma JKT	Misugusugu Calibration	0.00	62,053,883.24
BJ Amuli Consultancy	Misugusugu Calibration	0.00	3,909,089.09
Mohamed Sekelela	Test bench house	1,380,103.00	0.00
Total		176,568,724.78	258,437,979.25

The retention has been decreased by TZS 83,249,357.47 from previous financial year as results of payment of portion retention for Misugusugu verification bay.

2.9.1 Payable to Treasury Registrar

During the financial year 2020/21, the TZS 44,824,593.10 was amount payable to Treasury Registrar as result of 2020/21 business operation. Up to 30 June 2021 the said amount was not yet remitted to Treasury Registrar Office due to requirements attached to revenue compared to TZS 25,801,293.01 in the financial year 2019/20.



2.9.2 Salary Arrears

During the financial year 2020/21, the TZS 35,002,070.05 was amount payable to staff as salary arrears compared to TZS 161,394,670.00 in the financial year 2019/20. Decrease in salary arrears was due to most of the arrears were paid during the year under review.

2.9.3 Salary Deductions

During the financial year 2020/21, TZS 33,398,392.60 was amount payable by the Agency as salary deduction for the month of June 2021.

3. FINANCIAL PERFORMANCE

3.1 Revenue

3.1.1 Revenue from Exchange Transactions

For the financial year ended 30 June 2021, the Agency managed to collect TZS 28,172,730,983.57 as revenue from exchange transactions compared to TZS 27,006,160,128.26 in 2019/20 as shown below:

	2020/21	2019/20
Revenue	TZS	TZS
Fees, Fines, Penalties and Licenses	565,460,424.57	1,309,279,487.67
Revenue from Exchange Transactions	27,607,270,559.00	25,696,880,640.59
Total	28,172,730,983.57	27,006,160,128.26

Revenue from exchange transactions has increased by 1,910,389,918.41 equivalents to 7 percent compare to the financial year 2019/20. The percentage increase in collection for the year 2020/21 was mainly caused by:

- Employment permit for permanent employment did not materialized up to the year end.
- Promotion was effected at the end of the period under review.

3.1.2 Revenue from Non-Exchange Transactions

For the financial year ended 30 June 2021, Non-Exchange Revenue (Salaries) decreased to TZS 3,010,073,099.95 from TZS 3,094,808,000.00 in 2019/20. The decrease of non-exchange revenue was due to termination of employment of some staff on basis of age, death and transfer.

3.1.3 Other Revenue

For the financial year 2020/21, the Agency's has no other revenue compared to TZS 13,805,087.40 in 2019/20.



3.2 Expenses

3.2.1 Wages, Salaries and Employee Benefits

During the financial year 2020/21, the amount spent for Wages, Salaries and Employee Benefits was TZS 11,825,361,291.73 compared to TZS 12,102,887,266.43 in 2019/20.

3.2.2 Supplies and Consumables Used

The Agency incurred a total expenditure of TZS 7,824,223,040.23 for the year ended 30 June 2021 compared to TZS 6,820,697,036.27 reported in the year ended 30 June 2020.

3.2.3 Maintenance Expenses

The Agency incurred a total expenditure of TZS 899,901,399.43 for the year ended 30 June 2021 compared to TZS 705,972,268.55 recorded in the year ended 30 June 2020.

3.2.4 Other Expenses

During the financial year 2020/21, the Agency's other expenses was TZS 6,422,664,950.94 compared to TZS 9,724,827,631.04 in financial year 2019/20. Where TZS 6,414,274,906.94 was 15% dividend to Treasury plus addition remittance as per the Treasury Office directives.

Up to 30 June 2021, the Agency paid TZS 6,377,840,357.84 and the remaining balance TZS 44,824,593.10 was expected to be remitted in the financial year 2021/22.

3.2.5 Capital Expenditure

The Agency made capital expenditure amounting to TZS 2,254,322,635.59 whereby TZS 543,070,413.75 was paid for projects which were still under construction at reporting date while TZS 1,711,252,221.84 was for other assets acquired on cash basis and TZS 1,100,213,247.64 payment made for motor vehicle acquisition.

3.3 Charitable Work

During the year, the Agency contributed a total of TZS 1,500,000 as community support.

4. CASH FLOW STATEMENT

4.1 CASH FROM OPERATING ACTIVITIES

The cash flow from operating activities for the year ended 30 June 2021 shows a net cash flow of TZS 2,194,144,153.79 compared to TZS 3,442,661,470.56 in financial year 2019/20.

4.2 CASH FLOW FROM INVESTING ACTIVITIES

The cash flow from investing activities for the year ended 30 June 2021 shows a net cash flow of TZS 2,254,322,635.59 compared to TZS 1,619,443,362 in financial year 2019/20, the increase is due to ongoing buildings construction of calibration bay at Misugusugu - Kibaha in Coast Region, office blocks Kilimanjaro, Simiyu, Katavi and Mara Regions.



5. COMPARISON OF BUDGET AND ACTUAL AMOUNT

The original budget of the Agency during the year under review was TZS 33,938,852,613.60 while reallocation was TZS 2,413,704,620.90 and final was TZS 33,938,852,613.60. Actual amount received during the financial year 2020/21 was TZS 31,240,128,308.53.

5.1 Maintenance Expenses

During the period under review, the final budget of maintenance expense amounted to TZS 1,002,780,194.00 while the actual amounts was TZS 899,901,399.43.

5.2 Other Expenses

During the reporting period, the final budget for other expenses was TZS 6,414,274,906.94 and the actual amounts for same category of expenditure is TZS 6,395,251,606.85.

5.3 Supplies and Consumable Used

During the period under review, the final budget for supplies and consumable goods was TZS 8,304,934,637.56 and the actual amount was TZS 10,127,388,576.88.

5.4 Wages, Salaries and Employees Benefits

Final budget for Wages, Salaries and Employees' Benefits for the financial year 2020/21 was TZS 13,854,679,419.10 while actual amounts for the same year was TZS 11,623,442,571.58.

5.5 Purchases/Construction of Non-Current Assets

The budget for such expenditure during the year under review was TZS 4,362,183,456 while the actual amounts were TZS 2,254,322,635.59.

6. AUDITORS

The Controller and Auditor-General (CAG) is the statutory auditor for Weights and Measures Agency pursuant to the provisions of Article 143 of the Constitution of the United Republic of Tanzania, 1977, Sections 9 - 12 of the Public Audit Act, Cap. 418 [R.E 2021] and Sections 30 - 31 of the Public Finance Act, Cap. 348 [R.E 2020].



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



7. CONCLUSION

The Weights and Measures Agency is committed to ensure that financial management is improved. In so doing, the Agency has continued to implement International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting for the preparation and presentation of Financial Statements to enhance transparency in public expenditure, accountability and management of Public Resources.

Stella R. Kahwa

Ag. CHIEF EXECUTIVE OFFICER

21st.03.2022

Date





2.3 STATEMENT OF RESPONSIBILITY ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

These Financial Statements have been prepared by the management of Weights and Measures Agency in accordance with the provision of Section 30 of the Public Finance Act, Cap. 348 [R.E 2020]. The Financial Statements as required by the said Act are presented in a manner consistent with the International Public Sector Accounting Standard (IPSAS) - Accrual basis of accounting.

To the best of my knowledge, the system of 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 2020/21.

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

Signed by: **Accounting Officer**

21st. 03. 2022

Date





2.4 DECLARATION OF HEAD OF FINANCE AND ACCOUNTS

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

It is the duty of a Professional Accountant to assist the Accounting Officer and management to discharge the responsibility of preparing Financial Statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of Financial Statements rests with Accounting Officer and management of the Agency.

I, CPA Albert Kitale being the Acting Manager of Finance and Accounts of Weights and Measures Agency hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30 June 2021 have been prepared in compliance with applicable Accounting Standards and statutory requirements. I, thus confirm that, the Financial Statements give a true and fair view position as on that date and that, they have been prepared based on properly maintained financial records.



Albert Kitale

Position: Ag. Finance and Accounts Manager

NBAA Membership No. GA 5267

Date: 21st. 03. 2022



2.5 BASIC WEIGHTS AND MEASURES AGENCY'S INFORMATION

1.0. INTRODUCTION

The Weights and Measures Agency (WMA) operates as a semi-autonomous Executive Agency within the ambit of the Ministry of Industry and Trade (MIT). The Agency is responsible for legal metrological control which contributes to the assurance of accuracy and reliability of measurements used in trade, health, safety and environment. Preparation of the Financial Statements complies with the requirements of International Public Sector Accounting Standards (IPSAS) for the accrual basis of accounting. The measurement base applied is historic cost base, modified where necessary to include change in policy and estimate of useful life of assets. No adjustments for the inflationary factor have been made in the accounts and the accounting policies have been consistently applied for throughout the period.

1.1. VISION

To be an exemplary Institution that provides credible legal metrology services for sustainable socio-economic development.

1.2. MISSION

To provide consumer protection in relation to legal metrology through verification and re-verification of measuring instruments or measuring systems and metrological supervision of goods for promoting confidence in measurement results.

1.3. ROLES

The Roles of WMA as stipulated under the Weights and Measures Act, Cap. 340, the East African Community Standardization, Quality Assurance, Metrology and Testing Act, 2006 (SQMT Act, 2006) and the Executive Agencies Act, Cap .245 are to:

- i. Protect consumers in trade related to legal Metrology;
- ii. Protect society from the consequences of false measurements in public and private transactions;
- iii. Approve or ensure approval by other designated institutions measuring instruments to be used for a public or private transaction in trade;
- iv. Control the use of measuring instruments in public and private transactions;
- v. Control pre-packaging of products;
- vi. Liaise with regional and international organizations with similar objectives;



- vii. Give effect to the decisions and recommendations of the OIML Council and Committee with regard to legal metrology;
- viii. Provide information on legal metrology in general; and
- ix. Ensure that legal metrology measurement standards are traceable to national and international measurement standards.

1.4. ASSUMPTIONS

1.4.1. Going Concern

Financial Statements for WMA will be prepared under the assumption that the Agency has neither the intention nor the need to liquidate or curtail materially the scales of its operations, if such an intention or need exists, the financial statement have to be prepared on a different basis and if so the basis used is disclosed.

1.4.2. Consistency

The presentation and classification of items in the Financial Statements should be retained within the accounting period and from one period to another period, unless when reclassification would result in giving a more relevant and reliable information and such reclassification shall be applied retrospectively.

1.4.3. Accrual Basis

Under this basis the effect of transactions and other events are recognized when they occur (and not as cash or its equivalent is received or paid) and they are to be recorded and reported in the Financial Statements of the periods to which they relate.

1.4.4. Offsetting

Assets and liabilities, and income and expenses, shall not be offset against one another, unless such offsetting required or permitted by an IPSAS.

1.4.5. Departure from Accounting Principles

Any departure from the fundamental accounting principles should be disclosed by WMA in their Financial Statements.

1.5. CONCEPTS

When setting accounting policies WMA should adhere to the following criteria.

1.5.1. Prudence

Inclusion of a degree of caution in the exercise of judgment needed in making the estimates required under the condition of uncertainty, such that assets or income are not overstated. However, the exercise of prudence does not allow the deliberated understatement of assets



or income or deliberate overstatement of liabilities or expenses due to the fact that Financial Statements would not be neutral and will lose the quality of reliability.

1.5.2. Substance over Form:

For information to represent faithfully the transactions and other events that it contends to represent, transactions and events are to be accounted for and presented in accordance with their substance and economic reality and not merely their legal form.

1.5.3. Relevance

Information is relevance when it influences the economic decisions of users i.e. helping them evaluate the past, present or future events or confirming or correcting their past evaluations.

1.5.4. Materiality

Information is material if its omission or misstatement could influence economic decision of users taken on the basis of the financial statements. For WMA amount will be regarded material if it is equivalent to 5% or more of the budgeted amount or any amount equal or above TZS 500,000 whichever comes earlier.





THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



2.6 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	Note	2020/21	2019/20
		TZS	TZS
Current Assets			
Cash and Equivalent	10	3,852,688,160.47	3,912,866,642.27
Inventories	13	181,323,273.00	154,392,416.24
Prepayments	12	1,305,500,649.56	167,698,213.76
Receivables	11	1,963,712,324.22	1,996,986,576.56
Total - Current Assets		7,303,224,407.25	6,231,943,848.83
Non-Current Assets			
Intangible Assets	17	8,980,451.31	13,470,676.97
Property, Plant and Equipment	15	26,905,846,761.36	26,727,279,162.37
Work in Progress - Construction	16	543,070,413.75	816,985,356.48
Total Non - Current Assets		27,391,897,626.42	27,557,735,195.82
Total Assets		34,761,122,033.67	33,789,679,044.65
LIABILITIES			
Payables and Accruals	14	2,651,507,681.93	3,516,777,853.34
NET ASSETS		32,109,614,351.74	30,272,901,191.31
Taxpayers' Funds		8,291,115,564.49	8,291,115,564.49
Accumulated Surplus		23,818,498,787.25	21,981,785,626.82
TOTAL		32,109,614,351.74	30,272,901,191.31

Stella R. Kahwa
Ag. CHIEF EXECUTIVE OFFICER

21st.03.2022

Date



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



2.7 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

	Note	2020/21	2019/20
Revenues		TZS	TZS
Revenue from Non-Exchange Transactions	3	3,076,073,099.95	3,094,808,000.00
Fees, Fines, Penalties and Licenses	2	565,460,424.57	1,309,279,487.67
Other Revenue	5	0	13,805,087.40
Revenue from Exchange Transactions	4	27,607,270,559.00	25,696,880,640.59
Total Revenues		31,246,804,083.52	30,114,773,215.66
Expenses			
Amortization of Intangible Assets	17	4,490,225.66	4,490,225.66
Depreciation of Property, Plant and Equipment	15	2,381,716,434.83	2,728,126,473.07
Impairment of Property, Plant and Equipment	15	0	14,152,824.19
Maintenance Expenses	8	899,901,399.43	705,972,268.55
Increase in provision for Impairment of Receivables	11	19,780,035.77	0
Loss on Disposal of Assets	24	33,953,544.50	0
Other Expenses	9	6,422,664,950.94	9,724,827,631.04
Supplies and Consumables Used	7	7,824,223,040.23	6,820,697,036.27
Wages, Salaries and Employee Benefits	6	11,825,361,291.73	12,102,887,266.43
Total Expenses		29,412,090,923.09	32,101,153,725.21
Surplus/(Deficit) for the year		1,836,713,160.43	(1,986,380,509.55)

Stella R. Kahwa
Ag. CHIEF EXECUTIVE OFFICER

21st. 03. 2022

Date



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



2.8 STATEMENT OF CHANGE IN NET ASSETS FOR THE YEAR ENDED 30, JUNE, 2021

	Taxpayer's fund	Accumulated	Total
		Surplus/(Deficit)	
	TZS	TZS	TZS
Opening Balance at 01 July 2020	8,291,115,564.49	21,981,785,626.82	30,272,901,191.31
Surplus or Deficit for the year 2020/21		1,836,713,160.43	1,770,713,160.43
Closing Balance at 30 June 2021	8,291,115,564.49	23,818,498,787.25	32,109,614,351.74
Opening Balance at 01 July 2019	8,291,115,564.49	23,968,166,136.37	32,259,281,700.86
Surplus for the year	0.00	(1,986,380,509.55)	(1,986,380,509.55)
Closing Balance at 30 June 2020	8,291,115,564.49	21,981,785,626.82	30,272,901,191.31

Stella R. Kahwa
Ag. CHIEF EXECUTIVE OFFICER

21st. 03. 2022

Date



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



2.9 CASH FLOW STATEMENT FOR YEAR ENDED 30 JUNE 2021

	NOTE	2020/21	2019/20
		TZS	TZS
Receipts			
Revenue from Exchange Transactions	18	28,230,055,208.58	26,916,844,360.25
Revenue from Non - Exchange Transactions	3	3,010,073,099.95	3,094,808,000.00
Total Receipts		31,240,128,308.53	30,011,652,360.25
Payments			
Wages, Salaries and Employee Benefits	19	11,623,442,571.58	11,972,936,456.43
Supplies and Consumables Used	20	10,127,388,576.88	8,252,389,372.67
Other Expenses	21	6,395,251,606.85	5,637,692,792.04
Maintenance Expenses	8	899,901,399.43	705,972,268.55
Total Payments		29,045,984,154.74	26,568,990,889.69
NET CASH FLOW OPERATING		2,194,144,153.79	3,442,661,470.56
CASH FLOW FROM INVESTING			
Acquisition of PPE	15	1,711,252,221.84	1,466,027,505.19
Work in Progress (WIP)	16	543,070,413.75	153,415,856.81
NET CASH FLOW FROM INVESTING		2,254,322,635.59	1,619,443,362.00
Net Increase/(Decrease)		(60,178,481.80)	1,823,218,108.56
Cash and Cash Equivalent at beginning of period		3,912,866,642.27	2,089,648,533.71
Cash and Cash Equivalent at end of period		3,852,688,160.47	3,912,866,642.27

Stella R. Kahwa
Ag. CHIEF EXECUTIVE OFFICER

21st.03.2022

Date



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



2.10 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

	Original Budget	Reallocations/Adjmen t	Final Budget-B	Actual amount on Comparison Basis-	Different Final Budget final budget & actual
RECEIPTS	TZS	TZS	TZS	A TZS	(B-A) TZS
Revenue from Exchange Transactions	26,670,468,573.60	0.00	26,670,468,573.60	28,230,055,208.58	(1,559,586,634.98)
Revenue from Non - Exchange Transactions	7,268,384,040.00	0.00	7,268,384,040.00	3,010,073,099.95	4,258,310,940.05
Total Receipts	33,938,852,613.60	0.00	33,938,852,613.60	31,240,128,308.53	2,698,724,305.07
PAYMENTS					
Maintenance Expenses	1,002,780,194.00	0	1,002,780,194.00	899,901,399.43	102,878,794.57
Other Expenses	4,000,570,286.04	2,413,704,620.90	6,414,274,906.94	6,395,251,606.85	19,023,300.09
Supplies and Consumables Used	10,128,367,137.56	0.00	10,128,367,137.56	10,127,388,576.88	978,560.68
Wages, Salaries and Employee Benefits	14,444,951,540.00	(2,413,704,620.90)	12,031,246,919.10	11,623,442,571.58	407,804,347.52
Capital Expenditure (Acquisition of PPE)	4,362,183,456.00	0.00	4,362,183,456.00	2,254,322,635.59	2,107,860,820.41
Total Payments	33,938,852,613.60	0.00	33,938,852,613.60	31,300,306,790.33	2,638,545,823.27
NET					
RECEIPTS/(PAYMENTS)	0.00	0.00	0.00	(60,178,481.80)	60,178,481.80

Stella R. Kahwa

Ag. CHIEF EXECUTIVE OFFICER

21st 03. 2022

Date



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



Reasons for Variation as on the Statement of Comparison of Budget and Actual Amount

1. Under collection of Revenue from Non-Exchange Transactions

The actual collection was less than budgeted amount because:

- Employment permit for permanent employment did not materialized up to the year end.
- Promotion was effected at the end of the period under review.

2. Over collection of Revenue from Exchange Transactions

The over collection is the result of:

- Introduction of new area operation e.g water meter verification.
- Increased business volume in some regions e.g Dodoma and Iringa.

3. Under expenditure on acquisition of PPE

Under expenditure was contributed by incomplete building structure in Mara and Katavi office blocks budgeted for financial year 2020/21.





2.11 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

NOTE 1: ACCOUNTING POLICIES

1. Accounting policies are the specific principles, bases, conventions, rules, and practices applied by an entity in preparing and presenting Financial Statements;
2. WMA shall apply respective IPSAS when formulating accounting policies to be applied to a transaction, other event or condition;
3. In case of absence of an IPSAS that specifically applies to a transaction, other event, or condition, WMA shall use its judgment in developing and applying an accounting policy that results in information that is relevant and reliable to the decision-making needs of users;
4. In making the judgment as described above, WMA may consider the most recent pronouncements of the NBAA, other international authoritative pronouncements such as IFRS, and other pronouncements governing financial reporting in the public sector in Tanzania, but only to the extent that these do not conflict with the principles of IPSAS.

Summary of WMA Accounting Policies

Basis of Preparation

The Weights and Measures Agency Financial Statements shall be prepared in accordance with IPSAS. Where IPSAS does not address a particular issue, the appropriate IFRS, Technical Pronouncements issued by the NBAA, or any other guideline that govern financial reporting for Tanzania Public Sector Entities, will be applied.

Estimates and Assumptions

The preparation of Financial Statements in accordance with IPSASs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

Basis of Measurement

The Financial Statements have been prepared on the historical cost basis, unless otherwise stated in the accounting policies.

Functional and Presentation Currency

The functional currency of WMA, which is also the presentation currency, is the Tanzania Shillings abbreviated as TZS.



SIGNIFICANT ACCOUNTING POLICIES

Revenue Recognition

Revenue is recognized when it is probable that the economic benefit associated with the transaction will flow to the Agency and the amount of the revenue can be measured reliably.

Revenue from Exchange Transactions

Source of the Agency include: verification fees, calibration fees, inspection, and other fees from metrological controls are recognized when WMA has rendered respective service to the customer. Revenue from exchange transaction such as sale of goods and rendering of service is recognized when WMA has substantially transferred the risks associated with the transaction, it is probable that future economic benefits will flow to WMA, and the amount of revenue can be measured reliably.

Revenue from Non - Exchange Transactions

Grants and Other External Funding

WMA is eligible to receive grants and other external funding from Governments, donor agencies, and other institutions, as well as from alliances and other organizations. External funding is generally in the form of restricted and unrestricted grants, contributions, and expense reimbursements.

Revenue from external funding is recognized when WMA has complied with all the stipulations or conditions (as defined in IPSAS 23 - Revenue from Non-Exchange Transactions).

Transactions) implicit in the underlying agreements, and there is reasonable assurance that the funding will be received.

External funding is recognized in the Statement of Financial Performance on a systematic basis over the periods in which WMA recognizes as expenses the related costs for which the funding is intended to compensate. External funding for compensation of expenses or losses already incurred or for giving immediate financial support to WMA with no future related costs is recognized in the Statement of Financial Performance when it becomes receivable.

Employee Entitlements

Employee entitlements to salaries, wages, annual vacation, retirement benefits, and other benefits are recognized when employee has rendered service to WMA. Annual vacation and other leave are calculated on an actual entitlement basis at current rates of pay. WMA provides retirement benefits for employees under a defined contribution plan. Payments to the defined contribution plan are recognized as expenses as they become due.



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



Property, Plant and Equipment

PPE are initially recorded at cost, which are those costs directly attributed to bring them to the location and condition necessary for them to be capable of operation in the manner intended by the management.

Subsequently, Property Plant and Equipment are carried at cost accumulated depreciation and impairment if any, expect building which are reported at revalued amount less accumulated depreciated 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 period in which they are incurred.

The carrying amount of a time 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 of PPE is include 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 property, plant and equipment shall be provided for on straight-line method to write off the cost of each asset to its residual value over its estimated useful life.

Useful lives of are estimated as follows:

Class of PPE	Range of Useful Life (years)
Land	Non Depreciable
Buildings	50
Furniture & Fittings	5
Motor Vehicles	5
Office Equipment	5
Computer (Desktop and lap top)	4
Weights and Measures Tools& Equipment	10
Document processing equipment	7
Uninterrupted power supplies (ups)	7
Underground Tanks	40



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



Gains and losses on disposal are determined by comparing proceeds with carrying amounts, and are included in the statement of financial performance.

Intangible Assets

Intangible assets consist of software licenses and website development costs. An intangible asset is recognized when it is identifiable, the agency has control over the asset, it is probable that economic benefits will flow to the agency, and the cost of the asset can be measured reliably. Intangible assets that do not meet these criteria are recognized as an expense in the period in which the expense is incurred

Intangible assets are carried at cost, and are amortized on a straight-line basis over the estimated useful lives of the assets, generally 3 years

Impairment

WMA reviews the carrying amounts of its property, plant and equipment and intangible assets if there is indication that impairment exists. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, its carrying amount is reduced to its recoverable amount. Impairment losses are recognized as an expense in the statement of financial performance in the period the impairment is incurred.

Financial Instruments

Financial instruments include short-term investments, cash and cash equivalents, accounts receivable, and accounts payable.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and on deposit at a bank, and other short-term liquid investments with original maturities of three months or less.

Direct Method

The Cash Flow is prepared under direct method to comply with requirement of IPSAS accrual basis of accounting.

Trade and Other Receivables

Dues from metrological fees and other receivables are carried at original invoice amount less any subsequently approved discount, and less an estimate made for doubtful receivables based on periodic reviews of all outstanding amounts at the year-end. Bad debts are written off when identified.

Short-Term Investments

Short-term investments are recognized in the statement of financial position at cost, which approximates fair value due to their short-term nature.



Finance Lease

At the commencement of the lease term, WMA shall recognize assets acquired under finance leases as assets, and the associated lease obligations as liabilities in the Statement of Financial Position.

The assets and liabilities shall be recognized at amounts equal to the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The discount rate to be used in calculating the present value of the minimum lease payments shall be the interest rate implicit in the lease, if this is practicable to determine; if not, the WMA's incremental borrowing rate shall be used.

Inventories

Inventories of stationeries and general stores are stated at the lower of the cost and net realizable value. Cost is determined by the First-In-First-Out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business, less the selling expenses.

Inventories which are either to be distributed free of charge or have no alternative use other than being used by WMA are stated at the lower of cost and current replacement cost.

Foreign Currencies

Transactions in foreign currencies are translated to Tanzania Shillings at the rates of exchange prevailing at the date of the transactions. Assets and liabilities at the reporting date, denominated in foreign currencies, are translated at the rates of exchange prevailing at that date. The resulting gains or losses are recognized in the statement of financial performance.

Borrowing Costs

Borrowing costs consist of interest and other expenses incurred by WMA in connection with the borrowing of funds. Borrowing costs are expensed in the period they are incurred and recognized in Surplus or Deficit. However, borrowing costs can be capitalized only when they relate to qualifying asset (an asset that takes more than one financial year to construct or acquire)

Events After the Reporting Date

These are events, both favourable and unfavourable that occurs between the reporting date, which is 30 June and the date the Financial Statements are authorized for issue, which is the day the CAG Report is tabled in the Parliament of Tanzania.

WMA shall endeavour to ensure that Financial Statements are adjusted to reflect adjusting events after the reporting date. Non-adjusting events shall only be disclosed in the



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



Financial Statements of WMA by way of disclosure note when they are material showing the nature of the event and an estimate of its financial effect, or a statement that such an estimate cannot be made.

If WMA receives information after the reporting date, but before the financial statements are authorized for issue, about conditions that existed at the reporting date, the entity shall update disclosures that relate to these conditions, in the light of the new information.

Bad and Doubtful Debts

At the end of each year, all debts will be scrutinized and aged in the categories with reference to the reporting date as below:

Within 30 days

31 days to 60 days

61 Days to 90 Days

91 Days to 120 Days

121 Days to 365 Days,

Over 365 Days.

Each debt will be assessed individually for recoverability and only those debts that are considered irrecoverable shall be recognized as bad debts after approval by the MAB. Where a debt has been written off and circumstances have reversed and the debt is thus recoverable, the amount collected or receivable shall be recognized in Surplus or Deficit as Other Income. Allowance for doubtful receivables shall be provided at the rate of 20% for long outstanding overdue receivables of more than five (5 years).

Related Party Disclosures

In accordance with IPSAS, related party include Key Management Personnel who by definition include all directors or members of the governing body of the entity; and other persons having the authority and responsibility for planning, directing and controlling the activities of the reporting entity.

For WMA, Key Management Personnel will include Members of the MAB, CEO, the Management Team, and their close family member.

NOTE 2: FEES, FINES, PENALTIES AND LICENSES

	2020/21 TZS	2019/20 TZS
Fees, Fines, Penalties and Licenses	565,460,424.57	1,309,279,487.67

NOTE 3: REVENUE FROM NON-EXCHANGE REVENUE

Government Subsidy	3,010,073,099.95	3,094,808,000.00
Land & Building contributed by Shinyanga Municipal Council	66,000,000.00	-



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



NOTE 4: REVENUE FROM EXCHANGE TRANSACTIONS

	2020/21 TZS	2019/20 TZS
Weight & Measures Collection	23,440,494,437.57	22,100,835,361.46
Vehicle Tank Calibration service	4,166,776,121.43	3,596,045,279.13
Total	27,607,270,559.00	25,696,880,640.59

NOTE 5: OTHER REVENUE

Other Revenue	0.00	13,805,087.40
---------------	------	---------------

NOTE 6: WAGES, SALARIES AND EMPLOYEES BENEFITS

Acting Allowance	456,060,700.00	295,805,853.02
Casual Labourers	35,073,850.00	37,589,100.00
Civil Servants	2,883,680,500.00	3,224,758,810.00
Civil Servants Contracts	1,205,628,365.35	1,040,684,846.60
Electricity Allowance	58,642,621.70	27,918,327.04
Extra-Duty	2,684,650,000.00	2,474,942,108.25
Food and Refreshment	24,185,100.00	936,200.00
Furniture	0.00	30,000,000.00
Honoraria	215,394,179.68	719,063,213.55
Housing allowance	758,530,000.00	983,395,597.78
Invigilators Allowances	6,000,000.00	5,955,000.00
Leave Travel	491,313,675.00	481,274,900.00
Medical and Dental Refunds	3,635,000.00	2,530,000.00
Moving Expenses	488,000,900.00	392,827,837.00
Outfit Allowance	0.00	300,000.00
Sitting Allowance	1,011,370,000.00	825,811,172.00
Special Allowance	20,350,000.00	205,617,200.00
Subsistence Allowance	218,257,400.00	172,744,000.00
Telephone Allowance	106,769,000.00	23,800,000.00
Transport Allowance	1,156,820,000.00	1,156,933,101.19
Court Attire Allowance	1,000,000.00	0.00
Total	11,825,361,291.73	12,102,887,266.43

NOTE 7: SUPPLIES AND CONSUMABLES USED

Health Insurance	1,246,000.00	100,000.00
Advertising and Publication	114,520,000.00	64,346,236.70
agency fees	15,100,000.00	5,585,000.00
Air Travel Tickets	79,900,310.00	77,486,920.78



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



NOTE 7: SUPPLIES AND CONSUMABLES USED (Cont.....)

	2020/21 TZS	2019/20 TZS
Audit Fee	32,550,000.00	0
Bank Charges and Commissions	0	738,590.96
Bottled Gas	5,214,500.00	1,065,000.00
Catering Services	40,351,627.50	0
Burial Expenses	15,954,000.00	7,555,000.00
Cleaning Supplies	5,365,000.00	3,356,754.80
Communication Network Services	0	447,525.00
Computer Software	4,176,374.00	48,000.00
Computer Supplies and Accessories	196,077,961.00	147,071,534.31
Conference Facilities	27,232,000.00	21,138,503.50
consultancy fees	49,293,224.79	10,085,250.00
Courier Services	18,507,459.86	24,319,626.56
Diesel	563,648,550.13	519,631,155.14
Educational Radio and TV broadcasting	6,595,000.00	5,735,300.00
Electricity	148,900,845.54	125,084,305.27
Entertainment	88,452,000.00	58,826,670.00
Exhibition, Festivals and Celebrations	14,535,000.00	3,835,000.00
Fax machines and other small office	47,200.00	0
Food and Refreshments	299,607,182.94	219,794,793.00
Gifts and Prizes	30,000,000.00	4,390,828.00
Ground Transport (Bus, Train, Water)	194,647,781.00	178,283,523.58
Rent of Private vehicles	50,000.00	0
Honorariums (expert opinion)	0	3,550,000.00
Hiring of Training Facilities	796,000.00	0
Illuminating kerosene (Paraffin)	10,000.00	0
Internet and Email connections	58,323,034.63	35,470,080.13
Laundry and Cleaning	0	187,000.00
Leased lines	0	3,016,300.00
legal fees	1,360,000.00	38,226,000.00
Lubricants	0	733,860.00
Mobile Charges	1,082,862.00	1,315,473.33
National Expenses	0	14,000.00
News Services Fees	134,000.00	228,000.00
Newspapers and Magazines	4,197,400.00	3,982,755.00
Office Consumables (e.g papers, pencils)	114,449,799.34	137,617,653.80
Other Gas	175,000.00	102,000.00
Outsourcing cost (cleaning and security)	661,539,038.71	357,757,184.42



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



NOTE 7: SUPPLIES AND CONSUMABLES USED (Cont.....)

	2020/21 TZS	2019/20 TZS
Per Diem - Domestic	3,282,320,000.00	2,985,000,000.00
Per Diem - Foreign	0	25,620,303.00
Petrol	5,708,200.00	7,028,000.00
Posts and Telegraphs	1,917,083.62	3,290,365.00
Printing and Photocopy paper	15,277,697.20	106,817,537.50
Printing and Photocopying Costs	40,887,103.67	4,767,550.00
Printing Material	1,570,000.00	3,811,200.00
Programs Transmission Fees	0	1,215,000.00
Production and Printing of Training Materials	40,000.00	0
Protective Clothing, footwear and gears	25,834,940.00	51,219,076.32
Publicity	600,000.00	0
Remuneration of Instructors	12,240,000.00	5,125,000.00
Rent - Office Accommodation	371,162,147.20	278,476,526.53
Rent of Vehicles and Crafts	168,136,342.24	153,621,383.91
Satellite access services	3,818,150.00	4,749,150.00
Sewage Charges	1,865,000.00	0
Small engineering tools and equipment	0	1,782,200.00
Subscription Fees	874,000.00	994,600.00
Sundry Expenses	769,018,690.12	577,767,483.91
Tapes, Films, and Materials (split)	390,000.00	1,047,525.00
Technical Materials	174,000.00	180,000.00
Technical Service Fees	0	200,000.00
Telephone Charges (Land Lines)	14,150,294.16	17,817,356.97
Training Allowances	107,853,800.00	376,913,100.00
Training Materials	1,720,000.00	230,000.00
Tuition Fees	92,322,500.00	60,049,000.00
Uniforms	15,272,760.00	5,283,712.00
Uniforms and Ceremonial Dresses	62,869,380.10	40,526,279.00
Upkeep Allowances	0	16,836,000.00
Visa Application Fees	0	100,000.00
Water Charges	26,270,406.16	19,227,235.21
Water Transport	2,070,600.00	1,711,400.00
Weights and Measures Instruments	4,240,000.00	4,180,260.00
Wire, Wireless, Telephone, Telex and Facsimile	1,259,794.32	3,983,967.64
TV Sets and Radios	321,000.00	0
Total	7,824,223,040.23	6,820,697,036.27



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



NOTE 8: MAINTENANCE EXPENSES

	2020/21 TZS	2019/20 TZS
Air conditioners	20,425,000.00	13,536,945.00
Cement, Bricks and Building Materials	4,419,000.00	1,730,000.00
Computers, printers, scanners, and other computer related equipment	23,092,496.27	24,605,904.88
Direct labour (contracted or casual hire)	19,722,423.60	16,532,031.50
Electrical and Other Cabling Materials	3,055,000.00	1,564,700.00
Electrical and Telephone Cable Installations	0.00	9,062,340.00
Fire Protection Equipment	2,513,700.00	7,715,500.00
Mechanical, electrical, and electronic spare parts	6,866,317.80	2,695,000.00
Metal Fence and Posts	0.00	1,861,600.00
Motor Vehicles and Water Craft	468,100,161.97	385,066,440.91
Oil and Grease	8,531,708.00	7,512,465.50
Outsource maintenance contract services	5,331,500.00	2,278,500.00
Panel and body shop repair materials and services	22,631,024.00	11,665,235.36
Photocopiers	5,400,419.16	491,400.00
Pipes and Fittings	817,771.45	2,065,000.00
Plumbing Supplies and Fixtures	1,500,000.00	4,229,860.00
Precision tools, weights and measures instruments	51,261,891.00	28,891,548.96
Roofing Materials	500,000.00	400,000.00
Small Car Mechanics Tools	2,067,000.00	4,085,374.50
Small tools and equipment	1,158,000.00	1,280,000.00
Spare Parts	64,263,035.70	72,920,677.18
Tyres and Batteries	185,586,011.35	104,963,744.76
Water Pumps	2,158,939.13	818,000.00
Wood and Timber Supplies	500,000.00	0.00
Total	899,901,399.43	705,972,268.55

NOTE 9: OTHER EXPENSES

Contribution to CF (15%)	6,414,274,906.94	5,337,526,654.04
Taxes Levied by another level of Govt	8,390,044.00	4,387,300,977.00
Total	6,422,664,950.94	9,724,827,631.04

NOTE 10: CASH AND CASH EQUIVALENTS

Bank Accounts- CRDB	224,258,414.62	65,494,090.71
Bank Accounts- NMB	149,229,822.18	254,240,328.00
Bank Account - BOT	3,479,199,923.67	3,593,132,223.56
Total	3,852,688,160.47	3,912,866,642.27



THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY



NOTE 11: RECEIVABLES

	2020/21 TZS	2019/20 TZS
Other Receivables (Imprest)	135,031,612.19	91,201,603.75
Trade Receivables	1,893,698,226.60	1,951,022,451.61
Total	2,028,729,838.79	2,042,224,055.36
Less: Allow for Doubtful Debts of Receivables	(65,017,514.57)	(45,237,478.80)
Net Receivables	1,963,712,324.22	1,996,986,576.56

NOTE 12: PREPAYMENT

Motor Vehicles	1,100,213,247.64	0.00
Diesel	39,637,576.32	26,099,965.02
Electricity	0.00	14,351,408.74
Rent of Office Building	165,649,825.60	127,246,840.00
Total	1,305,500,649.56	167,698,213.76

NOTE 13: INVENTORY

Consumables (stationaries)	21,369,113.00	22,210,776.24
food staff	2,657,950.00	2,216,600.00
IT and computer Accessories	24,880,710.00	24,113,140.00
printed matters(verification stickers)	132,415,500.00	105,851,900.00
Total	181,323,273.00	154,392,416.24

NOTE 14: ACCOUNT PAYABLE AND ACCRUALS

Project Retention Money	176,568,724.78	258,437,979.25
Payable to Treasury	44,824,593.10	25,801,293.01
Salary arrears	35,002,070.05	161,394,670.00
Salary deductions	33,398,392.60	0.00
Tax to TRA	1,943,368,236.50	3,071,143,911.08
Other Payables-Employment benefits	294,912,927.50	0.00
Other Payables -supplies and consumables	123,432,737.40	0.00
Total	2,651,507,681.93	3,516,777,853.34



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



NOTE 15: Property, Plant and Equipment

	2020/21	2019/20
	TZS	TZS
Accumulated Depreciation - Motor Vehicle	(4,804,110,157.01)	(3,936,402,888.01)
Accumulated Depreciation - Office Building	(588,627,366.60)	(354,876,609.28)
Accumulated Depreciation Furniture and Fittings - Office	(721,849,720.93)	(596,647,382.05)
Accumulated Depreciation Generators	(146,560,747.58)	(96,372,207.21)
Accumulated Depreciation Weights and measures	(2,116,862,231.76)	(1,555,194,238.96)
Accumulated Depreciation Office equipments	(1,365,402,549.55)	(1,128,259,887.84)
Acquisition of Land	7,210,423,890.00	7,157,393,000.00
Generators	731,746,379.93	666,344,706.61
Hardware: servers and equipment (incl. desktops, laptops etc.)	2,176,781,058.33	2,032,485,692.01
Motor vehicles	7,444,476,287.15	7,817,076,287.15
Office buildings and structures	10,311,192,337.69	9,234,605,850.64
Office furniture and fittings	1,256,720,953.67	1,240,264,153.67
Precision Tools, Weights and Measures (Measurements)	7,464,530,628.02	6,246,862,684.63
Total	26,905,846,761.36	26,727,279,161.36

NOTE 15(A): Depreciation of Property, Plant and Equipment

Depreciation - Hardware: Servers and Equipment	245,119,536.46	375,939,330.29
Depreciation - Furniture & Fittings	125,202,338.88	233,920,840.63
Depreciation - Motor Vehicles	1,165,787,269.00	1,413,243,673.00
Depreciation - Office Buildings	233,750,757.32	196,779,691.50
Depreciation - Generators	50,188,540.37	42,778,639.33
Depreciation - Precision Tool and Optical Instruments	561,667,992.80	479,617,122.51
Total	2,381,716,434.83	2,742,279,297.26



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



WEIGHTS AND MEASURES AGENCY

NOTE 15: PROPERTY, PLANT AND EQUIPMENT (PPE)

Details	Buildings TZS	Land TZS	Furniture and Fittings TZS	Office Equipments TZS	Motor Vehicles TZS	Weights and Measure TZS	Plant and Machinery TZS	Total TZS
Cost/ Valuation								
Balance at 01.07.2019	9,234,605,850.65	7,047,713,000.00	1,024,179,903.67	1,810,931,672.39	6,360,335,385.33	6,224,804,605.63	646,648,786.61	32,349,219,204.28
Additions-								
Monetary Addition -Non		109,680,000.00	80,825,000.00	221,554,019.62	1,012,214,486.57	22,058,079.00	19,695,920.00	1,466,027,505.19
Monetary Addition			135,259,250.00		444,526,415.25			579,785,665.25
Balance at 30.06.2020	9,234,605,850.65	7,157,393,000.00	1,240,264,153.67	2,032,485,692.01	7,817,076,287.15	6,246,862,684.63	666,344,706.61	34,395,032,374.72
Balance at 01.07.2020	9,234,605,850.65	7,157,393,000.00	1,240,264,153.67	2,032,485,692.01	7,817,076,287.15	6,246,862,684.63	666,344,706.61	34,395,032,374.72
Additions-								
Monetary Addition -Non	655,550,108.32	12,612,000.00				195,646,989.59	62,401,673.32	926,210,771.23
Additions-								
Monetary Disposal/Written off	474,424,378.72	40,418,890.00	16,456,800.00	154,931,199.32	372,600,000.00	1,022,020,953.80	3,000,000.00	1,711,252,221.84
Balance at 30.06.2021	10,311,192,337.69	7,197,811,890.00	1,256,720,953.67	2,176,781,058.33	7,444,476,287.15	7,464,530,628.02	731,746,379.93	36,649,259,534.79
Accumulated Depreciation								
Balance at 01.07.2019	158,096,917.78	0	362,726,541.42	752,320,557.55	2,523,159,215.01	1,075,577,116.45	53,593,567.88	4,925,473,916.09
Depreciation for 2019/20	196,779,691.50		233,920,840.63	361,786,506.10	1,413,243,673.00	479,617,122.51	42,778,639.33	2,728,126,473.07
Impairment loss				14,152,824.19				14,152,824.19
Balance at 30.06.2020	354,876,609.28	-	596,647,382.05	1,128,259,887.84	3,936,402,888.01	1,555,194,238.96	96,372,207.21	7,667,753,213.35
Balance at 01.07.2020	354,876,609.28	-	596,647,382.05	1,128,259,887.84	3,936,402,888.01	1,555,194,238.96	96,372,207.21	7,667,753,213.35
Disposal/Written off				7,976,874.75	298,080,000.00			306,056,874.75
Adjusted Accumulated Depreciation for 2020/21	354,876,609.28	-	596,647,382.05	1,120,283,013.09	3,638,322,888.01	1,555,194,238.96	96,372,207.21	7,361,696,338.60
Balance at 30.06.2021	233,750,757.32		125,202,338.88	245,119,536.46	1,165,787,269.00	561,667,992.80	50,188,540.37	2,381,716,434.83
Carrying Amount	588,627,366.60	-	721,849,720.93	1,365,402,549.55	4,804,110,157.01	2,116,862,231.76	146,560,747.58	9,743,412,773.43
At 30.06.2020	8,879,729,241.37	7,157,393,000.00	643,616,771.62	904,225,804.17	3,880,673,399.14	4,691,668,445.67	569,972,499.40	26,727,279,161.37
At 30.06.2021	9,722,564,971.09	7,197,811,890.00	534,871,232.74	811,378,508.78	2,640,366,130.14	5,347,668,396.26	585,185,632.35	26,839,846,761.36



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



NOTE 16: WORK IN PROGRESS (WIP)

DETAILS	MWANZA CALIBRATION	KATAVI BLOCK	OFFICE	MARA BLOCK	OFFICE	TOTAL
Opening balance as at 01 July 2020	816,985,356.48		0.00		0.00	816,985,356.48
Addition during the year	189,072,747.94	205,727,838.31		148,269,827.50		543,070,413.75
Transferred to PPE during the year	(816,985,356.48)		0.00		0.00	(816,985,356.48)
Closing balance for as at 30 June 2021	189,072,747.94	205,727,838.31		148,269,827.50		543,070,413.75

NOTE 17: INTANGIBLE ASSETS

Details	TZS
Cost	
Balance as at 01 July 2019	35,921,805.25
Addition	0.00
Disposal	0.00
Balance as at 30 June 2020	35,921,805.25
Balance as at 01 July 2020	35,921,805.25
Addition	0.00
Disposal	0.00
Balance as at 30 June 2021	35,921,805.25
Accumulated amortization	
Balance as at 01 July 2019	17,960,902.62
Disposal	0.00
Amortization for 2019/20	4,490,225.66
Balance as at 30 June 2020	22,451,128.28
Balance as at 01 July 2020	22,451,128.28
Amortization for 2020/21	4,490,225.66
Balance as at 30 June 2021	26,941,353.94
Carrying amount as	
At 30 June 2020	13,470,676.97
At 30 June 2021	8,980,451.31



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



NOTE 18: CASH REVENUE FROM EXCHANGE TRANSACTIONS

		2020/21 TZS	2019/20 TZS
Fees, Fines, Penalties and Forfeits	2	565,460,424.57	1,309,279,487.67
Revenue from Exchange Transactions	4	27,607,270,559.00	25,696,880,640.59
Total Revenue		28,172,730,983.57	27,006,160,128.26
Adjustment for Receivables			
Receivables closing 2020/21	33	(1,893,698,226.60)	(1,951,022,451.61)
Receivables opening 2020/21	33	1,951,022,451.61	1,861,706,683.60
Adjusted Receivables		57,324,225.01	(89,315,768.01)
Cash Received from Exchange Transaction		28,230,055,208.58	26,916,844,360.25

NOTE 19: WAGES, SALARIES AND EMPLOYEES BENEFITS

Cash Paid	11,623,442,571.58	11,972,936,456.43
-----------	-------------------	-------------------

NOTE 20: SUPPLIES AND CONSUMABLES USED AND OTHER PAYMENTS

Cash Paid	10,127,388,576.88	8,252,389,372.67
-----------	-------------------	------------------

NOTE 21: OTHER EXPENSES

Cash Paid	6,395,251,606.85	5,637,692,792.04
-----------	------------------	------------------

NOTE 22: RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)

Cash Flow from Operating Activities	Note		
Surplus/(Deficit) from ordinary activities		1,770,713,160.43	(1,986,380,509.54)
Non Cash Movements and Working Capital			
Depreciation of Property, Plant and Equipment	15	2,381,716,434.83	2,728,126,473.07
Amortization of Intangible Assets	16	4,490,225.66	4,490,225.66
Increase/(Decrease) in Provision for Doubtful Debts	5	19,780,035.77	-13,805,087.40
Loss on Disposal of Assets or Impairment Loss	15	33,953,544.50	14,152,824.19
(Decrease) in Payables	14	(794,451,729.83)	2,836,640,468.07
(Increase)/Decrease in Prepayment	12	(1,137,802,435.80)	(119,211,129.23)
(Increase)/Decrease in Inventory	13	(26,930,856.76)	159,165,577.50
(Increase)/Decrease in Receivables	11	(57,324,225.01)	(180,517,371.76)
Net Cash Flow from Operating		2,194,144,153.79	3,442,661,470.56



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



**NOTE 23: RECONCILIATION OF FINANCIAL STATEMENTS ACTUAL AND CASH BUDGET FOR
THE FINANCIAL YEAR 2020/21**

Description	Operating	Financing	Investing	Total
Statement of Performance	29,412,090,923.09	0	2,254,322,635.59	31,666,413,558.68
Basis difference:				
Depreciation of Property, Plant and Equipment	(2,381,716,434.83)	0	0	(2,381,716,434.83)
amortization of intangible Assets	(4,490,225.66)	0	0	(4,490,225.66)
Prepayment opening (expensed during the year)	(167,698,213.76)	0	0	(167,698,213.76)
Prepayment closing (expenses)	1,305,500,649.56	0	0	1,305,500,649.56
Inventory closing (purchased during the year)	142,707,773.00	0	0	142,707,773.00
Inventory opening (expensed in P/L)	(115,776,916.24)	0	0	(115,776,916.24)
Payables of previous years paid during the year	1,348,965,550.43	0	0	1,348,965,550.43
Payables registered during the year	(574,896,982.77)	0	0	(574,896,982.77)
Loss on disposal of Assets	(33,953,544.50)	0	0	(33,953,544.50)
Increase in provision of impairment of trades receivables	(19,780,035.77)			(19,780,035.77)
Imprest (other Receivables) registered during the year	135,031,612.19			135,031,612.19
Total basis difference	(366,106,768.35)	0	0	(366,106,768.35)
Timing differences	-	-	-	
Entity differences	-	-	-	
Cash Paid as Per Cash flow	29,045,984,154.74		2,254,322,635.59	31,300,306,790.33



**THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF INDUSTRY AND TRADE
WEIGHTS AND MEASURES AGENCY**



NOTE 24: GAIN OR LOSS ON DISPOSAL OF TANGIBLE ASSETS

ASSET GROUP	COST OF ASSET	ACCUMULATED DEPRECIATION	ASSET NET BOOK VALUE	PROCEEDS FROM DISPOSAL	GAIN/(LOSS) ON DISPOSAL
	A	B	C=A-B	D	E=D-C
Motor Vehicle	372,600,000.00	298,080,000.00	74,520,000.00	43,225,413.75	(31,294,586.25)
Office Equipments	10,635,833.00	7,976,874.75	2,658,958.25	0.00	(2,658,958.25)
Total	383,235,833.00	306,056,874.75	77,178,958.25	43,225,413.75	(33,953,544.50)

NOTE 25: OTHER DISCLOSURES

1.0 RELATED PARTIES

Key personal of the Weights and Measures include Ministry Advisory Board (MAB), Chief Executive Officer (CEO), Directors and Managers.

The amount paid to related party amounted to TZS 1,866,371,621.70; the amount includes:

- a) Salaries TZS 1,414,800,000
- b) Personal Allowances TZS 451,571,621.70

2.0 EFFECT OF COVID 19

Despite of the world facing the COVID 19 up to now, but the effect did not affect the Agency's operation much due to the fact that, most of the daily operations involve rural areas in which effect of COVID 19 prevalence was low for the year under review.

3.0 REPORTING DATE

The reporting date is 30 June of every financial year.

4.0 AUTHORIZATION DATE FOR ISSUE

The date which the Controller and Auditor General tables in Parliament of Tanzania is taken by the Agency as date of Authorization of its Financial Statements.