REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON
THE AUDIT OF THE FINANCIAL STATEMENTS OF HEALTH
BASKET FUND (HBF) FOR THE FINANCIAL YEAR
ENDED 30 JUNE 2019

Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41104 Tambukareli, DODOMA.
Tel: 255 (026) 22321759,
Fax: 255 (026) 2117527
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December 2019
<table>
<thead>
<tr>
<th>TABLE OF CONTENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abbreviations................................................................................................ iii</td>
</tr>
<tr>
<td>1.0  GENERAL INFORMATION................................................................................... 1</td>
</tr>
<tr>
<td>1.1. Mandate......................................................................................................... 1</td>
</tr>
<tr>
<td>1.2. Vision, Mission and Core Values............................................................... 1</td>
</tr>
<tr>
<td>1.3  Audit Objectives.............................................................................................. 2</td>
</tr>
<tr>
<td>1.4  Audit Scope...................................................................................................... 2</td>
</tr>
<tr>
<td>1.5  Audit Methodology............................................................................................ 2</td>
</tr>
<tr>
<td>2.0  INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL..................... 3</td>
</tr>
<tr>
<td>Abbreviations</td>
</tr>
<tr>
<td>---------------</td>
</tr>
<tr>
<td>HBF</td>
</tr>
<tr>
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<tr>
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1.0 GENERAL INFORMATION

1.1 Mandate
The statutory duties and responsibilities of the Controller and Auditor General are given under Article 143 of the Constitution of the URT of 1977 (revised 2005) and in Sect. 10 (1) of the Public Audit Act No.11 of 2008.

1.2 Vision, Mission and Core Values

Vision
To be a highly regarded Institution that excels in Public Sector Auditing.

Mission
To provide high quality audit services that improves public sector performance, accountability and transparency in the management of public resources.

Core Values
In providing quality services, NAO is guided by the following Core Values:
✓ Objectivity: We are an impartial public institution, offering audit services to our clients in unbiased manner.
✓ Excellence: We are professionals providing high quality audit services based on standards and best practices.
✓ Integrity: We observe and maintain high standards of ethical behaviour, rule of law and a strong sense of purpose.
✓ People focus: We value, respect and recognize interest of our stakeholders.
✓ Innovation: We are a learning and creative public institution that promotes value added ideas within and outside the institution.
✓ Results Oriented: We are an organization that focuses on achievement based on performance targets.
✓ Team work Spirit: We work together as a team, interact professionally, share knowledge, ideas and experiences.

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 appropriate training, adequate working tools and facilities that promote their independence.

© This audit report is intended solely for the information of the Health Basket Fund and World Bank. However, upon release by the World Bank, it becomes a public record and its distribution may not be limited.
1.3 Audit Objectives
To obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and are prepared in accordance with an applicable financial reporting framework; and whether laws and regulations have been complied with.

1.4 Audit Scope
The audit was carried out in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and other audit procedures as were deemed appropriate under the circumstances. This covered the evaluation of the effectiveness of the financial accounting system and internal control over various activities of the Health Basket Fund.

The audit was conducted on a sample basis; therefore, the findings are confined to the extent that records, documents and information requested for the purpose of the audit were made available to me. Audit findings and recommendations arising from the examination of the accounting records, appraisal of the activities as well as evaluation of the Internal Control System which requires management’s attention and actions, are set out in the management letter issued separately to the Health Basket Fund.

As an auditor, I am not required to specifically search for fraud and therefore, my audit cannot be relied upon to disclose all such matters. However, my audit was planned in such a way that I would have reasonable expectations of detecting material errors and misstatement in the financial statements resulting from irregularities including fraud. The responsibility for detection, prevention of irregularities and the maintenance of an effective and adequate system of internal control rests with the management of the Health Basket Fund.

1.5 Audit Methodology
My audit approach included tests of the accounting records and other procedures in order to satisfy the audit objectives. My audit procedures included the following:
- Planning the audit to identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the entity and its environment, including the entity’s internal controls.
- Obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks.
- Form an opinion on the financial statements based on conclusions drawn from the audit evidence obtained.
- Follow up on the implementation of the previous year’s audit findings and recommendations to ensure that proper action has been taken in respect of all matters raised.
2.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Permanent Secretary,
Ministry of Health, Community Development, Gender, Elderly and Children,
P.O. Box 743,
40478 DODOMA.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2019

Unqualified Opinion
I have audited the Financial Statements of Health Basket Fund, which comprise the Statement of Financial Position as at 30 June 2019, and the statement of Financial Performance, Statement of Changes in Equity and statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a Summary of Significant Accounting Policies.

In my opinion, the accompanying financial statements of the Health Basket Fund present fairly in all material respects, the Financial Position of the Project as at 30 June 2019, its Financial Performance, and its Cash Flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and in the manner required by the Public Finance Act, 2001 revised 2004

Basis for Opinion
I conducted my audit in accordance with 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 Health Basket Fund in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Tanzania, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Information Other than the Financial Statements and Auditor’s Report Thereon
Management is responsible for the other information. The other information comprises of the Director’s Report and the Declaration by the Head of Finance but does not include the financial statements and our auditor’s 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 there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

**Key Audit Matters**
This section of my auditor’s report is intended to describe the matters selected from those communicated with those charged with governance that, in my professional judgment, were of most significance in my audit of the financial statements. I have determined that there are no key audit matters to report.

**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 IPSASs, 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.

**Auditor’s Responsibilities 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 auditor’s 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.

In addition, Sect. 10 (2) of the PAA No.11 of 2008 requires me to satisfy myself that, the accounts have been prepared in accordance with the appropriate accounting standards.
Further, Sect. 48(3) of the Public Procurement Act No.7 of 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the provisions of the Law and its Regulations.

Report on Other Legal and Regulatory Requirements
Compliance with the Public Procurement Act, 2011

In view of my responsibility on the procurement legislation and taking into consideration the procurement transactions and processes I have reviewed as part of this audit, I state that, Health Basket Fund procurement transactions and processes have generally complied with the requirements of the Public Procurement Act No.7 of 2011 and its underlying Regulations of 2013.

Charles E. Kichere
CONTROLLER AND AUDITOR GENERAL

31 December 2019
National Audit Office of Tanzania,
P.O. Box 950,
41104 Tambukareli, Dodoma.
Tel: 255 (026) 2321759
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Copy to: The Chief Secretary,
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40400 DODOMA

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World Bank Representative,
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P.O. Box 2054,
DAR ES SALAAM.
THE UNITED REPUBLIC OF TANZANIA

MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDELY AND CHILDREN

VOTE 52

HEALTH BASKET FUND (HBF)

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
30TH JUNE, 2019
THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY
AND CHILDREN – VOTE 52
HEALTH BASKET FUND

TABLE OF CONTENTS

| List of Abbreviations                              | ii |
| Statement by the Accounting Officer              | 1  |
| Statement of Management Responsibility            | 2  |
| Declaration of the Head of Finance/ Accounting    | 3  |
| Commentary on the Financial Statements            | 4  |
| Statement of Financial Position as at 30th June, 2019 | 7  |
| Statement of Financial Performance for the year ended 30th June, 2019 | 8  |
| Cash Flow Statement for the year ended 30th June, 2019 | 9  |
| Statement of Changes in Net Asset for the year ended 30th June, 2019 | 10 |
| Statement of Comparison of Budget and Actual Amounts for the year ended 30th June, 2019 | 11 |
| Notes to the Financial Statements for the year ended 30th June, 2019 | 12 |
THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY
AND CHILDREN – VOTE 52
HEALTH BASKET FUND

ABBREVIATIONS

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td>CAG</td>
<td>Controller and Auditor-General</td>
</tr>
<tr>
<td>EUL</td>
<td>Estimated Useful life</td>
</tr>
<tr>
<td>GAVP</td>
<td>Generally Acceptable valuation Principles</td>
</tr>
<tr>
<td>IFMS</td>
<td>Integrated Financial Management Systems</td>
</tr>
<tr>
<td>IFRS</td>
<td>International Financial Reporting Standard</td>
</tr>
<tr>
<td>IPSAS</td>
<td>International Public Sector Accounting Standard</td>
</tr>
<tr>
<td>MDAs</td>
<td>Ministry, Departments and Agencies</td>
</tr>
<tr>
<td>MoHCDGEC</td>
<td>Ministry of Health, Community Development, Gender, Elderly and Children</td>
</tr>
<tr>
<td>MTEF</td>
<td>Medium Term Expenditure Framework</td>
</tr>
<tr>
<td>NBAA</td>
<td>National Board of Accountants and Auditors</td>
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<tr>
<td>NHIF</td>
<td>National Health insurance Fund</td>
</tr>
<tr>
<td>PO-RALG</td>
<td>President’s Office Regional Administration and Local Government</td>
</tr>
<tr>
<td>TZS</td>
<td>Tanzanian Shillings</td>
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</table>
STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30TH JUNE 2019

1.0 INTRODUCTION
In line with the Health Sector Reform proposals, which started in 1994, the former Minister of Health together with Development Partners (DPs) agreed to pursue a Sector-Wide Approach (SWAp) in 1999 in order to increase coordination among donors and government. The Health Basket Funding (HBF) modality was formed in 2000 with aim of strengthening the primary health care at council level where majority of Tanzanians dwell. For this case, 90% of funds are channeled to the councils, 3% Regional Secretariats, 1% Presidents' Office Regional Administration and Local Government and 6% to the MoHCDGEC. The HBF uses the government exchequer system and therefore uses the government procedures, regulations and financial rules in planning, implementing activities, monitoring, auditing and reporting of results.

2.0 IMPLEMENTATION OF THE PLAN AND BUDGET
In financial year 2018/19 through the HBF, MoHCDGEC was allocated TZS 7,911,750,037 which facilitated National Blood Transfusion Services in procurement of laboratory reagents, running costs, community sensitization on blood collection and screening. Moreover, funds were used to provide NHIF matching funds, Internal Auditors General verification of results, HBF reviews, budget preparations, procurement of internet and bandwidth, supportive supervisions, procurement of ambulances and many other activities.

3.0 ACHIEVEMENTS
Major achievements as a result of funding obtained, include; distribution of safe blood to all health facilities throughout the country in order to save lives; verification report by IAG which has inspired HBF Development Partners to commit a total of TZS 127.9 billion to the health sector for Financial Year 2019/2020. Furthermore, Provision of NHIF matching funds to 26 regions implementing improved Community Health Funds (ICHF), marks a government commitment towards Universal Health Coverage. Again, referral system improved due to four (4) ambulances procured. Results from the HBF reviews will enable the sector to strengthen the health system particularly health care financing and service delivery.

ACCOUNTING OFFICER

DATE: 30TH DECEMBER, 2019
THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY
AND CHILDREN – VOTE 52
HEALTH BASKET FUND

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR THE YEAR ENDED
30TH JUNE 2019

Section 25(4) of the Public Finance Act No 6 of 2001 requires the Management to prepare Financial Statements for each financial year, which gives a true and fair view of revenue and expenses of the reporting entity, as at the end of the financial year. It also requires Management to ensure the reporting entity keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the reporting entity. They are also responsible for safeguarding the assets of the reporting entity.

The Management accepts the responsibility for the annual Financial Statements, which have been prepared using appropriate accounting policies, supported by reasonable and prudent judgments and estimates, in conformity with the accrual basis of accounting under the International Public Sector Accounting Standard (IPSAS) and in the manner required by Section 25(4) of the Public Finance Act No 6 of 2001 as was amended in 2004.

The Management further accepts the responsibility for the maintenance of accounting records that may be relied upon in the preparation of Financial Statements as well as putting in place sound systems of internal financial control. The Management is also responsible for safeguarding the assets of the reporting entity and hence, taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

To the best of our knowledge, the system of internal control has operated adequately, throughout the reporting period, and that, the records and underlying accounts provide a reasonable basis for the preparation of the Financial Statements for 2018/2019 financial year.

We therefore accept the responsibility for the integrity of the Financial Statements, the information it contains and its compliance with the Public Finance Act No 6 of 2001, as amended in 2004 and as per instructions from the Treasury.

Procurement of goods, works, consultancy, and non-consultancy services to the extent that they are reflected in these Financial Statements, was done in accordance with the Public Procurement Act number 7 of 2011 and its regulation of 2013, as amended in 2016.

Edward Nzela Mbanga
Accounting Officer

30th December, 2019
Date
DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING

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

It is the duty of a Professional Accountant to assist 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 the Management as under Management Responsibility Statement on an earlier page.

I CPA Salama Mlawa being the Head of Finance/Accounting of the Ministry of Health, Community Development, Gender, Elderly and Children hereby acknowledge my responsibility of ensuring the Financial Statements of Health Basket Fund for the year ended 30th June, 2019 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the Financial Statements give a true and fair view position of the Health Basket Fund implemented by the Ministry Health, Community Development, Gender, Elderly and Children as on that date and that they have been prepared based on properly maintained financial records.

Signed by ____________________________
Position: Chief Accountant
NBAA Membership No: GA 5799
Date: 30/12/2019
THE UNITED REPUBLIC OF TANZANIA 
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY AND CHILDREN – VOTE 52 
HEALTH BASKET FUND 

COMMENTARY ON THE FINANCIAL STATEMENTS BY ACCOUNTING OFFICER FOR THE YEAR ENDED 30th JUNE, 2019 

1.0 INTRODUCTION 
The Financial Statements present results of operations of Health Basket Fund for the period of 1st July, 2018 to 30th June, 2019 Implemented by the Ministry of Health, Community Development, Gender, Elderly and Children. 

2.0 OVERVIEW OF THE FINANCIAL STATEMENTS 

2.1 FINANCIAL POSITION 
Financial Position comprises; Cash and cash equivalent, Receivables, Prepayments, Property Plant and Equipment and Net Asset. 

2.1.1 Cash and Cash Equivalents 
During the year 2018/2019, there was no Cash and Cash equivalents at the end of the year compared to TZS 1,545,335,626 in the previous financial year 2017/18. 
Health Basket fund of TZS 1,632,113,281.30 has remained with Treasury, The Ministry has requested Ministry of Finance to transfer the fund to Holding Account. 

2.1.2 Receivables 
Receivables for the year ended 30th June, 2019 amounts to TZS 70,182,855 in respect of unretired Imprest issued for implementation of various HBF activities. 

2.1.3 Prepayments 
Prepayments for the year ended 30th June, 2019 amounts to TZS 590,654,845.50, this is cash paid to GPSA for purchase of Motor Vehicles during the year, and the Vehicle is still not delivered.
THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY
AND CHILDREN – VOTE 52
HEALTH BASKET FUND

2.1.4 Property, Plant and Equipment (PPE)
The total amount for PPE as at 30th June, 2019 net of Accumulated Depreciation amounts to TZS 1,347,764,947.99

2.1.5 Accumulated Depreciation
The Basket Fund recognized TZS 547,998,497.49 as accumulated depreciation as at the end of 30th June, 2019.

2.2 FINANCIAL PERFORMANCE
Final budget for the year under review was TZS 7,911,750,037. Total expenditure during the year is TZS 7,234,317,536.85 for recurrent nature and TZS 590,654,845.50 for capital nature.

2.2.1 Exchequer Revenue
This present exchequer amortized during the year for both recurrent and capital items. During the year Exchequer Revenue was TZS 7,824,972,382.35.

2.2.2 Supplies and Consumable Goods
During the year under review Supplies and Consumable Goods amounts to TZS 2,469,336,453.05.

2.2.3 Current Grants, Transfers and Subsidies
Transfers include amount transferred to NHIF and National Blood Transfusion Services. The total transferred amount was TZS 4,663,492,520.

2.2.4 Routine Maintenance and Repair
Total expenditure for the year under review amounts to TZS 34,993,518.80 in respect of routine maintenance and repairs of Motor Vehicles and other Assets.

2.2.5 Depreciation and expense
This is a systematic allocation of Asset value over the estimated useful life. For the year ended 30th June, 2019 depreciation amounts was TZS 170,820,439.95 compared to TZS 212,374,921.38 for the previous year.
3.0 AUDITORS

[Signature]
Accounting Officer

[Signature]
Date 30.12.2019
# Statement of Financial Position As at 30th June, 2019

**THE UNITED REPUBLIC OF TANZANIA**  
**MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY AND CHILDREN**  
**HEALTH BASKET FUND**  
**STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2019**

<table>
<thead>
<tr>
<th>Note</th>
<th>2018/2019</th>
<th>2017/2018</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>TZS</td>
<td>TZS</td>
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</table>

## Assets

### Current Assets

<table>
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<tr>
<th>Description</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>1,545,335,626.66</td>
<td></td>
</tr>
<tr>
<td>Inventory</td>
<td>3,687,810.00</td>
<td></td>
</tr>
<tr>
<td>Prepayments:</td>
<td>590,654,845.50</td>
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<tr>
<td>Receivable</td>
<td>70,182,855.00</td>
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</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>660,837,700.50</strong></td>
<td><strong>1,549,023,436.66</strong></td>
</tr>
</tbody>
</table>

### Non-Current Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and Equipment</td>
<td>1,347,764,948.49</td>
<td>1,518,385,387.95</td>
</tr>
<tr>
<td><strong>Total Non-Current Assets</strong></td>
<td><strong>1,347,764,948.49</strong></td>
<td><strong>1,518,385,387.95</strong></td>
</tr>
</tbody>
</table>

**Total Assets**  
2,008,602,648.99  
3,067,408,824.61

## Liabilities

### Current Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred Income - Revenue</td>
<td>1,549,023,436.66</td>
<td></td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>1,549,023,436.66</strong></td>
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### Non-Current Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred Income - Capital</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Total Liabilities**  
1,549,023,436.66

## Net Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accumulated Surpluses/(Deficits)</td>
<td>2,008,602,648.49</td>
<td>1,518,585,387.94</td>
</tr>
<tr>
<td><strong>Total Net Asset</strong></td>
<td><strong>2,008,602,648.49</strong></td>
<td><strong>1,518,585,387.94</strong></td>
</tr>
</tbody>
</table>

**Accounting Officer**  

**Date**  
20.12.2019
THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY AND CHILDREN  
(VOTE 52)  
HEALTH BASKET FUND  

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE, 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2018/2019 TZS</th>
<th>2017/2018 TZS</th>
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</thead>
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<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortized Grants</td>
<td>6</td>
<td>7,824,972,382.35</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td></td>
<td>7,824,972,382.35</td>
</tr>
<tr>
<td><strong>EXPENSES AND TRANSFERS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and Other Transfer Payment</td>
<td>7</td>
<td>4,663,492,520.00</td>
</tr>
<tr>
<td>Supplies and Consumables Used</td>
<td>8</td>
<td>2,469,336,453.05</td>
</tr>
<tr>
<td>Routine Maintenance</td>
<td>9</td>
<td>34,993,518.80</td>
</tr>
<tr>
<td>Depreciation on PPE</td>
<td>10</td>
<td>170,820,439.95</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES AND TRANSFERS</strong></td>
<td></td>
<td>7,338,642,931.80</td>
</tr>
<tr>
<td><strong>Surplus/(Deficit) for the period</strong></td>
<td></td>
<td>486,329,450.55</td>
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</tbody>
</table>

Accounting Officer: [Signature]  
Date: 30.12.2019
THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY AND CHILDREN
(VOTE 52)
HEALTH BASKET FUND
CASH FLOW STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TZS</td>
<td>TZS</td>
</tr>
<tr>
<td>Receipts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchequer Received</td>
<td>7,911,750,037.00</td>
<td>31,692,147,833.00</td>
</tr>
<tr>
<td>TOTAOL RECEIPTS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and Other Transfer Payment</td>
<td>4,663,492,520.00</td>
<td>23,352,627,692.32</td>
</tr>
<tr>
<td>Supplies and Consumables</td>
<td>2,535,831,498.05</td>
<td>8,138,950,905.14</td>
</tr>
<tr>
<td>Routine Maintenance</td>
<td>34,993,518.80</td>
<td>44,600,000.00</td>
</tr>
<tr>
<td>TOTAL PAYMENTS</td>
<td>7,234,317,536.85</td>
<td>31,536,178,597.46</td>
</tr>
<tr>
<td>Net Cash Flow From Operating Activities</td>
<td>677,432,500.15</td>
<td>155,969,235.54</td>
</tr>
<tr>
<td>CASH FLOW FROM INVESTING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of Property, Plant and Equipment</td>
<td>(590,654,845.50)</td>
<td>(21,540,000.00)</td>
</tr>
<tr>
<td>Net Cash Flow From Investing Activities</td>
<td>(590,654,845.50)</td>
<td>(21,540,000.00)</td>
</tr>
<tr>
<td>CASH FLOW FROM FINANCING ACTIVITIES</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds From Borrowings</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Repayment of Borrowings</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash flow from financing activities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Increase/(Decrease) in Cash and Cash Equivalents</td>
<td>86,777,654.65</td>
<td>134,429,235.54</td>
</tr>
<tr>
<td>Cash and Cash Equivalents at the Beginning of the Period</td>
<td>1,545,335,626.66</td>
<td>1,410,906,391.12</td>
</tr>
<tr>
<td>Cash Refunded to Holding Account</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cash Remained with the Ministry of Finance</td>
<td>1,632,113,281.3</td>
<td>-</td>
</tr>
<tr>
<td>Cash and Cash Equivalents at the End of the Period</td>
<td>1,632,113,281.3</td>
<td>1,545,335,626.66</td>
</tr>
</tbody>
</table>

Accounting Officer

Date: 30.12.2019
### Statement of Changes in Net Asset for the Year Ended 30th June, 2019

<table>
<thead>
<tr>
<th>Description</th>
<th>Accumulated Surplus/(Deficit) (TZS)</th>
<th>Total (TZS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1st July, 2018</td>
<td>1,518,585,387.94</td>
<td>1,518,585,387.94</td>
</tr>
<tr>
<td>Recognition of cash paid for Inventory in previous year but not recognized as revenue.</td>
<td>3,687,810.00</td>
<td>3,687,810.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,522,273,197.94</td>
<td>1,522,273,197.94</td>
</tr>
<tr>
<td>Changes in During the Year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surplus/(Deficit) for the Period</td>
<td>486,329,450.55</td>
<td>486,329,450.55</td>
</tr>
<tr>
<td><strong>Balance at 30th June, 2019</strong></td>
<td>2,008,602,648.49</td>
<td>2,008,602,648.49</td>
</tr>
</tbody>
</table>

Accounting Officer: [Signature]

Date: 30.12.2019
THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF HEALTH, COMMUNITY DEVELOPMENT, GENDER, ELDERLY AND CHILDREN (VOTE 52)
HEALTH BASKET FUND
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR ENDED 30TH JUNE, 2019#

<table>
<thead>
<tr>
<th>Note</th>
<th>Actual Amounts (A)</th>
<th>Final Budget (B)</th>
<th>Original Budget</th>
<th>Difference (B-A)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TZS</td>
<td>TZS</td>
<td>TZS</td>
<td>TZS</td>
</tr>
<tr>
<td>RECEIPTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchequer Received 6</td>
<td>7,911,750,037.00</td>
<td>7,911,750,037.00</td>
<td>10,036,900,972.00</td>
<td>-</td>
</tr>
<tr>
<td>Opening Balance</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Receipts</td>
<td>7,911,750,037.00</td>
<td>7,911,750,037.00</td>
<td>10,036,900,972.00</td>
<td>-</td>
</tr>
<tr>
<td>PAYMENTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and Other Transfer Payment 8</td>
<td>4,663,492,520.00</td>
<td>4,663,492,520.00</td>
<td>6,900,000,000.00</td>
<td>-</td>
</tr>
<tr>
<td>Routine Maintenance 9</td>
<td>34,993,518.80</td>
<td>34,993,518.80</td>
<td>51,778,000.00</td>
<td>-</td>
</tr>
<tr>
<td>Supplies and Consumables 10</td>
<td>2,535,831,498.05</td>
<td>2,535,831,498.05</td>
<td>2,974,372,972.00</td>
<td>-</td>
</tr>
<tr>
<td>Total Recurrent Payment</td>
<td>7,234,317,536.85</td>
<td>7,234,317,536.85</td>
<td>9,926,150,972.00</td>
<td>-</td>
</tr>
<tr>
<td>Purchase of Property, Plant and Equipment</td>
<td>590,654,845.50</td>
<td>600,000,000.00</td>
<td>9,345,154.50</td>
<td>-</td>
</tr>
<tr>
<td>Total Capital expenditure</td>
<td>590,654,845.50</td>
<td>600,000,000.00</td>
<td>-</td>
<td>9,345,154.50</td>
</tr>
<tr>
<td>Total Payments</td>
<td>7,824,972,382.35</td>
<td>7,834,317,536.85</td>
<td>9,926,150,972.00</td>
<td>9,345,154.50</td>
</tr>
<tr>
<td>Net Receipts/(Payments)</td>
<td>86,777,654.65</td>
<td>77,432,500.15</td>
<td>110,750,000.00</td>
<td>(9,345,154.50)</td>
</tr>
</tbody>
</table>

Accounting Officer

Date 20.12.2019
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2019

1. Introduction
The Financial Statements present the results of operations of Health Basket Fund for the year ended 30th June, 2019.

2. Basis of preparation
The Financial Statements have been prepared in accordance with the requirements of Public Finance Act No.6 of 2001, (Revised 2004) and comply with the accrual basis of accounting under the International Public Sector Accounting Standards (IPSAS.)

Procurement of goods, works, and consultancy and non-consultancy services to the extent that are refracted in these Financial Statements have been done in accordance with Public Procurement Act No.7 of 2011 and its underlying Regulations of 2013 as amended in 2016.

3. Authorization date
The financial statement is authorized for issue on ............................ , 2019 by

Accounting Officer

4. Reporting entity
The reporting entity is Ministry of Health, Community Development, Gender, Elderly and Children.

5. Summary of Significant Accounting Policies
Principle accounting policies adopted in preparation of these Financial Statements are set out below:-

a) Presentation currency
The Financial Statements are presented in Tanzania Shilling.

b) Cash and cash equivalents
Cash and cash equivalents in the Statement of Financial Position comprise balances of funds at the bank in the program account.
c) Revenue from non-exchange transactions
   Revenue is recognized as income when grants received has been expensed. Funds received from the Development partner (DFID) is not recognized as revenue until the Project complies with the conditions attaching to them; however a liability is recognized to the extent of grants received but its conditions for utilizations are not met.

d) Property, plant and equipment
   Property, plant and equipment in the Statement of Financial Position are stated at cost less Accumulated Depreciation.

e) Depreciation
   For the Financial year ended 30th June 2019, Depreciation was charged on Property, Plant and Equipment by using straight line method.

   All items of Property, Plants and Equipment are derecognized upon disposal or when no future economic benefits are expected from their use. Gain or loss arising from de-recognition of the asset is included in the Statement of Financial performance in the year the asset is derecognized.

f) Motor Vehicles
   Motor vehicles are depreciated over a useful life of 5 years.

g) Office Equipment
   Office equipment consists of ICT equipment and Non- ICT equipment; these are depreciated over a useful life of 5 years.

h) Desktop and Laptop computers
   Desktop and Laptop computers are recognized at cost and depreciated over a useful life of 5 years using a straight line method of depreciation.

i) Printers, Scanners, Projectors and Photocopy machines
   These are recognized at cost and depreciated over a useful life of 5 years using a straight line method of depreciation.

j) UPS
   They are recognized at cost and depreciated over a useful life of 5 years using a straight line method of depreciation.
k) Data cabinet steel with data link
   They are recognized at cost and depreciated over a useful life of 10 years using a straight line method of depreciation.

l) Furniture and Fixture's
   Consist of table, chairs and cabinets. These assets are recognized at costs and depreciated over the useful life of 10 years using straight line method of depreciation.

m) Air conditions
   Air conditions are recognized at cost and depreciated over a useful life of 10 years using a straight line method of depreciation.

n) Buildings
   Buildings are recognized at cost and depreciated over a useful life of 50 years using a straight line method of depreciation.

o) Medical equipment
   Medical equipment conditions are recognized at cost and depreciated over a useful life of 10 years using a straight line method of depreciation.

p) Intangible Assets
   Intangible Assets consist of computer software; these are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at costs less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets are not capitalized and expenditure is charged against surplus/deficit in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The expected useful life is approximately 5 years.
   The amortizing period and the amortization method for an intangible asset are reviewed at least at each financial year-end. Changed in the expected useful life or the expected pattern of consumption of future economic benefits embodied in assets is accounted for by charging the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expenses on intangible assets are recognized in settlement of financial performance. Gains or losses arising from derecognition of an intangible assets are measured as the difference the net disposal proceeds and the carrying amount of the asset and are recognized in surplus/deficit when the assets is derecognized.
<table>
<thead>
<tr>
<th></th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>TzS.</td>
<td>TzS.</td>
</tr>
<tr>
<td>6 Amortized Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurrent Grants</td>
<td>7,234,317,536.85</td>
<td>31,557,718,597.46</td>
</tr>
<tr>
<td>Capital Grants</td>
<td>590,654,845.50</td>
<td>(21,540,000.00)</td>
</tr>
<tr>
<td></td>
<td><strong>7,824,972,382.35</strong></td>
<td><strong>31,536,178,597.46</strong></td>
</tr>
<tr>
<td>7 Grants and other transfer payment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution to National Health Insurance</td>
<td>2,300,000,000.00</td>
<td>4,799,782,000.00</td>
</tr>
<tr>
<td>Medical Equipment (MSD) Vaccine</td>
<td></td>
<td>7,000,000,000.00</td>
</tr>
<tr>
<td>Government Obligation</td>
<td></td>
<td>7,000,000,000.00</td>
</tr>
<tr>
<td>National Blood Transfusion Services</td>
<td>2,363,492,520.00</td>
<td>3,000,000,000.00</td>
</tr>
<tr>
<td>Government Obligation</td>
<td></td>
<td>24,050,556.32</td>
</tr>
<tr>
<td>Transfer to NMB applications and examination account</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Examination Expenses</td>
<td></td>
<td>536,993,880.00</td>
</tr>
<tr>
<td>Invigilation allowances</td>
<td></td>
<td>731,133,000.00</td>
</tr>
<tr>
<td>Invigilation allowances</td>
<td></td>
<td>196,300,000.00</td>
</tr>
<tr>
<td>Printing and photocopying</td>
<td></td>
<td>50,000,000.00</td>
</tr>
<tr>
<td>Moderating examination</td>
<td></td>
<td>14,368,216.00</td>
</tr>
<tr>
<td>Total</td>
<td><strong>4,663,492,520.00</strong></td>
<td><strong>23,352,627,652.32</strong></td>
</tr>
</tbody>
</table>
### 8 Supplies and Consumable used

<table>
<thead>
<tr>
<th>Description</th>
<th>Current Year</th>
<th>Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per-Diem Domestic</td>
<td>1,243,884,840.00</td>
<td>2,390,751,679.00</td>
</tr>
<tr>
<td>Ground Travel (bus, railway, taxi, etc)</td>
<td>20,656,650.00</td>
<td>62,783,311.00</td>
</tr>
<tr>
<td>Air Tickets</td>
<td>7,957,489.00</td>
<td>39,550,000.00</td>
</tr>
<tr>
<td>Conference Facilities</td>
<td>41,569,500.00</td>
<td>143,375,000.00</td>
</tr>
<tr>
<td>Diesel</td>
<td>94,753,484.65</td>
<td>288,141,000.00</td>
</tr>
<tr>
<td>Petrol</td>
<td>-</td>
<td>21,000,000.00</td>
</tr>
<tr>
<td>Tuition Fees</td>
<td>1,940,000.00</td>
<td>2,164,728,998.00</td>
</tr>
<tr>
<td>Invigoration Allowances</td>
<td>-</td>
<td>76,880,000.00</td>
</tr>
<tr>
<td>Training Materials</td>
<td>-</td>
<td>32,000,000.00</td>
</tr>
<tr>
<td>Research and Dissertation</td>
<td>-</td>
<td>74,182,264.00</td>
</tr>
<tr>
<td>Upkeep Allowances</td>
<td>-</td>
<td>1,220,000,000.00</td>
</tr>
<tr>
<td>Examination Expenses</td>
<td>-</td>
<td>83,133,600.00</td>
</tr>
<tr>
<td>Internet and Email connections</td>
<td>120,817,000.00</td>
<td>167,000,000.00</td>
</tr>
<tr>
<td>Program Transmission fees</td>
<td>-</td>
<td>125,000,000.00</td>
</tr>
<tr>
<td>Printing and photocopying paper</td>
<td>1,925,000.00</td>
<td>120,280,000.00</td>
</tr>
<tr>
<td>Printing and photocopying costs</td>
<td>45,611,576.00</td>
<td>110,631,000.00</td>
</tr>
<tr>
<td>Office consumables</td>
<td>46,104,988.00</td>
<td>147,913,920.00</td>
</tr>
<tr>
<td>Food and Refreshments</td>
<td>151,791,978.00</td>
<td>252,190,999.00</td>
</tr>
<tr>
<td>Extra Duty</td>
<td>81,160,000.00</td>
<td>76,300,000.00</td>
</tr>
<tr>
<td>Accommodation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Hiring of Training Facilities</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Educational Radio and TV Broadcasting</td>
<td>24,900,000.00</td>
<td>-</td>
</tr>
<tr>
<td>Festival, Exhibitions and Celebrations</td>
<td>11,500,000.00</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous Expenses</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Outsource maintenance contract services</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Consultancy Fees</td>
<td>571,076,137.40</td>
<td>519,326,729.00</td>
</tr>
</tbody>
</table>

**Sub-total**  
2,465,648,643.05  
8,138,950,905.14

**Add: Last Year Prepaid Expenses**

<table>
<thead>
<tr>
<th>Description</th>
<th>Current Year</th>
<th>Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel</td>
<td>3,687,810.00</td>
<td>-</td>
</tr>
</tbody>
</table>

**TOTAL**  
2,469,336,453.05  
8,138,950,905.14

### 9 Routine Maintenance

<table>
<thead>
<tr>
<th>Description</th>
<th>Current Year</th>
<th>Previous Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minor Office Repair</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Motor Vehicles and Water Craft</td>
<td>34,993,518.80</td>
<td>44,600,000.00</td>
</tr>
<tr>
<td>Advanced Motor Vehicles and Water Craft</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total**  
34,993,518.80  
44,600,000.00
### 10 Depreciation Expenses

<table>
<thead>
<tr>
<th>Item</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Vehicles</td>
<td>91,980,897.60</td>
<td>91,980,897.60</td>
</tr>
<tr>
<td>ICT Equipment</td>
<td>17,275,799.17</td>
<td>18,631,790.46</td>
</tr>
<tr>
<td>Air Condition</td>
<td>500,000.00</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td>Furniture</td>
<td>37,090,100.00</td>
<td>74,180,200.00</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>5,619,577.00</td>
<td>8,027,967.14</td>
</tr>
<tr>
<td>Buildings</td>
<td>18,354,066.19</td>
<td>18,354,066.18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>170,520,435</td>
<td>212,174,921.38</td>
</tr>
</tbody>
</table>

### 11 Cash and cash equivalents

<table>
<thead>
<tr>
<th>Item</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank Balance in Deposit Account</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance with the Ministry - Vote 52</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank Balance in Development Account</td>
<td>-</td>
<td>1,545,335,626.66</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>-</td>
<td>1,545,335,626.66</td>
</tr>
</tbody>
</table>

### 12 Inventory (Fuel)

<table>
<thead>
<tr>
<th>Item</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepaid Motor Vehicle 2018/2019</td>
<td>590,654,845.50</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>590,654,845.50</td>
<td>-</td>
</tr>
</tbody>
</table>

### 13 Prepayments

<table>
<thead>
<tr>
<th>Item</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivable</td>
<td>70,182,855.00</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>70,182,855.00</td>
<td>-</td>
</tr>
</tbody>
</table>

### 15 Deferred Income - Revenue

<table>
<thead>
<tr>
<th>Item</th>
<th>2018/2019</th>
<th>2017/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance 1st July, 2018</td>
<td>1,549,023,436.66</td>
<td>1,831,890,391.12</td>
</tr>
<tr>
<td>Balance remained with MoF</td>
<td>1,545,335,626.66</td>
<td>-</td>
</tr>
<tr>
<td>Correction of Inventory recognized in</td>
<td>3,687,810.00</td>
<td>-</td>
</tr>
<tr>
<td>Deferred</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>Income received during the year</td>
<td>7,911,750,037.00</td>
<td>31,692,147,833.00</td>
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<tr>
<td>Income amortized during the year</td>
<td>(7,824,972,382.35)</td>
<td>(31,554,030,787.46)</td>
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<tr>
<td>Balance remained with MoF</td>
<td>86,777,654.65</td>
<td>-</td>
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<tr>
<td>Receivable</td>
<td></td>
<td>(280,984,000.00)</td>
</tr>
<tr>
<td>Prepayments</td>
<td></td>
<td>(140,000,000.00)</td>
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<tr>
<td><strong>Balance at the end of the year</strong></td>
<td></td>
<td>1,549,023,436.66</td>
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<tr>
<td></td>
<td>Motor vehicles</td>
<td>ICT Equipment</td>
</tr>
<tr>
<td>--------------------------</td>
<td>----------------</td>
<td>---------------</td>
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<tr>
<td></td>
<td>Tzs</td>
<td>Tzs</td>
</tr>
<tr>
<td><strong>30th June 2019</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At 1 July 2018 (Cost)</strong></td>
<td>459,904,488.00</td>
<td>86,058,878.48</td>
</tr>
<tr>
<td>Additions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers (add/deduct)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At 30th June 2018</strong></td>
<td>459,904,488.00</td>
<td>86,058,878.48</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At the beginning of the year</td>
<td>141,961,796.20</td>
<td>32,091,795.20</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>91,980,887.60</td>
<td>17,275,799.17</td>
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<tr>
<td>At the end of the year</td>
<td>233,942,682.80</td>
<td>49,367,594.37</td>
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<tr>
<td>Net Book Value</td>
<td>225,961,795.20</td>
<td>36,691,284.11</td>
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<tr>
<td><strong>30th June 2019</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At 1 July 2017 (Cost)</strong></td>
<td>319,904,488.00</td>
<td>64,518,878.48</td>
</tr>
<tr>
<td>Additions</td>
<td>140,000,000.00</td>
<td>21,540,000.00</td>
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<tr>
<td>Transfers (add/deduct)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>At 30th June 2018</strong></td>
<td>459,904,488.00</td>
<td>86,058,878.48</td>
</tr>
<tr>
<td>Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At the beginning of the year</td>
<td>49,980,897.60</td>
<td>13,460,004.74</td>
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<tr>
<td>Charge for the year</td>
<td>91,980,897.60</td>
<td>18,631,790.46</td>
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<tr>
<td>At the end of the year</td>
<td>141,961,795.20</td>
<td>32,091,795.20</td>
</tr>
<tr>
<td>Net Book Value</td>
<td>317,542,592.80</td>
<td>53,967,083.28</td>
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</table>
NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE,

17 EXCHEQUER RECEIVED

<table>
<thead>
<tr>
<th>Date</th>
<th>Reference No.</th>
<th>Amount (TZS)</th>
</tr>
</thead>
<tbody>
<tr>
<td>20/08/2018</td>
<td>EB/AG/159/18/0083</td>
<td>1,774,377,000</td>
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<td>27/03/2019</td>
<td>EB/AG/159/18/0467</td>
<td>4,465,639,030</td>
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<td>10/05/2019</td>
<td>EB/AG/159/18/0547</td>
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<tr>
<td><strong>TOTAL</strong></td>
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<td><strong>7,911,750,037</strong></td>
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**Journal Entries Rectification of Previous Year Balance**

<table>
<thead>
<tr>
<th>No.</th>
<th>Details</th>
<th>DR</th>
<th>CR</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Deferred Income Capital</td>
<td>1,518,585,388</td>
<td>1,518,585,388</td>
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<tr>
<td></td>
<td>Accumulated Surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Being: Correct PPE figure which</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>was wrongly financed by Deferred</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Capital to be financed by</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Accumulated Surplus</td>
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<td></td>
</tr>
<tr>
<td>2</td>
<td>Deferred Income Revenue</td>
<td>3,687,810</td>
<td>3,687,810</td>
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<tr>
<td></td>
<td>Accumulated Surplus</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Being: Correct of Cash paid for</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Inventory which was recognized</td>
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</tr>
<tr>
<td></td>
<td>as Deferred Income instead of</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>being recognized as revenue in</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>the Statement of Financial</td>
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<tr>
<td></td>
<td>Performance</td>
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<tr>
<td>3</td>
<td>Revenue</td>
<td>212,174,921</td>
<td>212,174,921</td>
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<tr>
<td></td>
<td>Accumulated Surplus</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Being: Correct of Depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>figure that was wrongly reported</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>as revenue in</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Accounting Officer**

[Signature]

**Date**

30.12.2019