



**THE UNITED REPUBLIC OF TANZANIA  
NATIONAL AUDIT OFFICE**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
AUDIT OF FINANCIAL STATEMENTS OF THE TANZANIA METEOROLOGICAL  
AGENCY FOR THE FINANCIAL YEAR ENDED 30<sup>TH</sup> JUNE, 2018**

Controller and Auditor General,  
National Audit Office,  
Audit Office  
4 Ukaguzi Road,  
P. O. Box 950,  
41104 Tambukareli,  
Dodoma, Tanzania  
Tel: 255 (026) 2321759,  
Fax: 255 (026) 2117527  
E-mail: [ocag@nao.go.tz](mailto:ocag@nao.go.tz)  
Website: [www.nao.go.tz](http://www.nao.go.tz)

March, 2019

AR/CG/TMA/2017/2018

## TABLE OF CONTENTS

Abbreviations .....	iv
1.0 GENERAL INFORMATION .....	1
1.1. Mandate .....	1
1.2. Vision, Mission and Core Values.....	1
1.3. Audit Objectives .....	2
1.4. Audit Scope .....	2
1.5. Audit Methodology .....	2
2.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL .....	3

## Abbreviations

<b>CAG</b>	Controller and Auditor General
<b>ISSAIs</b>	International Standard of Supreme Audit Institutions
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>PAA</b>	Public Audit Act No.11 of 2008
<b>PAR</b>	Public Audit Regulation, 2009
<b>MDAs</b>	Ministries, Departments and Agencies
<b>PAC</b>	Public Accounts Committee
<b>PFA</b>	Public Finance Act, 2001
<b>PFR</b>	Public finance Regulations,2001 (Revised 2004
<b>PPA</b>	Public Procurement Act, 2011 ( Amended,2016
<b>PPR</b>	Public Procurement Regulations, 2013 (Amended,2016)

## 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 behavior, 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 to be used by Government Authorities. However, upon receipt of the report by the Speaker and once tabled in Parliament, 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 Tanzania Meteorological Agency.

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 Tanzania Meteorological Agency.

As 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 Tanzania Meteorological Agency.

### **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 and directives issued by PAC to ensure that proper action has been taken in respect of all matters raised.

## 2.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Director General,  
Tanzania Meteorological Agency,  
P.O. Box 3056  
DAR ES SALAAM

### Report on the Audit of Financial Statements of Tanzania Meteorological Agency for the Financial Year Ended 30<sup>th</sup> June, 2018

#### Unqualified Opinion

I have audited the accompanying financial statements of Tanzania Meteorological Agency, which comprise the statement of financial position as at 30<sup>th</sup> June, 2018 and the statement of financial performance, the statement of changes in net assets/equity the cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies..

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of the Tanzania Meteorological Agency as at 30<sup>th</sup> June, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and in the manner required by the Public Finance Act, 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 the Tanzania Meteorological Agency 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**

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. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the basis for opinion section I have determined that there are no key audit matters to communicate in my 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 ISAs 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 (Amended 2016)**

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, Tanzania Meteorological Agency 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.

  
Prof. Mussa Juma Assad  
**CONTROLLER AND AUDITOR GENERAL**

**31 March, 2019**

National Audit Office,  
P. O. Box 950,  
Dodoma.  
Tel: 255 (026) 2321759,  
Fax: 255 (026) 2117527  
E-mail: [ocag@nao.go.tz](mailto:ocag@nao.go.tz)  
Website: [www.nao.go.tz](http://www.nao.go.tz)

**Copy to:** The Chief Secretary,  
State House,  
1 Barack Obama Road,  
P.O. Box 9120,  
11400 DAR ES SALAAM.





**TANZANIA METEOROLOGICAL AGENCY (TMA)  
MINISTERIAL ADVISORY BOARD'S REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

<b>CONTENTS:</b>	<b>PAGE</b>
Appendix	1
Agency information	2 – 3
Ministerial Advisory Board's report	4 – 15
Ministerial Advisory Board Responsibility	16
Declaration	17
Financial statements:	
Statement of Financial Position	18
Statement of Comprehensive Income	19
Statement of Cash Flow	20
Statement of Changes in Equity	21
Statement of Comparison of Budget and Actual Amount	22
Notes to the financial statements	23 – 49
Statement of Planned Activity Vs Financial Performance	50 - 71

**TANZANIA METEOROLOGICAL AGENCY**  
**AGENCY INFORMATION**  
**30 JUNE 2018**

**PRINCIPAL PLACE OF BUSINESS**

Ubungo Plaza, 3<sup>rd</sup>, 4<sup>th</sup> and 10<sup>th</sup> Floor  
Morogoro Road  
P. O. Box 3056  
Dar es Salaam  
Tanzania

**BANKERS**

National Microfinance Bank (NMB) Ltd  
NMB Bank House, Samora Avenue  
P. O. Box 9213  
Dar es Salaam  
Tanzania

CRDB Bank Limited

Azikiwe Street  
P.O.Box 268  
Dar Es Salaam  
Tanzania

Bank Of Tanzania  
Dar Es Salaam Zone  
P. O. Box 2939  
Dar Es Salaam  
Tanzania

**LAWYERS**

Attorney General  
P. O. Box 9050  
Da es Salaam  
Tanzania

**DIRECTOR GENERAL**

Dr. Agnes L. Kijazi  
P. O. Box 3056  
Dar es Salaam  
Tanzania

**AUDITORS**

The Controller and Auditor General

The National Audit Office

P. O. Box 9080

Dar es Salaam

Tanzania

**TANZANIA METEOROLOGICAL AGENCY (TMA)  
MINISTERIAL ADVISORY BOARD'S REPORT  
FOR THE YEAR ENDED 30 JUNE 2018**

**1. INTRODUCTION**

TMA Ministerial Advisory Board is pleased to submit a report of the financial statements of the Agency for the year ended 30 June 2018.

The report has been prepared in accordance with the provisions of The Public Finance Act 2001 (R. E 2004), Public Procurement Act No.7 of 2011 and its regulations, The Executive Agencies Act Cap. 245 R.E 2002 and the International Public Sector Accounting Standards (IPSASs).

The Tanzania Meteorological Agency is under the Ministry of Works, Transport and Communication and was established by the Executive Agencies Act Cap. 245 R.E 2002. It was inaugurated as an Executive Agency, on 3rd December 1999. Its predecessor, the Directorate of Meteorology, was established by Act No. 6 of 1978 as a specialized department for provision of meteorological services in Tanzania after a collapse of former East African Community. Before then, meteorological services in EAC countries were provided by a Meteorological Department under the former East Africa Community.

The Agency is the designated National Meteorological Authority, which is also multi-sectoral service provider entrusted with the task of providing and regulating weather and climate services in Tanzania in a manner intended to improve the welfare of the Tanzanian society and maintaining safety and security of people and their properties and support sustainable socio-economic development.

**2. ORGANIZATIONAL VISION, MISSION AND CORE VALUES**

The Agency has Vision, Mission and Core Values, which are geared towards fulfilling stakeholders' expectations. These are as follows:-

**2.1 Vision Statement**

*“To stand out as a centre of excellence in accelerating the National Development Vision through provision of world class meteorological services.”*

**2.2 Mission Statement**

*“To provide quality, reliable and cost effective weather and climate services to stakeholders' expectations, thus contributing to the protection of life, property and environment and poverty reduction.”*

## 2.3 Core Value

TMA has agreed on the Core Values below, taking into account the current and expected trend of national political and economic focus.

- i. Accountability.
- ii. Good governance
- iii. Quality service
- iv. Timeliness
- v. Team work
- vi. Customer focus
- vii. Cost effectiveness

## 2.4 Quality Policy Statement

The Quality Policy Statement of Tanzania Meteorological Agency states that;

*'We, TMA employees are dedicated to provide quality services that meet customer expectations and comply with agreed national and international requirements through continual improvement of our processes'.*

## 3. MINISTERIAL ADVISORY BOARD

TMA Ministerial Advisory Board (MAB) is responsible for advising the Minister of Works, Transport and Communication on issues of relevance to the proper discharge of the functions of TMA including the national and international service provision, strategic planning and broad-scale resourcing and implementation issues.

TMA MAB is comprises of eight (8) members including the director general of TMA who is a Board Secretary and they are appointed by the Minister for Works, Transport and Communication. Membership of the board includes the following:-

S/N	Name	Status	Citizenship	Profession	Date Appointed
1.	Dr.BuruhaniSalumNyenzi	Chairperson	Tanzanian	Meteorologist	1/8/2015
2.	Mr.Waddy Haji Ali	Member	Tanzanian	Financial expert	1/8/2015
3.	Col. Mamdali. M. Msuya	Member	Tanzanian	Meteorologist	1/8/2015
4.	Eng. James L. Ngeleja	Member	Tanzanian	Engineer	1/8/2015
5.	Mr.Samwel J. Kiondo	Member	Tanzanian	Economist	1/8/2015
6.	Prof. Suzan NchimbiMsola	Member	Tanzanian	Agric. expert	1/8/2015
7.	Mr. Gabriel J. Migire	Member	Tanzanian	Economist	1/8/2015
8.	Dr. Agnes L. Kijazi	Secretary	Tanzanian	Meteorologist	1/8/2015

TMA Ministerial Advisory Board selection composition has considered the following merits as follows:-

- a) One person who the Minister has been satisfied that has expertise in environmental issues or represent environment sector interests,
- b) One person who the Minister has been satisfied that has a vast expertise in meteorology science,
- c) One person who the Minister has been satisfied that has expertise in Agricultural science or represent Agricultural sector interests,
- d) One person who the Minister has been satisfied that has expertise in Aeronautical service delivery operations or represent Aviation sector interests,
- e) One person who the Minister has been satisfied that has a vast expertise in financial matters,
- f) One person who the Minister has been satisfied will represent Zanzibar matters and interests,
- g) Director General of the Tanzania Meteorological Agency who is also the Ministerial Advisory Board Secretary
- h) A senior officer from the Ministry responsible with Meteorology who will be an Ex Officio member.

The Ministerial Advisory Board (MAB) is required to hold quarterly meeting. During Financial year 2017/2018 four meetings were held and also in 2016/17 four MAB meetings conducted.

### **3.1 MAB MEMBERS' REMUNERATION**

TMA Board is falling into category of Ministerial Advisory Board hence Board Members are not paid Director's fees.

The Members' remuneration for services rendered as Advisory Board members of the Agency are as follows:-

- i. TZS 400,000/= paid as sitting allowances.
- ii. TZS 350,000/= as honorarium.

#### 4. FUNCTIONS OF THE AGENCY

According to the Ministerial Establishment Order No. 405 of 29<sup>th</sup> November 1999 under Executive Agencies Act Cap No. 245 R.E 2002, the Agency has the following responsibilities:

- i. The functions of the Agency are to deliver public good services and tailor-made services as follows:-In relation to weather and climate matters, to implement the National Transport, Communications and Meteorology Policy;
- ii. To provide meteorological services for International air navigation on behalf of the United Republic of Tanzania as designated meteorological authority and according to Technical Regulations Vol. II. ([C.3] 2.1.4) of the World Meteorological Organization and Annex 3 (2.1.4) of the International Civil Aviation Organization.
- iii. To organize and administer efficient networks of surface and upper air stations necessary to capture accurate records of the weather and climate conditions of the United Republic of Tanzania;
- iv. Observe, collect, archive and disseminate weather, climate and related information for the United Republic of Tanzania;
- v. Take part in global exchange of weather, climate and related data and products for the safety of humankind and to enhance the understanding of the global atmosphere;
- vi. To provide weather, climate services and warnings including Tsunami for the safety of life and property to the general public and to various users including aviation, agriculture and food security, water resources, disaster management, health and construction industry;
- vii. Carry out research and training in meteorology and climatology and in other related fields, and cooperate with other institutions where appropriate, for use in socio-economic development planning;
- viii. Participate in the activities of international organizations and programs, in particular the World Meteorological Organization (WMO) e.g. World Weather Watch (WWW), International Civil Aviation Organization (ICAO), Global Climate Observing System (GCOS), the Global Atmospheric Watch (GAW), Intergovernmental Panel on Climate Change (IPCC) and United Nation Framework Convention on Climate Change(UNFCCC).
- ix. Cooperate with other institutions concerned with issues related to climate variability, climate change and environment.
- x. Participate in activities dealing with meteorology under Regional Organizations e.g. Southern African Development Community (SADC) and East African Community (EAC)

- xi. Publish weather and climatological summaries, bulletins and other interpreted products
- xii. Collect fees and charges for data, products and services rendered; and
- xiii. Carry out any other function as the Minister may direct.

## 5. CORPORATE GOVERNANCE

The Agency adheres to good corporate governance principles where by segregation of duties is given paramount importance. Tanzania Meteorological Agency's corporate governance framework is designed to provide a sound basis for decision-making, to define mechanisms for accountability and stewardship and to promote both leadership and strategic direction for the Agency. Corporate governance within TMA is based around:

- i. The legislative foundation provided by the Meteorological Act No.6 of 1978 and Executive Agencies Act No 30 of 1997;
- ii. A robust executive and management structure;
- iii. A mechanism for stakeholder input and review through a number of theme-based advisory and consultative committees;
- iv. An internal audit charter and plan that addresses key business and financial risks to improve TMA business and management practices;
- v. An audit committee focusing on fraud, risk management and internal audit, and oversight of the preparation of the Agency's financial statements;
- vi. A program-based planning and reporting framework;
- vii. Detailed asset management policies and guidelines; and
- viii. A client service charter setting out the standards of services to the community.

Effective internal control systems have been put in place and are operating efficiently. The Agency has an Internal Audit unit, which is charged with the responsibility of advising the Director General on areas of internal control, Risk Management, Governance, budgets review, financial statements and making follow up of external audit reports' findings.

The Agency has budget Committee whose responsibility is to ensure budget is in place and implemented effectively. The Agency adheres to budget guidelines as provided by the Ministry of Finance for each year. Other issues considered in the Budget preparation include implementation of Five Years Development Plan II, Ruling party manifesto and priority issues raised by the Divisions and sections. During the period under review Business Plan and Budget for FY 2017/2018 was prepared and approved by MAB, Annual Action Plan was prepared to ensure timely implementation of TMA activities. Monitoring of TMA budget was conducted to ensure TMA programmes are implemented effectively. Mid-year budget review and budget re-allocations were conducted so that to establish interventions of resources and other revised implementation mechanisms to overcome the challenge encountered.

The Agency has an Audit Committee with four members whose function is oversight role. The Audit Committee establishment is in accordance with the circular guideline from Treasury and in accordance with the Public Finance Act 2001(R.E 2004). The Committee



reports to the Director General on the matters discussed on each meeting. The committee's duties and functions include oversight role on advising Management on the overall internal control system effectiveness, Risk management and governance. Other functions include reviewing internal audit reports and external audit reports. And Review of financial statements and commend them for approval by the Board.

During the Financial year 2017/2018 the committee held four meetings as it did in the previous FY of 2016/17.

Members of the committee are:

- |                           |   |             |
|---------------------------|---|-------------|
| 1. Dr.Hamza A Kabelwa     | - | Chairperson |
| 2. Dr.Ladslaus B. Chang'a | - | Member      |
| 3. CPA Robert Lugundu     | - | Member      |
| 4. Dr. Pascal F. Waniha   | - | Secretary   |

## **6. MANAGEMENT**

Director General is the Chief Executive Officer of the Agency and is responsible for the operations and supervision of day-to-day activities. She reports to the Permanent Secretary of the Ministry of Transport.

Apart from Director General there are five directors in the Agency including; -

1. Director of Forecast Services Division
2. Director of Support Services Division
3. Director of Research and Applied Division
4. Director of Infrastructure and technical services Division
5. Director of Zanzibar Office.

The extended Management comprises of the Director General, Directors and all Managers who appear in the Organization Structure.

## **7. EMPLOYEE WELFARE**

The Agency believes that its employees should find working at TMA as an inspiring and personally elevating experience, and consequently accepts co-responsibility for the development of each employee to his/her full potential. Career progress is based on the individual initiative towards the fulfilment of their responsibilities complemented by the Agency. This encompasses individual commitment towards innovative thinking and professional expertise resulting to a reward.

The Agency believes that equal opportunities for all, irrespective of gender, disability or religion, should be pursued. The Agency accepts that only through total commitment, loyalty and dedication of its employees to achieve its goal. The Agency provides various benefits to staff such as long service awards for retiring employees, best worker rewards, health care services, and sports bonanza.

TMA employees are members of Public Service Pensions Fund (PSPF) and National Social Security fund (NSSF). The Agency contributes 15% of basic salary of each employee to PSPF on behalf of all permanent employees and 10% of basic salary to NSSF for each operational staff. The Agency complies with Government health benefit plan where contributions are paid to the National Health Insurance Fund (NHIF), employer and each employee contributes 3% of gross salary. The Agency also guarantees its employees to have access to staff loans at various financial institutions in order to improve their welfare.

## 8. STATEMENT OF AGENCY'S RESPONSIBILITIES

The Executive Agencies Act No 30 of 1997 requires every Agency to prepare financial statements for each financial year, as at the end of the financial period that are free from material misstatement. Moreover, this legal requirement has been further emphasized in the Public Finance Act 2001 (R. E 2004) and National Audit Act 2008.

The Ministerial Advisory Board (MAB) confirms that TMA continue with the adoption of IPSAS in the preparation of financial statements. Suitable accounting policies have been used and reasonable prudent judgement and estimates have been made in the preparation of the financial statements for the year ended 30 June 2018. The Agency also confirms that the financial statements have been prepared on the going concern basis.

The Ministerial Advisory Board is responsible to ensure the Agency has a proper keeping of accounting records which disclose with reasonable accuracy at any time the financial position of the Agency and which enable them to ensure that the financial statements comply with the Act, IPSASs and NBAA pronouncements. They are also overseer of safeguarding the TMA assets and to ensure the Management has taken reasonable steps for the prevention and detection of fraud, error and other irregularities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

MAB also endorsed Annual Procurement Plan for FY 2017/2018 in accordance with the Public Procurement Act No. 7 of 2011 and its Regulations No. 446 of 2013.

## 9. FINANCIAL POSITION AND PERFORMANCE

The financial position of the Agency has been improved favourably compared to the previous year as evidenced in the analysis below:

	2017/2018	2016/2017
Non-current assets (TZS billion)	29.9	30.9
Current assets (TZS billion)	2.5	2.8
Working capital (Current assets – current Liabilities (TZS billion)	2.2	2.3
Cash and cash equivalent (TZS billion)	0.52	0.83
Equity (TZS billion)	29.4	29.8

## **10. RISK MANAGEMENT AND INTERNAL CONTROL**

The Agency has adopted implementation of risk management framework in accordance with ISO 9001:2015. Risk Management process in the Agency involves risk identification assessment, manage, and control potential situations to provide reasonable assurance regarding the achievement of the Agency's objectives. Every individual within the Agency is required to understand risk inherent at his/her place of work. Risk assessment responsibility rests with Internal Audit Unit. The internal audits activities include evaluate the effectiveness and contribute to the improvement of risk management processes in the Agency. Effective internal control is maintained through ensuring that there is segregation of duties and enhancing oversight systems. The Agency Audit and Risk Management Committee is in charge of the overall risk management.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risk to the achievement of Division policies, aims and objectives, to evaluate the likelihood of those risk being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Agency for the year ended 30 June 2018 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

## **11. RELATED PARTY TRANSACTIONS**

The Ministry of works, Transport and communication (MoWTC) as the Tanzania Meteorological Agency's parent Ministry is regarded as a related party. During the year, TMA had material transactions with this Ministry and with other entities for which MoWTC is regarded as the parent Ministry. In addition, TMA had material transactions with a number of other public bodies, Government departments and its Agencies, principally; VPO- Department for Environment, the Tanzania Civil Aviation Authority, the Tanzania Airport Authority, Kilimanjaro International Airport Development Company, Ministry of Water, and Prime Minister's Office-Disaster Management Department, Institute of Water Resources and the University of Dar es Salaam. Further clarification on Institutions which collaborated with TMA in various transactions is found in the NOTE 17 of the Financial Statements.

Details of related party transactions are shown in notes to the financial statements.

## **12. COOPERATE SOCIAL RESPONSIBILITY**

During the year under review, the Agency has participated into environmental cleanness activities at Tandale area during World Meteorological Day, also donated TZS 500,000 to Albinism Society and TZS 500,000 to Tanzania Youth Alliance for Development and Corporation.

### 13. IMPLEMENTATION OF THE BUSINESS PLAN AND BUDGET 2017/18

During the period under review, the Agency has implemented various activities. The status of implementation of some activities implemented include:-

- i. Area for installation of Mtwara RADAR has been identified at Mbae hills in Mtwara Mikindani and survey to establish compensation cost is underway. Contract for procurement of Mtwara RADAR have been developed and submitted to the Attorney General for vetting.
- ii. Wind Speed Generator Test for calibrating Wind Generator and 20 wind speed dials has been procured. This has reduced cost of operation since before then the equipment has to be shipped abroad for calibration.
- iii. The Agency has entered in a contract for procuring 10 non-mercury thermometers, 30 non-mercury barometers and full package of meteorological instruments for KIA and Geita Airport enclosures.
- iv. TMA has fabricated meteorological instruments at JNIA workshop. These instruments include 37 Standard rain gauges, 7 evaporation pans and 4 wind Anemometer mast.
- v. TMA has acquired a plot with No. 214 Block AM having a square meters of 20,652 at Mtumba area, Dodoma City.
- vi. TMA have started designing process for NMTC renovation whereby preliminary reports have been submitted in a pace to improve infrastructure for NMTC Kigoma.
- vii. Rehabilitation for Kigoma Airport station and NMTC was done to improve electrical system of the buildings.
- viii. The Agency took various measures to increase internally generated revenue to support its operational costs and investments. This has resulted into an increase of revenue for 2.58% (TZS 9,095,942,785/= for Financial Year 2017/18 compared to TZS 8,866,998,350/= for Financial Year 2016/17). These measures included discussion with KADCO which resulted to an increases of revenue from Tshs. 9,000,000/= per month to about Tshs. 30,000,000/= per month.
- ix. To facilitate review of Meteorological Act No.6 of 1978, TMA in collaboration with the parent Ministry have presented Draft Cabinet Paper and its attachments to IMTC and preparation to submit the same to Cabinet is ongoing.
- x. To improve telecommunication of meteorological information and data, two (2) stations have been connected to Fiber network (Kibaha and Tabora).
- xi. TMA continue to pay membership contributions to International Organizations and Associations related to weather and climate.

- xii. The Agency has enhanced its capacity in operation and service delivery through participating in 9 international meetings and 3 workshops related to weather and climate.
- xiii. A delegation of Sierra Leone Met Services and Civil Aviation visited Tanzania with the aim of technical expertise exchange and knowledge sharing in the Meteorology and Aviation sectors.
- xiv. TMA successfully implemented ISO 9001:2015 Quality Management System in aeronautical meteorological services aviation services, which made Tanzania to be the 3<sup>rd</sup> country in Africa after Nigeria and South Africa and the first country to use internal organizational expertise.
- xv. Eight researches on climate and climate change issues conducted and the results was published in peer reviewed International Journals and others are in final stages to be submitted for publication.
- xvi. A total of 450 copies of the Statement on status of Tanzania Climate in 2015, 2016 and 2017 were printed and distributed to different stakeholders including WMO Headquarters.
- xvii. TMA developed and updated inventory spreadsheets for 323 rainfall and 42 climatological stations.
- xviii. TMA extracted and digitized to CLIDATA data base system rainfall and temperature data from 15 synoptic stations.
- xix. TMA scanned 250,677-rainfall cards form number 496 and 133,479 observation register form number 444 from 16 synoptic stations.
- xx. Climatological tables and summaries for 10 meteorological stations located at Airports prepared. Preparation for the remaining 6 stations is underway.
- xxi. The Agency has organized various training workshops to media and other stakeholders for raising awareness on weather and climate services.
- xxii. Review of TMA Client Service Charter conducted to fit current services demand.
- xxiii. Increased number of Service Level Agreement with 5 more community radio stations (Radio Sauti, Kahama Radio FM, Habari Maalum, Uvinza and Furaha News).
- xxiv. During the period, 3 Managerial posts were filled and 4 replacements Employment Permit received.
- xxv. Staff capacity building was enhanced through training staff including 27 staff having PhD- 1, MSc-4, PGD-2, BSc & Aeronautical Course 13, other degree -4 and Diploma -3. A total of 60 staff are continuing with studies with PhD-4, MSc-23, PGD-4 BSc-21 and Diploma-8.

- xxvi. NMTC has been awarded Accreditation Candidacy Status by NACTE. This has increased number of NTA L5 students enrollment whereby 19 students in 2017/18 compared to 13 students on 2016/17.

## 16. CONSTRAINTS AND CHALLENGES

- i. Inadequate RADAR Stations network.
- ii. Need for replacing mercury-based instruments.
- iii. Insufficient meteorological equipment and instruments.
- iv. Insufficient skilled staff and need to improve Kigoma Training Centre.
- v. Lack of own-building for Central Forecasting Office.
- vi. Inadequate Climate change monitoring activities and research.
- vii. Insufficient allocation of fund.
- viii. Inadequate awareness of the public and other stakeholders on use of weather and climate for safety and socio economic benefit.

## 17. FUTURE PLANS TO ADDRESS THE CHALLENGES

- i. Procurement of weather RADAR that will improve weather forecast especially on severe weather events.
- ii. Acquisition of modern meteorological instruments with emphasis on replacing mercury based instruments to comply with Minamata Convention on Mercury 2013 that prohibited the use of mercury instruments for environment protection by 2020.
- iii. To promote and increase capacity of Kigoma Meteorological Training Centre for professional training in meteorology and improving its infrastructure include classrooms, dormitories, and landscaping and administration block.
- iv. Commencing marine weather services at Tanga and Mtwara Port to ensure safety and efficient marine weather transportation and other maritime activities include fishing, oil and gas exploration.
- v. Resource mobilization strategy will be implemented by establishing new sources of revenues and review existing sources to ensure availability of resources to meet meteorological investment and operational running cost.
- vi. Meteorological infrastructure will be improved whereby rehabilitation of five (5) stations will be conducted.

**20. MINISTERIAL ADVISORY BOARD RESPONSIBILITY**

The Board is responsible for the receiving and endorsing financial statements for the year ended 30th June 2018 in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB), NBAA pronouncements, and requirements of the Ministerial Establishment Order No. 405 of 29th November 1999 under Executive Agencies Act Cap No. 245 R.E 2002. The Board is Main overseer to guarantee presence of proper internal control systems within the Agency to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Members accept responsibility for these financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with IPSAS, NBAA pronouncements, and in a manner required by the Establishment Order and Executive Agencies Act Cap. No. 245 R.E 2002. The Board is of the opinion that financial statements give a true and fair view of the state of the financial affairs of TMA and its operating results. The Board further accepts responsibility for the maintenance of accounting records, which may be relied upon the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Board to indicate that TMA will not remain a going concern for at least the next twelve months from the date of this statement.

Approved by the Ministerial Advisory Board on .....day of .....2018 and signed on its behalf by:

  
.....  
**MAB CHAIRMAN**

  
.....  
**MAB MEMBER**

Date: 28/09/2018

- vii. The Agency will continue to conduct research on climate and climate change to ensure the development of various sectors.
- viii. Enhancement of human resources capacity in meteorology to meet WMO/ICAO competency requirement that need a personnel providing aeronautical meteorological services to have at least BSc.
- ix. To raise awareness and sensitization the public and other stakeholders on use of weather and climate for safety and socio economic benefit.
- x. Construction of Central Forecasting Office in Dodoma.

**18. DISADVANTAGED GROUPS**

Disadvantaged groups have equal opportunities and every assistance is being provided to enable them work comfortably. Policies exist to maintain gender balance based on qualifications and ability. HIV/AIDS policy also exists and the agency assists morally and materially employees who are proved to be positive. The Agency has in place both a gender and HIV/Aids committees.

**19. AUDITORS**

The Controller and Auditor-General (CAG) is the statutory auditor for the Agency pursuant to the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (revised 2000), and Sects. 26 -37 of the Public Finance Act No 6 of 2001 (revised 2004) and Public Audit Act No.11

Approved by the Ministerial Advisory Board on .....day of .....2018 and signed on its behalf by:

*[Signature]*  
 .....  
 MAB CHAIRMAN

*[Signature]*  
 .....  
 MAB MEMBER

Date: 28/09/2018




**DECLARATION BY HEAD OF FINANCE/ACCOUNTING OF TANZANIA  
METEOROLOGICAL AGENCY**

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

It is the duty of a Professional Accountant to assist the Board of Directors/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity financial position and financial performance in accordance with International Public Sector Accounting Standards, NBAA Pronouncements, and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page.

I, **Mohammed I. Nyamakato** having reviewed the financial statements of Tanzania Meteorological Agency hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30<sup>th</sup> June 2018 have been prepared in compliance with applicable accounting standards, NBAA Pronouncements, and statutory requirements.

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

Signed by:.....

Position: Revenue Accountant

NBAA Membership No. GA 6200

Date: 28 – 09 – 2018

**Tanzania Meteorological Agency**  
**Statement of Financial Position**  
as at 30<sup>th</sup> June 2018


ASSETS	Notes	30.06.2018 TZS	30.06.2017 TZS
<b>Current Assets</b>			
Cash and Bank Balances	1	515,248,807	830,542,306
Debtors and Prepayments	2	1,810,295,457	1,918,858,452
Stocks and Supplies	3	156,590,521	56,794,149
<b>Total current assets</b>		<b>2,482,134,784</b>	<b>2,806,194,908</b>
<b>Non-Current Assets</b>			
Intangible Assets	4	48,017,464	72,022,595
Work in Progress	5	237,253,308	237,253,308
Property, Plant and Equipment	6	29,632,112,649	30,583,101,508
<b>Total Non Current Assets</b>		<b>29,917,383,421</b>	<b>30,892,377,410</b>
<b>TOTAL ASSETS</b>		<b>32,399,518,205</b>	<b>33,698,572,318</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Creditors and Accruals	7	316,089,882	519,085,566
<b>Total Current Liabilities</b>		<b>316,089,882</b>	<b>519,085,566</b>
<b>Non-Current Liabilities</b>			
Deferred Government Grant	8	2,699,239,543	2,961,665,610
Deferred Donor Grants	9	13,662,342	437,997,316
<b>Total Non-Current Liabilities</b>		<b>2,712,901,885</b>	<b>3,399,662,926</b>
<b>Total Liabilities</b>		<b>3,028,991,767</b>	<b>3,918,748,492</b>
<b>NET ASSETS</b>		<b>29,370,526,438</b>	<b>29,779,823,826</b>
<b>NET ASSETS ATTRIBUTABLE TO THE OWNERS</b>			
Capital reserves	26	20,206,578,750	20,206,578,750
Accumulated Surplus		9,163,947,688	9,573,245,076
<b>TOTAL</b>		<b>29,370,526,438</b>	<b>29,779,823,826</b>

Notes no 1 to 26 are an integral part of these financial statements

The financial statements on pages 18 to 22 were authorised for issue by the Ministerial Advisory Board

on 29/4/2019 and were signed on its behalf by:

Signature:   
Dr. BURUHONI NYENZI  
MAB CHAIRMAN

Signature:   
Dr./Mr./Ms. WADDY H. ALI  
MAB MEMBER

**Tanzania Meteorological Agency  
Statement of Financial Performance  
For the Year ended 30<sup>th</sup> June 2018**

	Notes	30.06.2018 TZS	30.06.2017 TZS
<b>Revenue</b>			
<b>Revenue from non-exchange transaction</b>			
Amortisation of Government Grant	8	10,096,874,556	11,271,424,533
Amortisation of Donors Grants	9	763,394,354	2,519,344,671
<b>Revenue from exchange transaction</b>			
Fees and Charges	10	9,095,942,785	8,866,998,350
Other Income	11	248,897,838	27,812,482
<b>Total Revenue</b>		<b>20,205,109,534</b>	<b>22,685,580,036</b>
<b>Expenditures</b>			
Staff costs	12	11,932,839,394	13,320,382,372
Administration costs	13	7,959,258,016	7,283,551,381
Maintenance costs	14	501,707,642	393,056,058
Finance costs	15	220,601,870	121,872,280
<b>Total Expenses</b>		<b>20,614,406,921</b>	<b>21,118,862,092</b>
<b>Surplus/(Deficit)</b>		<b>(409,297,388)</b>	<b>1,566,717,944</b>

Notes no 1 to 26 are an integral part of these financial statements

The financial statements on pages 18 to 22 were authorised for issue by the Ministerial Advisory Board on [date] and were signed on its behalf by:

Signature :.....  
Dr. BURUTANI NYENZI  
MAB CHAIRMAN

Signature:.....  
Dr./Mr./Ms. WASSY H. ACI  
MAB MEMBER

## Tanzania Meteorological Agency

### Statement of Cash Flows

For the Year Ended 30th June 2018

	Notes	30.06.2018 TZS	30.06.2017 TZS
<b>CASH FLOWS FROM OPERATING ACITIVITIES</b>			
<b>RECEIPTS:</b>			
Government Grants	8(a)	9,834,448,489	11,008,998,466
Donor Grants	9(a)	339,059,381	1,449,062,250
Fees and Charges	10(a)	9,358,002,794	8,493,701,632
Other Income	11	248,897,839	27,812,483
<b>TOTAL RECEIPTS</b>		<b>19,780,408,503</b>	<b>20,979,574,831</b>
<b>PAYMENTS:</b>			
Staff costs	12	11,932,839,394	13,320,382,372
Administrative costs	13(a)	6,639,906,159	6,074,186,827
Maintenance Costs	14	501,707,642	393,056,059
Finance costs	15	19,681,354	33,770,832
<b>TOTAL PAYMENTS</b>		<b>19,094,134,549</b>	<b>19,821,396,090</b>
<b>Net cash flows from operating activities</b>	<b>A</b>	<b>686,273,954</b>	<b>1,158,178,741</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Property Plant and Equipment	6	(672,082,689)	(617,214,175)
Prepayments in Acquisition of Motor Vehicle	2	(128,564,250)	-
<b>Net Cash Flows From Investing Activities</b>	<b>B</b>	<b>(800,646,939)</b>	<b>(617,214,175)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
<b>Net Cash Flows From Financing Activities</b>	<b>C</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>A+B+C</b>	<b>(114,372,984)</b>	<b>540,964,566</b>
Cash and cash equivalents at the beginning of the financial year		830,542,306	377,679,188
Effects of currency translation on Cash and Cash equivalents	11 (a)	(200,920,515)	(88,101,448)
<b>Cash and Cash Equivalents at the End of the Financial Year</b>		<b>515,248,807</b>	<b>830,542,306</b>

Notes no 1 to 26 are an integral part of these financial statements

The financial statements on pages 18 to 22 were authorised for issue by the Ministerial Advisory Board on [date] and were signed on its behalf by:

Signature:.....  
 Dr. BURUHANI NYENZI  
 MAB CHAIRMAN

Signature.....  
 Dr./Mr./Ms. KLADY H. ALI  
 MAB MEMBER

**Tanzania Meteorological Agency**  
**Statement of Changes in Net Assets**  
**For the year ended 30<sup>th</sup> June 2018**

	Capital Reserve	Accumulated Surplus	TOTAL
	TZS	TZS	TZS
Balance at 30 June 2017	20,206,578,750	9,573,245,077	29,779,823,827
Surplus/Deficit during the year		(409,297,388)	(409,297,388)
<b>Balance at 30 June 2018</b>	<b>20,206,578,750</b>	<b>9,163,947,689</b>	<b>29,370,526,439</b>
Balance at 30 June 2016	3,601,913,150	8,006,527,133	11,608,440,283
Value of Land	16,604,665,600		16,604,665,600
Surplus/Deficit during the year		1,566,717,944	1,566,717,944
<b>Balance at 30 June 2017</b>	<b>20,206,578,750</b>	<b>9,573,245,077</b>	<b>29,779,823,827</b>

Notes no 1 to 26 are an integral part of these financial statements

The financial statements on pages 18 to 22 were authorised for issue by the Ministerial Advisory Board

on [date] and were signed on its behalf by:

Signature: .....  
 Dr. *BRENDA NYENZI*  
 MAB CHAIRMAN

Signature: .....  
 Dr./Mr./Ms. *WASSIM H. ALI*  
 MAB MEMBER

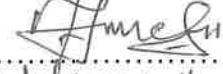
**Tanzania Meteorological Agency**  
**Statement of Comparison of Budget and Actual Amounts**  
**for the year ended 30<sup>th</sup> June 2018**

	Original Budget 2017/2018 TZS	Final Budget 2017/2018 TZS	Actual 2017/2018 TZS	Difference TZS
<b>RECEIPTS:</b>				
Government Grants <sup>1</sup>	18,611,365,400	17,560,579,840	9,834,448,489	(7,726,131,351)
Donor Grants	0	339,059,381	339,059,381	0
Fees and Charges	10,000,000,000	9,100,000,000	9,358,002,794	258,002,794
Other Income	0	248,897,839	248,897,839	0
<b>TOTAL</b>	<b>28,611,365,400</b>	<b>27,248,537,060</b>	<b>19,780,408,503</b>	<b>(7,468,128,557)</b>
<b>PAYMENTS</b>				
Staff costs	15,015,840,820	15,012,740,820	11,932,839,394	(3,079,901,426)
Administrative costs	6,650,000,000	6,500,000,000	6,639,906,159	139,906,159
Maintenance Costs	480,000,000	465,000,000	501,707,642	36,707,642
Finance costs	0	220,601,869	220,601,869	0
<b>TOTAL PAYMENTS</b>	<b>22,145,840,820</b>	<b>22,198,342,689</b>	<b>19,295,055,064</b>	<b>(2,903,287,625)</b>
<b>BALANCE</b>	<b>6,465,524,580</b>	<b>5,050,194,371</b>	<b>485,353,439</b>	<b>(4,564,840,932)</b>
<b>CAPITAL EXPENDITURE AND OTHERS</b>				
Purchase of Property Plant & Equipment	1,070,000,000	1,070,000,000	800,646,939	(269,353,061)

Notes no 1 to 26 are an integral part of these financial statements

The financial statements on pages 18 to 22 were authorised for issue by the Ministerial Advisory Board on [date: 29/4/2019] and were signed on its behalf by:

Signature:   
 Dr. BURUHANI NYENZI  
 MAB CHAIRMAN

Signature:   
 Dr./Mr./Ms. KASSY H. AELI  
 MAB MEMBER

<sup>1</sup>Out of this actual cash TZS 9,221,064,089 received was staff salaries, TZS 8,448,266,388.70 was Exchequer received from the Ministry of Works, Transport and Communications. TZS 1,386,182,100.72 was Employers' statutory contributions paid by Treasury to various Social Security Funds including NHIF.

**METEOROLOGICAL AGENCY (TMA)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**1. General Information**

Tanzania Meteorological Agency (TMA) was established as an Executive Agency under the Executive Agencies Act Cap. No. 245 R.E 2002 through a Ministerial Establishment Order No 405 of 29th November 1999. The Agency is under the Ministry of Transport. The operation of the Agency is vested on the Ministerial Advisory Board appointed by the Minister of Transport for term of three years. The day to day running of the affairs of the Agency is on the Director General. The head office of TMA is located at Ubungo Plaza, 3rd Floor, along Morogoro Road, Dar es Salaam.

**Principal activities**

The primary activities of the Agency are:

- Provision and regulation of meteorological services for the United Republic of Tanzania (URT).
- To organize and manage surface and upper air observations networks and accurately record the climate conditions of the URT from the stations and archive them for future operational and research purposes.
- To issue and disseminate forecasts and other weather information such as warnings, etc for the safety of life and property, to targeted users and the general public.
- To provide meteorological services to the infrastructure sector and other sectors of the economy.
- To meet URT international obligations, i.e. Global exchange of meteorological data and products and for fulfilling international obligations such as WMO convention, ICAO convention and those related to climate change.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Tanzanian Shillings (TZS) and all values are rounded to the nearest Shilling.

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

**Statement of compliance**

The financial statements of the Agency have been prepared in accordance with Accrual basis International Public Sector Accounting Standards (IPSAS).

## **SIGNIFICANT ACCOUNTING POLICIES**

The following accounting policies have been adopted for the preparation of the financial statements:

### **(a) Foreign currency translation**

Functional and presentation currency

Items included in the financial statements of the Agency are measured using the currency of the primary economic environment in which the Agency operates (“the functional currency”). The financial statements are presented in Tanzanian Shillings (TZS), which is the Agency’s functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into Tanzanian Shillings using exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from settlement of such transactions and from translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of financial performance.

### **(b) Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Agency and revenue can be reliably measured.

### **Revenue from non-exchange Exchange transaction**

#### **Grants from Government and Donors**

Funds received and due from the government and Donors are credited to the deferred account. When services are delivered and the conditions attached to the funds are met, the contribution is recognised as revenue in the statement of financial performance equivalent to the extent of the expenses incurred for the year. Where the contribution relate to capital expenditures, it is recognised as revenue in the Statement of financial performance on a straight-line basis over the estimated useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Agency with no future related costs are recognised in the statement of financial performance in the period in which they become receivable. Non-exchange transactions are measured at fair values.

#### **Revenue from Exchange Transactions**

Revenue shall be measured at the fair value of the consideration received or receivable.

#### **Recognition:**

##### **From sale of goods:**

When significant risks and rewards have been transferred to purchaser, loss of effective control by seller, amount of revenue can be reliably measured, it is likely that the economic benefits or service potential associated with the transaction will flow to the entity, and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **From rendering of services:**

Reference to the stage of completion of the transaction at the reporting date provided the outcome of the transaction can be estimated reliably. If the outcome of the transaction cannot be estimated reliably, revenue must be recognized only to the extent of the expenses recognized that are recoverable.

##### **For interest, royalties, dividends, and rent income:**

Recognized when it is probable that economic benefits or service potential will flow to the entity, and the amount of the revenue can be measured reliably.

- Interest — on a time proportion basis that takes into account the effective yield on the asset.
- Royalties — as they are earned in accordance with the substance of the relevant agreement.
- Dividends or their equivalents — when the shareholder’s or the entity’s right to receive payment are established.



**(c) Rental income**

Rental income from investment properties is recognised on a straight-line basis over the term of the relevant lease.

**(d) Cash and cash equivalents**

Cash and bank balances in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, and are measured at amortised cost. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**(e) Property, plant and equipment**

The assets in property, plant and equipment are initially recognized at cost or fair value. The cost of the asset is measured at the cash prize equivalent at the date of acquisition. The costs which can be directly attributed to bringing the asset to the location and condition necessary for it to be used in its intended manner excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of any replacement parts in accordance with the related recognition criteria.

Subsequent to the initial recognition of an item of property, plant and equipment, the item is measured at cost model. The asset is carried at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis over the useful life of the assets. The annual rates of depreciation which have been consistently applied are:

Description	Rate (%)
Buildings and Structures	2
Motor Vehicles	25
Meteorological Equipment	10
RADAR	7
Communications Equipment	7
Furniture and Fittings	10
Office Equipment	20
Computers	20
Household Appliances	10
Books and Library	25
Software	33 1/3

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of financial performance in the year the asset is derecognised. The residual values, useful lives and methods of depreciating property, plant and equipment are reviewed, and adjusted if appropriate, at each financial year-end. When each major inspection is performed, its cost is recognised in the carrying amount of property, plant and equipment as a replacement if the recognition criteria are satisfied.

### **Capital work in progress**

Capital work in progress related to the construction of the new Agency's infrastructure and is included in property and equipment at cost on the basis of the percentage completed at the statement of financial position date. The capital work in progress is transferred to the appropriate asset category and depreciated when construction of the asset is completed and is available for its intended use.

### **(f) Investment property**

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in the statement of financial performance for the period in which they arise.

### **(g) Non-current assets held for sale**

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

Non-current assets (and disposal group) classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell.

### **(h) Interest bearing loans and borrowings**

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in surplus or deficit when the liabilities are derecognised as well as through the amortisation process.

### **(i) Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are recognised in surplus or deficit in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

### **(j) Consolidated Financial Statements**

TMA shall prepare consolidated financial statements when it controls one or more other entities in accordance with IPSAS 35. Consolidated financial statements shall include all controlled entities. Control is based on whether an investor has 1) power over the other entity; 2) exposure, or rights, to variable benefits from its involvement with the other entity; and 3) the ability to use its power over the other entity to affect the nature or amount of the benefits.

Consolidated financial statements are the financial statements of an economic entity in which the assets, liabilities, net assets/equity, revenue, expenses and cash flows of the controlling entity and its controlled entities are presented as those of a single economic entity.

Intra-economic entity balances, revenue, expenses and cash flows are eliminated in full and all members of in the economic entity shall use the same accounting policies and, if practicable, the same reporting date. Otherwise, appropriate adjustments should be made to ensure conformity with the TMA's accounting policies.

Non-controlling interests shall be reported within net assets/equity in the consolidated statement of financial position, separately from the net assets/equity of the owners of the controlling entity.

Surplus or deficit and each gain or loss recognized directly in net assets/equity to TMA and to the non-controlling interests.

TMA shall also attribute the total amount recognized in the statement of changes in net assets/equity to the owners of the controlling entity and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Partial disposal of an investment in a controlled entity while control is retained is accounted for as a net assets/equity transaction with owners, and no gain or loss is recognized in surplus or deficit. Acquisition of a further ownership interest in a controlled entity after obtaining control is accounted for as a net assets/equity transaction and no gain or loss is recognized.

Partial disposal of an investment in a controlled entity that results in loss of control triggers re-measurement of the residual holding to fair value. Any difference between fair value and carrying amount is a gain or loss on the disposal, recognized in surplus or deficit. Thereafter, IPSAS 36 or IPSAS 29 is applied, as appropriate, to the residual holding.

#### **(k) Associates and Joint Ventures**

TMA shall account for investments in Associates and Joint Ventures by the equity method where TMA. An investment in an associate or a joint venture accounted for using the equity method shall be classified as a non-current asset. Under the equity method, the investment is initially recognized at cost. It is subsequently adjusted by the investor's share of the investee's post acquisition change in net assets. Associates and joint venture's accounting policies and accounting dates shall be the same as those of TMA. When presenting 'separate financial statements' as defined in IPSAS 34, TMA shall account for the investment either at cost, in accordance with IPSAS 29, or using the equity method as described in IPSAS 36.

Impairment is tested in accordance with IPSAS 21 or IPSAS 26. The impairment indicators in IPSAS 29 are applied. An investment in an associate or joint venture is treated as a single asset for impairment purposes.

#### **(l) Joint Arrangement**

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the agreed sharing of control of an arrangement by way of a binding arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities. A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets of the arrangement.

Joint operations: TMA recognizes the assets it controls, and expenses and liabilities it incurs, and its share of revenue earned, in both its separate and consolidated financial statements.

Joint ventures: TMA shall apply the equity method.

#### **(m) Intangible assets**

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated Intangibles assets shall not be recognized as an asset and all research costs are charged to expense when incurred.

The useful lives of Intangible assets are assessed to be finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible assets may be impaired.

Intangible assets with indefinite useful lives are not amortized but are tested for impairment on an annual basis. If recoverable amount of a cash-generating asset or recoverable service amount of a non-cash-generating asset is lower than the carrying amount, an impairment loss is recognized. Subsequently the measurement of an Intangible asset of TMA shall be carried at a revalued amount being its fair value at the date of revaluation less any accumulated amortization

The amortisation period and the amortisation methods for an intangible asset are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets is accounted for by changing the amortisation period or method, as appropriate and treated as changes in accounting estimates.

The amortisation expense on intangible assets is recognised in the statement of financial performance. Gain or Losses arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

## **(n) Impairment**

### **(i) Impairment of Non-Cash-Generating Assets**

Non-cash-generating assets are assets other than cash-generating assets. Cash-generating assets are assets held with the primary objective of generating a commercial return. An impairment loss of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount. An impairment loss shall be recognized immediately in surplus or deficit. Recoverable service amount is the higher of a non-cash-generating asset's fair value, less costs to sell and its value in use. Value in use of a non-cash-generating asset is the present value of the asset's remaining service potential. The present value of the remaining service potential of the asset is determined using any one of the following three approaches, and depends on the availability of data and the nature of the impairment:

- Depreciated replacement cost approach
- Restoration cost approach
- Service units approach; whichever is lower

At each reporting date, a review of assets to assess for any indication that an asset may be impaired is carried out. If impairment is indicated, an estimate recoverable service amount is made. TMA assesses at each reporting date whether there is any indication that an impairment loss recognized in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, TMA estimates the recoverable service amount of that asset. An impairment loss recognized in prior periods for an asset shall be reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable service amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable service amount. That increase is a reversal of an impairment loss. The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined (net of depreciation or amortization) if no impairment loss had been recognized for the asset in prior periods.

A reversal of an impairment loss for an asset is recognized immediately in surplus or deficit. After a reversal of an impairment loss is recognized, the depreciation (amortization) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

#### Re-designation of Assets

The re-designation of assets from cash-generating assets to non-cash generating assets or from non-cash-generating assets to cash-generating assets shall only occur when there is clear evidence that such a re-designation is appropriate. A re-designation, by itself, does not necessarily trigger an impairment test or a reversal of an impairment loss. Instead, the indication for an impairment test or a reversal of an impairment loss arises from, as a minimum, the listed indications applicable to the asset after re-designation.

#### **(ii) Impairment of cash-generating assets**

TMA assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset is made.

Irrespective of whether there is any indication of impairment, tests are conducted for an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test may be performed at any time during the reporting period, provided it is performed at the same time every year.

If, and only if, the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset shall be reduced to its recoverable amount. That reduction is an impairment loss. An impairment loss is recognized immediately in surplus or deficit.

When the amount estimated for an impairment loss is greater than the carrying amount of the asset to which it relates, an entity shall recognize a liability. After the recognition of an impairment loss, the depreciation (amortization) charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

If there is any indication that an asset may be impaired, the recoverable amount shall be estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, determination of the recoverable amount of the cash-generating unit to which the asset belongs (the asset's cash-generating unit) shall be made.

#### **(o) Financial Instruments (financial assets/liabilities).**

##### **Initial Recognition**

TMA recognizes a financial asset or a financial liability in its statement of financial position when, and only when, the Agency becomes a party to the contractual provisions of the instrument.

### **Initial Measurement of Financial Assets and Financial Liabilities**

A financial asset or financial liability is recognized initially, by measuring its fair value plus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

### **Subsequent Measurement of Financial Assets**

Financial asset after initial recognition will be classified and measured into the following four categories:

- a. Financial assets at fair value through surplus or deficit – measured at fair value with gain or loss recognized to surplus and deficit;
- b. Held-to-maturity investments – measured at amortized cost using the effective interest method;
- c. Loans and receivables – measured at amortized cost using the effective interest method; and
- d. Available-for-sale financial assets – measured at fair value with gain or loss recognized directly in net assets/equity through the statement of changes in net assets/equity

Investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that is linked to and must be settled by delivery of such unquoted equity instruments, shall be measured at cost.

### **Subsequent Measurement of Financial Liabilities**

After initial recognition, all financial liabilities will be measured at amortized cost using the effective interest method, except for those categorized as financial liabilities at fair value through surplus or deficit which shall be measured at fair value with gain or loss recognized in surplus and deficit.

### **Impairment and Uncollectibility of Financial Assets**

At the end of each reporting period an assessment is made on whether there is any objective evidence that a financial asset or group of financial assets is impaired. If any such evidence exists impairment is carried out.

For Financial Assets Carried at Amortized Cost that is on loans and receivables or held-to-maturity investments, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset shall be reduced either directly or through use of an allowance account. The amount of the loss shall be recognized in surplus or deficit. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized (such as an improvement in the debtor's credit rating), the previously recognized impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. The amount of the reversal shall be recognized in surplus or deficit.

For Financial Assets Carried at Cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses shall not be reversed.

For Available-For-Sale Financial Assets, the cumulative loss that had been recognized directly in net assets/equity shall be removed from net assets/equity and recognized in surplus or deficit even though the financial asset has not been derecognized. Impairment losses recognized in surplus or deficit for an investment in an equity instrument classified as available for sale shall not be reversed through surplus or deficit. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognized in surplus or deficit, the impairment loss shall be reversed, with the amount of the reversal recognized in surplus or deficit.

#### **De-recognition of financial instruments**

Financial asset will be derecognized when, and only when: (a) The contractual rights to the cash flows from the financial asset expire or are waived; or (b) a financial asset is transferred in accordance with IPSAS 29. Financial liability (or a part of a financial liability) shall be removed from its statement of financial position when, and only when, it is extinguished – i.e., when the obligation specified in the contract is discharged, waived, cancelled or expires.

#### **(p) Related Party Transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. They include relationship with subsidiaries, associates, joint ventures and key Management personnel. For TMA, key management include; Members of the Ministerial Advisory Board, Members of the Audit Committee, Director General, Directors; Managers and their close relatives. Some of the Agency's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

#### **(q) Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

##### **The Agency as lessor**

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Agency's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Agency's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

### **The Agency as lessee**

Assets held under finance leases are recognised as assets of the Agency at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to statement of financial performance, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Agency's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Rentals payable under operating leases are charged as an expense to the statement of financial performance on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

### **(r) Inventories**

Inventories are measured at the lower of cost and net realisable value. Where inventories are acquired through a non-exchange transaction, their cost shall be measured as their fair value as at the date of acquisition. However, inventories are required to be measured at the lower of cost and current replacement cost where they are held for:

- Distribution at no charge or for a nominal charge
- Consumption in the production process of goods to be distributed at no charge or for a nominal charge

Costs include all purchase cost, conversion cost (materials, labour, and overhead), and other costs to bring inventory to its present location and condition, but not foreign exchange differences and selling costs. Trade discounts, rebates, and other similar items are deducted in determining the costs of purchase.

For inventory items that are not interchangeable, specific costs are attributed to the specific individual items of inventory.

TMA applies the same cost formula for all inventories having similar nature and use; a difference in geographical location of inventories by itself is not sufficient to justify the use of different cost formulas.

For interchangeable items, cost is determined on either a first-in, first-out basis. For inventories with a different nature or use, different cost formulas are used. When inventories are sold, exchanged, or distributed, the carrying amount is recognized as an expense in the period in which the related revenue is recognized. If there is no related revenue, the expense is recognized when the goods are distributed or related services have been rendered.

Write-downs to net realisable value are recognized as an expense in the period the loss or the write-down occurs. Reversals arising from an increase in net realisable value are recognized as a reduction of the inventory expense in the period in which they occur.



**(s) Provisions**

Provisions are recognised when the Agency has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Agency expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in surplus or deficit net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(t) Employment benefits**

The Agency operates defined contribution plans. Employees are members of Public Sector Pensions Fund (PSPF) and National Social Security Fund (NSSF). The Agency contributes 15% of basic salary of each permanent and pensionable employee to PSPF or 10% of the basic salary for other employees to NSSF. The Agency operates insured (health benefit) plan where contributions are paid to the National Health Insurance Fund (NHIF), both the employer and employee contribute 3% of basic salary.

**(u) Capital Reserve**

The Capital Reserve amounting TZS 3,601,913,150.00 represents part of Net Assets and Liabilities so far identified and taken over by the Agency during its inception.

**(v) Taxes**

The Agency is exempt from all taxes except value added tax. Thus no provision is made for deferred taxation.

**Value added tax**

Revenues, expenses and assets are recognised net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation Agency, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included. The net amount of value added tax recoverable from, or payable to, the taxation Agency is included as part of receivables or payables in the statement of financial position.
- Events after reporting period.  
Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:
  - Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
  - Those which are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

**(w) Presentation of budget information in financial statements**

The financial statements are prepared on an accrual basis IPSAS whereas the budget is prepared on cash basis and is approved by the Parliament. Actual amount spent is adjusted from the presented accrual based IPSAS financial statements of the Agency.

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

<b>NOTE 1: CASH AND BANK BALANCES</b>	<b>2017/2018</b>	<b>2016/2017</b>
	<b>TZS</b>	<b>TZS</b>
Expenditure Bank Account	130,528,906	87,265,040
Revenue Bank Account	2,920,676	27,841,712
Forex (USD) Revenue Bank Account	1,913,413	450,756,598
Expenditure Bank Account - Pemba	6,714,274	9,950,841
Expenditure Bank Account - Arusha	1,556,161	1,333,198
Expenditure Bank Account - Kigoma	24,495,906	52,149,688
Expenditure Bank Account - Dodoma	1,525,463	334,053
Expenditure Bank Account - Mwanza	1,156,013	2,795,417
Expenditure Bank Account - KIA	1,395,282	42,981
Expenditure Bank Account - Mbeya	3,065,436	3,034,241
Expenditure Bank Account - Morogoro	596,581	2,513,343
Expenditure Bank Account - Iringa	2,973,011	3,717,029
Expenditure Bank Account - Shinyanga	7,646,899	312,879
Expenditure Bank Account - Mtwara	450,727	3,520,273
Expenditure Bank Account - Tabora	1,485,132	5,361,349
Expenditure Bank Account - Bukoba	306,432	2,667,604
Expenditure Bank Account - Sumbawanga	666,247	1,256
Expenditure Bank Account - Singida	10,270,008	10,089,580
Expenditure Bank Account - Musoma	2,067,477	1,043,172
Expenditure Bank Account - Moshi	4,252,881	6,884,092
Expenditure Bank Account - Mahenge	16,811,262	14,873,762
Expenditure Bank Account - Tanga	2,417,100	6,985,836
Expenditure Bank Account - Songea	1,795,888	764,817
Expenditure Bank Account - Zanzibar	3,842,058	9,244,844
BOT Revenue Collection Bank Account (TZS)	203,791,972	35,867,130
BOT Revenue Collection Bank Account (USD)	80,603,601	91,191,573
<b>TOTAL</b>	<b><u>515,248,807</u></b>	<b><u>830,542,306</u></b>

**TANZANIA METEOROLOGICAL AGENCY**  
**NOTES ON THE ACCOUNTS**

	<b>2017/2018</b>	<b>2016/2017</b>
	<b>TZS</b>	<b>TZS</b>
<b>NOTE 2: DEBTORS AND PREPAYMENTS</b>		
<b>DEBTORS:</b>		
Safari and Special Imprest	63,966,037	173,583,542
Staff Loan	76,994,869	145,158,989
Trade Debtors	1,515,837,537	1,600,115,921
<b>PREPAYMENTS</b>		
Motor Vehicle	128,564,250	0
Fuel	24,932,764	0
<b>TOTAL</b>	<b><u>1,810,295,457</u></b>	<b><u>1,918,858,452</u></b>
<b>NOTE 3: STOCKS AND SUPPLIES</b>		
Stationery Stock	20,092,406	6,529,190
Meteorological Consumables Stock	125,197,353	34,174,513
Meteorological Instruments Stock	100,000	-
Computer Supplies Stock	11,200,762	16,090,446
<b>TOTAL</b>	<b><u>156,590,521</u></b>	<b><u>56,794,149</u></b>
<b>NOTE 4 : INTANGIBLE ASSETS - SOFTWARE</b>		
Balance b/d	72,022,595	61,256,962
Additions	-	34,992,192
Amortisation	(24,005,131)	(24,226,559)
Balance at the year end 30 <sup>th</sup> June	<b><u>48,017,464</u></b>	<b><u>72,022,595</u></b>

**TANZANIA METEOROLOGICAL AGENCY**  
**NOTES ON THE ACCOUNTS**

	<b>2017/2018</b>	<b>2016/2017</b>
	<b>TZS</b>	<b>TZS</b>
<b>NOTE: 5 WORK IN PROGRESS (W.I.P)</b>		-
Balance at start	237,253,308	237,253,308
Additions	-	-
<b>Total</b>		237,253,308
Transfer to Asset	-	-
<b>Balance at year end 30 June</b>	<b>237,253,308</b>	<b>237,253,308</b>

**TANZANIA METEOROLOGICAL AGENCY**  
**NOTE 6: MOVEMENT OF FIXED ASSETS AS AT JUNE 30, 2018**

DETAILS	BUILD & STRUCTURE	LAND	TELECOM EQUIP.	OBSEV. EQUIP	HOUSEHOLD APPL.	FURNT. & FITT.	OFF. EQUIP.	COMPUTER	MOTOR VEH.	BOOKS & LIBR.	PLANT & EQUIP	RADAR	TOTAL
Balance b/f	4,669,890,655	17,913,465,600	59,548,679	4,860,279,263	873,000	547,637,037	843,245,103	917,136,752	1,749,462,127	7,314,187	248,584,804	7,137,490,886	39,954,928,093
Total Additions (2017/18)	-	-	-	265,287,350	-	43,200,472	93,150,973	250,142,894	20,301,000	-	-	-	672,082,689
Disposal									(208,000,000)				(208,000,000)
Total Cost	4,669,890,655	17,913,465,600	59,548,679	5,125,566,613	873,000	590,837,509	936,396,076	1,167,279,646	1,561,763,127	7,314,187	248,584,804	7,137,490,886	39,419,010,782
Acc. Deprec.b/f	745,238,620	-	34,978,623	1,746,108,335	792,134	414,076,348	743,409,856	763,338,822	1,456,079,639	6,909,409	248,584,804	2,004,309,995	8,163,826,585
Depreciation Expenses 2017/18	93,397,813	-	4,168,408	505,508,139	80,866	65,397,351	173,585,095	195,522,247	85,382,488	404,778	-	499,624,362	1,623,071,547
Acc. Depreciation to date	838,636,433		39,147,031	2,251,616,474	873,000	479,473,699	916,994,951	958,861,069	1,541,462,127	7,314,187	248,584,804	2,503,934,357	9,786,898,132
Net Book Value as at 30/06/2018	3,831,254,222	17,913,465,600	20,401,648	2,873,950,139	-	111,363,810	19,401,125	208,418,577	20,301,000	-	-	4,633,556,529	29,632,112,650
Net Book value as at 30/06/2017	3,924,652,035	17,913,465,600	24,570,056	3,114,170,928	80,866	133,560,699	99,835,246	153,757,930	85,382,488	404,778	-	5,133,180,891	30,583,101,507

**TANZANIA METEOROLOGICAL AGENCY  
NOTES ON THE ACCOUNTS**

	<b>2017/2018</b>	<b>2016/2017</b>
<b>NOTE 7: CREDITORS AND ACCRUALS</b>	<b>TZS</b>	<b>TZS</b>
Trade creditors & Accrued Expenses	1,746,400	42,914,198
Other Creditors and Other Liabilities	<u>314,343,482</u>	<u>476,171,368</u>
<b>TOTAL</b>	<b><u>316,089,882</u></b>	<b><u>519,085,566</u></b>
 <b>NOTE 8: DEFERRED GOVERNMENT GRANT</b>		
Balance b/d on 01 July	2,961,665,611	3,224,091,677
Receipts during the year (note 8.a)	9,834,448,489	11,008,998,466
Amortised amount for other Expenses	(9,834,448,489)	(11,008,998,465)
Amortised amount for Depreciation of RADAR Mwanza	<u>(262,426,067)</u>	<u>(262,426,067)</u>
Balance c/f 30 June	<b><u>2,699,239,544</u></b>	<b><u>2,961,665,611</u></b>
 <b>NOTE: 8.a GOVERNMENT GRANT RECEIVED</b>		
Government Subventions - Other Charges	613,384,400	788,242,500
Government Subventions - Personal Emoluments	9,221,064,089	10,220,755,966
Government Grants	<u>-</u>	<u>-</u>
<b>Total</b>	<b><u>9,834,448,489</u></b>	<b><u>11,008,998,466</u></b>
 <b>NOTE 9: DEFERRED DONOR GRANT</b>		
Balance b/d on 01/07/2017	437,997,315	1,508,279,735
Receipts during the year (note 9.a)	339,059,381	1,449,062,250
Amortised amount	<u>(763,394,354)</u>	<u>(2,519,344,671)</u>
Balance c/f 30 June 2018	<b><u>13,662,342</u></b>	<b><u>437,997,315</u></b>

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	2017/2018	2016/2017
<b>NOTE 9.a: DONOR GRANT RECEIVED</b>	<b>TZS</b>	<b>TZS</b>
UK MET OFFICE/GFCS PROJECT/CLIMATE CONSULT/COSTECH/AUSTRALIAN AID/USA UNIVERSITY CORPORATION/, COLUMBIA & WMO	<u>339,059,381</u>	<u>1,449,062,250</u>
<b>Total Donor Grant Received</b>	<b><u>339,059,381</u></b>	<b><u>1,449,062,250</u></b>
 <b>NOTE 10: INTERNAL GENERATED INCOME</b>		
Landing and Parking Charges	2,230,426,555	2,108,728,637
Air Navigation charges	6,682,375,623	6,654,862,975
Charges of MET Services, Data & products	137,945,007	75,118,628
Fees from Training Activities & Programs	34,840,500	17,023,000
Charges from Consultancy & Education Tours	8,205,100	11,065,109
Fees from MET Services to the Media	<u>2,150,000</u>	<u>200,000</u>
<b>TOTAL</b>	<b><u>9,095,942,785</u></b>	<b><u>8,866,998,349</u></b>
 <b>NOTE 10a: ACTUAL FEES AND CHARGES RECEIVED</b>		
Opening Debtors	1,918,858,452	1,545,561,734
Fees and Charges Received during the year	9,095,942,785	8,866,998,349
Closing Debtors	<u>(1,656,798,443)</u>	<u>(1,918,858,452)</u>
<b>TOTAL RECEIPTS</b>	<b><u>9,358,002,794</u></b>	<b><u>8,493,701,632</u></b>

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

<b>NOTE 11: OTHER INCOME</b>	<b>2017/2018</b>	<b>2016/2017</b>
	<b>TZS</b>	<b>TZS</b>
Sale of Tender Documents	4,963,086	1,109,497
House Rent	5,355,158	6,867,326
Miscellaneous Receipts	<u>238,579,595</u>	<u>19,835,660</u>
<b>TOTAL</b>	<b><u>248,897,839</u></b>	<b><u>27,812,483</u></b>

**NOTE11 (a): EFFECTS OF EXCHANGE RATE TRANSLATION**

Exchange rate Gain/Loss	<u>(200,920,515)</u>	<u>(88,101,448)</u>
<b>TOTAL</b>	<b><u>(200,920,515)</u></b>	<b><u>(88,101,448)</u></b>



**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	<b>2017/2018</b>	<b>2016/2017</b>
	<b>TZS</b>	<b>TZS</b>
<b>NOTE 12: STAFF COSTS</b>		
Staff Salaries	9,221,064,090	10,220,755,966
Wages to Casual Labour	109,586,032	154,222,304
Leave Allowance	88,749,603	303,646,006
Transfer Allowance	244,745,491	196,394,027
Staff Uniforms	38,259,440	30,695,400
Medical Expenses & Recruitment Expenses	32,705,000	35,720,000
House and furniture Allowances	76,476,080	99,114,600
Meal Allowance	321,561,092	291,896,172
Acting Allowance	77,893,066	113,367,320
Extra Duty Allowance	482,698,000	442,718,877
Electricity Allowance	49,460,000	110,890,000
Telephone Allowance	132,509,000	160,904,000
Outfit Allowance	1,500,000	3,400,000
Sitting Allowance	75,038,000	31,598,700
Shift Allowance	871,674,500	991,319,000
Risk Allowance	108,920,000	133,740,000
<b>TOTAL</b>	<b><u>11,932,839,394</u></b>	<b><u>13,320,382,372</u></b>

	2017/2018	2016/2017
NOTE 13: ADMINISTRATIVE EXPENSES	TZS	TZS
Contributions	34,384,987	20,500,000
Telephone, Emails, Fax Expenses & communication network	97,108,929	157,563,640
Postage	9,321,790	5,316,458
Printing and publication	12,673,665	17,221,760
Advertising and Publicity	112,140,017	64,181,258
Computer Supplies& License fee	186,545,728	205,362,779
Newspapers and Periodicals	1,816,400	2,028,000
Office Consumables	193,769,034	116,245,600
Sundry Expenses	191,740,335	130,733,935
Conference Facilities	62,394,122	153,083,799
Traveling-Local	740,812,672	545,095,551
Staff Transport	348,506,206	409,866,148
Rent – Office Accommodation	927,596,034	864,186,718
Travelling Overseas	292,067,267	274,376,687
Water	15,476,090	14,295,355
Electricity Expenses	313,483,569	367,922,379
Depreciation &Amortisation of software	1,647,076,678	1,522,650,046
Audit Expenses and Audit committee	69,132,072	17,998,204
Cleaning Supplies	131,155,090	154,210,303
Consultancy Fees	93,303,267	49,100,534
Security Services	257,974,981	256,465,328
Honorariums	278,300,000	138,759,000
Burial Expenses	15,638,000	10,375,000

Workers Council	120,465,000	109,460,000
MAB Meetings	77,085,000	76,812,318
Staff Welfare	84,432,216	39,272,359
WMO	32,051,386	63,620,853
Budget Preparation	36,356,615	30,600,000
M/V Running Costs - Fuel, Lubricants & Parking	203,888,806	238,427,732
Training Local & Staff Training Local	848,242,730	870,226,707
Training Overseas and Staff Training Overseas	85,415,674	84,367,133
Internet	94,521,787	112,633,038
Meteorological Supplies Account & Tools and Implements	87,043,519	43,396,198
Research Expenses	257,338,350	117,137,563
<b>TOTAL</b>	<b><u>7,959,258,016</u></b>	<b><u>7,283,492,383</u></b>

**NOTE 13(a): ACTUAL ADMINISTRATIVE EXPENSES**

Opening balance creditors	519,085,567	871,669,633
<b>Add:</b> Closing balance Stock	156,590,521	56,794,149
Administration Expenses	7,959,258,016	7,283,492,383
	<b>8,634,934,103</b>	<b>8,211,956,167</b>
<b>Less:</b> Closing Creditors <sup>2</sup>	316,089,882	519,085,567
Opening Stock	56,794,149	96,092,725
Depreciation	1,647,076,678	1,522,650,047
	<b>6,614,973,395</b>	<b>6,074,127,828</b>
<b>Add:</b> Prepayment of fuel	24,932,764	0
<b>Actual Administrative Expenses during the year</b>	<b>6,639,906,159</b>	<b>6,074,127,828</b>

<sup>2</sup> Closing balance of Creditors includes TZS 237,253,308 from previous financial year 2016/207 and 78,836,574 incurred during the financial year 2017/2018

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	<b>2017/2018</b>	<b>2016/2017</b>
	<b>TZS</b>	<b>TZS</b>
<b>NOTE 14: MAINTENANCE COST</b>		
Maintenance Costs – Buildings & Minor Civil Works	155,665,594	56,275,829
Maintenance Costs – Furniture & Fittings	430,000	-
Maintenance Costs - Computers	3,333,976	2,479,989
Maintenance Costs - Motor Vehicles	190,633,577	165,289,797
Maintenance Costs - Office & Telecommunication Equipment	4,817,080	7,479,696
Maintenance Costs - Meteorology Equipment	146,827,415	161,530,747
<b>TOTAL</b>	<b>501,707,642</b>	<b>393,056,058</b>
<b>NOTE 15: FINANCE COSTS</b>		
Bank Charges	19,681,354	33,770,832
<b>TOTAL</b>	<b>19,681,354</b>	<b>33,770,832</b>
<b>NOTE 16 ACCUMULATED SURPLUS</b>		
Balance on July 1,	9,573,245,077	8,006,527,133
Add: Surplus/(Loss) During the Year	(409,297,388)	1,566,717,944
<b>Balance on 30, June</b>	<b>9,163,947,689</b>	<b>9,573,245,077</b>
<b>NOTE 17: Related Party Transactions:</b>		
<b>The following transactions between TMA and related parties (controlled entities, associates, joint ventures were entered into:</b>		
<b>Funds received through MOT towards OC, PE, Development and Statutory contributions paid by Employer during the year.</b>	<b>9,834,448,489</b>	<b>11,008,998,466</b>

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

<b>NOTE 18: KEY MANAGEMENT RENUMERATION:</b>	<b>2017/2018</b>	<b>2016/2017</b>
<b>Salaries &amp; other short-term benefits;</b>	<b>TZS</b>	<b>TZS</b>
Short-term benefits for Advisory Board	77,085,000	76,812,318
Short-term benefits for Audit Committee	69,132,072	13,267,000
Salaries and short-term benefits for Management Team	1,622,082,000	1,572,480,000

**NOTE: 19LEASES - LESSEE**

Amount Paid during the year	927,596,034	864,186,718
-----------------------------	-------------	-------------

**Operating leases as lessee**

TMA leases office accommodation in the normal course of its business. The leases have a non-cancellable term of 36 months. The future aggregate minimum lease payments to be made under non-cancellable operating lease are as follows:

Non-cancellable operating leases as lessee		
Not later than one year	927,596,034	864,186,718
Later than one year and not later than five years	-	-
Later than five years	-	-
Total non- cancellable operating leases	927,596,034	864,186,718

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

<b>Note 19.a Operating leases as lessor</b>	<b>2017/2018</b>	<b>2016/2017</b>
TMA leases its houses under operating leases. The majority of these leases have a non- cancellable term of 12 month. The future aggregate minimum lease payments to be collected under non-cancellable operating leases are as follows:	<b>TZS</b>	<b>TZS</b>
<b>Non-cancellable operating leases as lessor</b>		
Not later than one year	5,355,158	6,867,326
Later than one year and not later than five years		-
Later than five years		-
Total non-cancellable operating leases	<b>5,355,158</b>	<b>6,867,326</b>

**NOTE 20: EVENTS AFTER BALANCE SHEET DATE**

There was no significant event after the balance sheet date.

**NOTE 21: EMPLOYEES BENEFITS**

Salaries	9,221,064,090	10,220,755,966
Staff Allowances	2,623,025,701	2,380,948,669
Annual leave	88,749,603	303,646,006
<b>Total employees benefits</b>	<b>11,932,839,394</b>	<b>12,905,350,641</b>

## TANZANIA METEOROLOGICAL AGENCY

### NOTES ON THE ACCOUNTS

#### NOTE 22 : FINANCIAL INSTRUMENT RISKS

TMA has policies to manage risks associated with financial instruments. TMA is risk averse and seeks to minimize exposure from its treasury activities. These policies do not allow any transactions that are speculative in nature to be entered into.

##### **Market risk**

##### **Price risk**

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. TMA is exposed to price fluctuations for its supplies it maintains. The risk is minimized through annual procurement plan which is prepared early at the start of the year.

##### **Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. TMA is exposed to currency risk, as it sometimes enters into foreign currency transactions. The risk is mitigated through prompt and pre-purchase payment.

##### **Interest rate risk**

The interest rates risk for TMA arises only when excess funds are invested. Careful and safe investments are made in near term investments so as to mitigate interest rate risk.

##### **Credit risk**

Credit risk is the risk that a third party will default on its obligation to TMA, causing TMA to incur a loss. TMA has no significant concentrations of credit risk, as it has a number of credit customers relating to landing and parking services and air navigation services. The risk is minimized by refusal to provide service for long overdue customers.

TMA invests funds only in deposits with registered banks.

##### **Liquidity risk**

Liquidity risk is the risk that TMA will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. TMA aims to maintain flexibility in funding by keeping committed credit lines available.

In meeting its liquidity requirements, TMA maintains a target level of funds within the next 12 months.

**NOTE 23: NUMBER OF EMPLOYEES**

Employees in 2017/2018 were 538-compared to 564 in 2016/2017

**NOTE 24: CREDIT AND LIQUIDITY ANALYSIS****CREDIT ANALYSIS**

The breakdown of the amount owed to the Agency from external customers and employees is analyzed through an age analysis as follows:

Period outstanding	2017/2018	2016/2017
<b>Trade Receivables:</b>	<b>TZS</b>	<b>TZS</b>
Up to 1 Month		84,805,069
1 to 3 months	1,655,898,551	1,499,724,852
3 to 12 months		-
Over 1 year	13,436,000	15,586,000
<b>Staff Receivables:</b>		
Up to 1 Month	63,966,037	-
1 to 3 months	-	173,583,542
3 to 12 months		-
Over 1 Year	76,994,869	145,158,989

<b>Trade Payables:</b>		
Up to 1 Month		161,956,932
1 to 3 months	78,836,574	82,363,817
3 to 12 months		24,884,134
Over 1 Year	237,253,308	249,880,683



## TANZANIA METEOROLOGICAL AGENCY

### NOTES ON THE ACCOUNTS

#### NOTE: 25. STATEMENT OF COMPARISON OF BUDGET AND ACTUALS

The Agency's budget is prepared on a cash basis using a classification based on the nature of expenses and covers the period from 1 July 2017 to 30 June 2018, which is the same period of the annual financial statements. The budget was approved by Parliament, and was included in the Government budget in accordance with the Appropriation.

The Agency's budget and financial statements are prepared using different basis. The financial statements are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance, whereas the budget is prepared on a cash basis. The amounts in the financial statements were reallocated from the accrual basis to the cash basis and reclassified to be on the same basis as the final approved budget. A comparison of budget and actual amounts, prepared on a comparable basis to the final approved budget, is then presented in the statement of comparison of budget and actual amounts.

As required under IPSAS 24, the actual amounts presented on a comparable basis to the budget shall, where the financial statements and the budget are not prepared on a comparable basis, be reconciled to the actual amounts presented in the financial statements, identifying separately any basis, timing and entity differences. Adjustments were made for receivables and payables at the beginning and the end of the year. The difference between original and final budget was made during the mid-year and the Ministerial Advisory Board approved the re-allocation.

The difference between Budget and Actual was due to:-

- Government Grants is due to the facts that in the Budget of FY 2017/2018 the Agency had been allocated 6.2b for development but until the end of the year the amount was not received, also in the budget of PE some amount had been allocated for promotions and recruitment of new Staff but up to the end of FY 2017/2018 neither promotions nor recruitment was effected due to Government directives.
- Exchange rate fluctuations in case of Fees and Charges.
- Non-implementation of promotions and recruitment of new employees.

#### NOTE: 26 CAPITAL RESERVES

	2017/2018	2016/2017
	TZS	TZS
Balance c/d	20,206,578,750	3,601,913,150
Add: Value of Land	-	16,604,665,600
<b>Total</b>	<b>20,206,578,750</b>	<b>20,206,578,750</b>

## PERFORMANCE REPORT FOR 2017/18

### 1. FINANCIAL PERFORMANCE

During the Financial year 2017/18 the approved Budget was **TZS. 28,611,365,400/=** compared to **TZS. 18,274,862,000/=** in the previous year 2016/17. Part of the amount requested totalling **TZS. 467,324,580/=** was to be funded by the Government for services rendered to the public on behalf of the Government as Other Charges (OC) and **TZS. 11,944,040,820 /=** for TMA staff salaries. TMA planned to collect **TZS. 10,000,000,000/=** from the internal generated revenue. The Agency also expected to receive **TZS. 6,200,000,000/=** from Government Development Budget to finance Weather Radar, Instruments and Infrastructure project.

#### 1.1 Government Grant (Allocated amount VS Amount received)

During the period, the Agency received **TZS. 613,384,400/=** and **TZS. 9,221,064,090/=** from the Government as OC and PE which is 131% and 77% of the allocated budget while in the previous 2016/17 the Agency received **TZS. 788,242,500/=** and **TZS. 10,220,755,766** which was 87% and 90% of the allocated budget.

The Agency was allocated **TZS. 6,200,000,000/=** from the Government Development Budget to finance Weather Radar, Instrument and infrastructure project. Until June 2018 the Agency didn't receive any amount to finance the project hence was strained to use part of internal revenue to implement some of project initiated activities. During the FY 2016/17 the Agency was not allocated funds from the Government Development Budget.

#### 1.2 Internal generated Revenue

The Agency planned to collect **TZS. 10,000,000,000/=** from meteorological services delivered to various customers and stakeholders, until June 2018 the amount collected was **TZS. 9,606,900,633/=** which was 96% of the planned amount. For previous year (2016/17) the Agency collected **TZS. 9,019,135,252/=** which was 103% of the planned collection.

#### 1.3 Donor Funded Project

Tanzania Meteorological Agency (TMA) is working in partnership with the UK-Met Office on a capacity development project, known as CAROT (Climate Adaptation to Risks and for Opportunities in Tanzania). CAROT is funded by the UK government's Department for International Development (DFID). During financial year 2017/2018 TMA had a Donor fund balance of **TZS 437,997,315** and received **TZS 339,059,381/=** for project implementation. The aims of the project were to enable TMA to support the citizens of Tanzania to make climate-smart decisions based on relevant, reliable and accessible weather and climate information, and to enable TMA to support the private sector with relevant and effective weather and climate services.

The CAROT project has three key outputs:

- i. Stakeholder engagement – developing stakeholder engagement processes within TMA to ensure that weather and climate products and services meet the needs of information users.
- ii. Data management – implementation of a data rescue process in order to digitise valuable paper-based historic and current weather observations.
- iii. Service delivery – development of new forecast services to meet the needs of stakeholders. The Met Office is also providing communication and media training to enhance capacity in communicating weather and climate information in an accessible and understandable way.

Major activities implemented through this project were:-

- a) Capacity building to zonal manager conducted by providing them with special training to enhance service delivery and capacity of engaging meteorological services stakeholders at their working areas with emphasis of media involvement.
- b) Data rescue activities conducted whereby rainfall and temperature data were digitized and scanned for Kilimanjaro, Same, Arusha, Morogoro, Dar es Salaam, Tanga, Lindi, Mtwara and Kilwa Regions. Facilities for data rescue procured including server and scanners.
- c) Stakeholders were identified and stakeholders' database was formulated comprising of Energy, Water Resources, Agriculture and Disaster Management.
- d) TMA Communication Strategy document was prepared to facilitate TMA communication with various stakeholders. Another intervention made focusing on improving the means of weather services dissemination by using simple and understandable languages at the specific areas with emphasis of using community radio stations.

#### **1.4 Main Activities implemented in the FY 2017/18.**

Major activities which spent a large portion of the budget were stations running cost, office rent, capacity building to staff, running cost for Kigoma Training centre, vehicle procurement and maintenance, procurement of meteorological instruments, stations rehabilitation, utilities services include telephone, cleaning, security, electricity and internet services. Other activities implemented were migrating to new ISO 9001:2015 standards, running cost for Central forecasting office, re-valuation of TMA fixed asset and research activities

#### **1.5 CHALLENGES ENCOUNTERED IN THE IMPLEMENTATION OF THE BUSINESS PLAN.**

- 1.6 Some institutions which collect meteorological service charges on behalf of TMA delayed to remit percentage share of revenue to TMA.
- 1.7 Willingness of some meteorological service beneficiaries to comply with TMA cost recovery strategy that hindered collection of maritime weather services.

- 1.8 The Agency didn't receive the amount allocated in the Government Development Budget to procure weather Radar, Instrument and infrastructure that affected negatively development activities initiated and debt accumulation.
- 1.9 Shortage of staff caused by long recruitment process, no replacement for retired staff and those who have been omitted due to forgery of academic certificates which affected TMA operations.
- 1.10 Need to procure meteorological instruments with emphasis on replacing mercury based instrument.

## **2. STRATEGIES EMPLOYED TO ADDRESS THE CHALLENGES.**

- 2.1 The Agency used some internal generated funds to finance some of initiated development budget activities.
- 2.2 Some of the planned activities include procurement of weather Radar, Stations rehabilitation, Procurement of instruments and rehabilitation of Kigoma NMTC has been shifted to next financial year 2018/2019.
- 2.3 Formulation of Tanzania Meteorological Authority Act will boost TMA capacity to collect revenue from the service delivered necessary to cater for investment and operation cost.
- 2.4 The Agency has taken various initiatives for increasing revenue through cost recovery from various meteorological service beneficiaries.
- 2.5 The Agency is working in hand with Parent ministry to ensure National Meteorological policy is in place for providing directions on the use and provision of meteorological services.
- 2.6 The Agency wrote various projects to seek donor assistance to support TMA activities.

**TABLE 1: STATEMENT OF PLANNED ACTIVITY VS FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30.06.2018**  
**SUB VOTE DESCRIPTION 4001**

Strategic objective	Activity Code	Planned target	Approved estimates ('000')	Reallocated Budget ('000)	Expenditures ('000)	Variance (g)=(e)-(f)	% (h)=(f)/(e)	Achieved target (Performance indicator) %	REMARKS
(a)	(b)	(c)	(d)	(e)	(f)	(g)=(e)-(f)	(h)=(f)/(e)	(i)	(j)
A To improve services and HIV/AIDS infections	1011A 01C	Strengthens capacity to scale up and expand HIV/AIDS prevention, care, treatment and support services	19,100	19,100	16,794	2,306	88	i. Care and support to staff provided. ii. Infected staff were provided with meal allowances	Target was achieved as planned
	1011A 02C	Mainstream good governance and gender into policies and plans by June, 2018	10,300	13,000	12,952	48	99	i. Ethical committee members provided with training on ethical matters and anticorruption ii. Ethical committee activities facilitated. iii. Awareness training on ethical matters to staff were provided during Workers' Council iv. Various Gender issues attended include participation in World Women Day, training workshops on leadership	Target was achieved as planned

<p>B Quality Meteorologica l and related services</p>	<p>1011- 12B01 S</p>	<p>Accuracy of meteorological forecasts, advisories and warnings improved from an average of 70% to 80% by June, 2018</p>	<p>2,459,711.580</p>	<p>1,600,000</p>	<p>1,577,614</p>	<p>22,386</p>	<p>99</p>	<p>for women empowerment and seminar for Tanzania women engineers.</p> <p>i. Maritime weather services for Pemba port commenced.</p> <p>ii. Maritime weather services provided to Indian Ocean and major lakes.</p> <p>iii. Weather forecast for air transport was improved as per new ISO standards.</p> <p>iv. Daily, 10 days, Seasonal Weather forecast services and Warnings were issued.</p> <p>v. Shift staff were provided with food, Transport and shift allowance.</p> <p>vi. CFO and Zanzibar offices were operationalised.</p> <p>vii. TMA offices and stations were provided with furniture.</p> <p>viii. Public Weather Services provided and improved through revamping of studio and capacity building to presenters.</p> <p>ix. Early warnings on severe weather events issued.</p> <p>x. Capacity building on</p>	<p>Target was achieved as planned</p>
---	------------------------------	---	----------------------	------------------	------------------	---------------	-----------	--	---

										modern forecasting technique facilitated. xi. Data collection system from local meteorological stations and transmission to Global centres was adequate during the period. xii. Cost recovery initiatives on Aeronautical meteorological services and marine services were facilitated.	
1012B0 2S	Conducive environment for the operation of station network ensured by June, 2018	335,720	900,000	825,050.86 2	74,949	92			Stations were provided with facilities for smooth operations that include electricity, telephones, internet, stationeries, cartridges, stations vehicles maintenance, fuels for vehicles and generators etc.	Target was achieved as planned	
C Capacity to carryout operations enhanced	1011C0 1C Training Program established and implemented to 70% by June 2018	699,000	699,000	539,320. 119	159,679. 881	77			i. A total of 27 staff graduated (PhD- 1, MSc-4, PGD-2, BSc &Aeronautical Course 13, other degree -4 and Diploma -3). ii. A total of 60 staff are continuing with studies (PhD-4, MSc-23, PGD-4 BSc-21 and Diploma-8). iii. Kigoma NMTC maintained NACTE accreditation.	Target was achieved as planned	





									requested. vi. The Agency has finalized preparation of implementation strategy and Action Plan for FYDP II. vii. Stakeholders' meeting on National Meteorological Policy with its implementation Strategy has been held. viii. Capacity building to staff on budget and planning facilitated. ix. Monitoring on TMA activities and projects conducted.	Target was achieved as planned
1011C0 3S	Procurement management systems enhanced June 2018	151,870	151,870	102,981. 221	48,888. 779	68			i. Training on implementation of Procurement Act and Regulations conducted. ii. TMA was audited by PPRA on compliance with Procurement Act, Regulations and value for money where by the Agency scored 87.1%. iii. Awareness training on procurement activities provided to outstations staff.	

									iv. TMA staff attended PSPTB annual conferences. v. Tender Board meetings conducted whereby various procurement issues were discussed and approved vi. TMA conducted tender evaluation, Negotiations, Advertisement and prepared various tender documents. vii. Stock taking were conducted.	
1011C0 4S	Assets management system maintained by June 2018	23,130	30,000,	26,030	3,970	87			i. Board of Survey inspected TMA assets to determine their status and prepared a report that will be used for making decision as directed by Public Finance Act. ii. Disposal of assets will be done in the FY 2018/19. iii. Board of survey activities facilitated.	Target was achieved as planned
1011C0 5S	Auditing Management system developed and operationalized by June 2018	78,050	120,000	107,775	12,225	90			i. Annual Internal Audit Plan prepared and implemented quarterly with the aim of improving Agency performance. ii. Internal auditing conducted	Target was achieved as planned

									Headquarters, sections and outstations. iii. Capacity buildings for auditors conducted to improve their performances. iv. Four (4) Audit committee meetings conducted whereby various issues regarding TMA compliance discussed and the report submitted to Parent Ministry, CAG and Ministry of Finance. v. Quarterly and Annual audit reports were prepared and submitted.	
1011C0 6S	TMA adherence to laws, rules and regulations enhanced and complied by June, 2018	78,980	78,980	70,185.2	8794.8	89			i. takeholders meeting on reviewing National Meteorological services Act conducted. ii. raft National Meteorological Services Act and Cabinet papers were prepared and submitted to the IMTC. iii. ttended Lawyers' Annual General meeting. iv. ttended meeting called by the Ministry of Law and	Target was achieved as planned



	1013C0 2S	Financial Management system developed and operationalized by June, 2018	93,600	170,000	165,746. 905	4,253	97	<p>i. Unqualified Report for Year 2016/17.</p> <p>ii. 5 accountants attended NBAA annual conference.</p> <p>iii. Capacity building to some of TMA staff on basic training of EPICOR 9 conducted.</p> <p>iv. Capacity building to accountants on IPSAS facilitated to improve financial statements.</p> <p>v. Two (2) accountants attended CPD hours as recommended by NBAA</p> <p>vi. Presently TMA is finalizing the preparation of financial reports for the financial year 2017/2018 ready to be submitted to CAG.</p> <p>vii. The Agency collected a total of <b>TZS. 9,096,317,253.37</b> from internal generated revenue sources which is 90% of the planned amount.</p> <p>viii. Awareness training to outstations staff on keeping financial records</p>	Target was achieved as planned



D Meteorological research and dissemination services strengthened	1014D 01S	June, 2018 Accuracy of Meteorological Services improved through strengthening of research and applications by June 2018		159,779	70,000	67,806.0 2	2193. 98	97	revaluation of TMA fixed assets. i. Eight researches on climate and climate change issues conducted and the results was published in peer reviewed International Journals and others are in final stages to be submitted for publication. ii. A total of 450 copies of the Statement on status of Tanzania Climate in 2015, 2016 and 2017 were printed and distributed to different stakeholders including WMO Headquarters. iii. The Agency participated in collaborative research on food security with the Ministry of agriculture, Food Security, Livestock and Fisheries. iv. TMA continued to maintain an up to date Scientific Library and GIS Research Laboratory services. v. Motives on research preparation and publication	Target was achieved as planned
--	--------------	--	--	---------	--------	---------------	-------------	----	---	--------------------------------

									were facilitated.		
1014D 02S	Contribute towards disaster and environmental management for national and international sustainable development by June, 2018	1,500	5,000	4,655.80 0	344.2	93			vi. Decadal bulletin prepared and published. i. Rainwater laboratory analysis conducted for detection of chemical contents in the rain water. ii. TMA participated in the Environmental Day.	Target was achieved as planned	
1014D 03S	Conducive Environment for supporting of Agro-meteorological stations ensured by June, 2018	169,560	70,000	63,765.4 09	6,234. 59	91			i. To secure instruments at Agromet stations: Enclosure for Kizimbani Agromet station was rehabilitated and three (3) guard huts were constructed at Naliendele, Ukiriguru and Hombolo stations. ii. 13 Agromet stations were provided with necessary working facilities including electricity, telephone, internet, furniture's and water. iii. Four new Motorcycles procured and distributed to Ilonga, Uyole, Matangatuani and Kizimbani Agromet stations.	Target was achieved as planned	



E	Working equipment and tools improved	1015E0 1D	Modern meteorological and telecommunication equipment and instruments installed and maintained by June, 2018	14,886	370,000	307,586. 993	64,564	83	<p>iv. Existing motorcycles maintained for smooth operation of Agromet stations.</p> <p>v. Data from Agromet stations used in crop researches for Agriculture sector development</p> <p>i. Wind Speed Generator Test for calibrating Wind Generator and wind speed dials has been procured and received at TMA Workshop. Before then the equipment has to be shipped abroad for calibration.</p> <p>ii. 20 Wind Speed dials procured and received.</p> <p>iii. 5 digital thermometers procured as a pilot for replacing mercury based instruments.</p> <p>iv. Meteorological instruments procured include Gas sensor kit for hydrogen Generator, sunshine cards and cup anemometer generator</p>	Target was achieved as planned
---	--------------------------------------	--------------	--	--------	---------	-----------------	--------	----	--	--------------------------------





<p>MAPROOM, CAP, Farm SMS, MAIS, EPICOR, SBAS 5 and LAWSON.</p> <p>xiii. Maintenance of ICT equipment conducted to ensure they are operating efficiently.</p>		
<p>i. TMA successfully implemented its Quality Management System in aviation services in adherence to new requirements of ISO 9001:2015. TMA was announced to meet the requirements through external audit conducted by independent company from Canada, in December 2017.</p> <p>ii. TMA is now ISO 9001:2015 certified, one among three Meteorological Organizations in Africa.</p> <p>iii. Risk Management training conducted at TMA Headquarters and stations hence strengthens capacity to implement Risk management.</p> <p>iv. QMS documentations were prepared as required.</p> <p>v. Safety oversight auditing</p>	<p>96</p> <p>10,684</p> <p>249,315.99</p> <p>260,000</p> <p>71,000</p>	<p>Quality control standards developed and observed by June 2018</p>
<p>F Meteorological quality management framework strengthened</p>	<p>1011F0 1C01</p>	

										for meteorological activities conducted whereby TMA found to comply with ICAO safety requirements after responding correctly to all checklist issues raised. vi. Competency Assessment implemented as per WMO and ICAO requirements.	
1012/1 5F01C	Quality Management System implemented and monitored by June, 2018	76,000	100,000	96,107.6 6	3,892.34	96				i. Met forms and charts printed and distributed to stations. ii. TMA managed to distribute and make replacement of various meteorological instruments and consumables.	Good progress has been made
1014F0 1C	Adherence to all procedures of observing and quality control of data to WMO standards by June, 2018	36,901	36,901	27,414	9,487	74				i. Data rescue exercise conducted in collaboration with UK-Met Office project whereby the Agency digitized non-real time data. ii. The Agency used CLIDATA software for non-real time data processing and dissemination. iii. Inspection visits for Agromet and hydromet stations conducted.	Target was achieved
1014F0	Quality control	159,912	350,000	320,702.						i. TMA has managed to	Target

1C	standards developed and observed by June, 2018	661	<ul style="list-style-type: none"> <li>ii. Rainfall inspection conducted whereby some of stations were revived while others were shifted.</li> <li>iii. Met forms and charts were printed and distributed to all rainfall stations.</li> <li>iv. Visibility markers conducted at Pemba station.</li> <li>v. Preventive and corrective maintenance for meteorological instruments and equipment conducted.</li> <li>vi. The agency made comparison of wind systems and barometers.</li> </ul>	<p>29,297.92</p> <p>339</p>	<p>fabricate meteorological instruments at the JNIA workshop. These instruments include 37 Standard rain gauges, 7 evaporation pans and 4 wind Anemometer mast.</p>	<p>some as planned</p>
----	--	-----	--	-----------------------------	---	------------------------



and networks enhanced		conventions and cooperation fulfilled and enhanced with other Relevant institution by June 2018.		.768				climate have been effected except for AMCOMET. ii. The Agency has enhanced its capacity in operation and service delivery and service delivery through participate in 9 international meetings related to weather and climate. iii. Improved service delivery due to participation of TMA staff in about 3 International related meteorological training workshops. iv. A delegation comprising of six officials from Sierra Leone Met Services and Civil Aviation visited Tanzania with the main purpose of technical exchange and sharing of knowledge in the management and collaborations in the Meteorology and Aviation sectors.	as planned	
I Infrastructure improved	101110 1D	Preparation for construction of the Headquarters office completed by June, 2018		3,820	1,180	5,000	1,000,000	24	Dodoma City Council has notified TMA on plot allocated to build TMA Headquarters. Process is underway to acquire the	Target was not achieved due to Governme



