



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

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
FINANCIAL STATEMENTS OF THE TANZANIA METEOROLOGICAL  
AGENCY FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2014**

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March, 2015

AR/TMA/2013/2014

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Office of the Controller and Auditor General,  
The National Audit Office,

United Republic of Tanzania

*(Established under Article 143 of the Constitution of the URT).*

The statutory duties and responsibilities of the Controller and Auditor General are given under Article 143 of the Constitution of the URT of 1977 (as amended from time to time) and in Sect. 45 and 48 (1) of the Local Government Finances Act No. 9 of 1982 (as amended from time to time) together with Sect. 10 (1) of the Public Audit Act No. 11 of 2008.

#### **Vision**

To be a centre of excellence in public sector auditing.

#### **Mission**

To provide efficient audit services, in order to enhance accountability and value for money in the collection and usage of public resources.

#### **Core Values**

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

- **Objectivity:** We are an impartial organization, offering services to our clients in an objective and unbiased manner;
- **Excellence:** We are professionals providing highest quality audit services based on best practices;
- **Integrity:** We observe and maintain highest standards of ethical behavior and the rule of law;
- **People focus:** We focus on stakeholders' needs by building a culture of good customer care and having a competent and motivated work force;
- **Innovation:** We are a creative organization that constantly promotes a culture of developing and accepting new ideas from inside and outside the organization and
- **Best resource utilisation:** We are an organisation that values and uses public resources entrusted to it in an efficient, economic and effective manner.

#### **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 through the adoption of a participatory audit approach; and
  - Providing audit staff with adequate working tools and facilities that promote their independence.
- (c) This report is intended to be used by the Tanzania Meteorological Agency. However, upon adoption of the report by the Agency, this report becomes a matter of public record and its distribution may not be limited.

## Definitions of Terms and Abbreviations

### (i) Definition of Terms

Financial statements mean a complete set which comprise of the followings:

- (a) Statement of Financial Position;
- (b) Statement of Financial Performance;
- (c) Statement of changes in net assets/Equity
- (d) Cash flow Statement;
- (e) Statement of Comparison of Budget and Actual Amounts; and
- (f) Accounting Policies and Notes to the Financial Statements.

### (ii) Abbreviations

<b>EAC</b>	East African Cooperation
<b>GAW</b>	Global Atmospheric Watch
<b>GCOS</b>	Global Climate Obscuring System
<b>ICAO</b>	International Civil Aviation Organisation
<b>IFRS</b>	International Financial Reporting Standards
<b>ISSAI</b>	International Standards of Supreme Audit Institutions
<b>PAA</b>	Public Audit Act
<b>PFA</b>	Public Finance Act of 2001
<b>PFR</b>	Public Finance Regulations
<b>PPA</b>	Public Procurement Act of 2004
<b>PPR</b>	Public Procurement Regulations
<b>Reg</b>	Regulation
<b>SADC</b>	South African Development Community
<b>Sect</b>	Section
<b>TMA</b>	Tanzania Meteorological Agency
<b>URT</b>	United Republic of Tanzania
<b>WMO</b>	World Meteorological Organisation
<b>WWW</b>	World Weather Watch

## **1.0 BACKGROUND AND GENERAL INFORMATION**

### **1.1 Introduction**

I have audited the Financial Statements and related schedules of the Tanzania Meteorological Agency (TMA), for the year ended 30<sup>th</sup> June, 2014. Audit findings and recommendations arising from the examination of the accounting records, appraisal of the Agency's activities as well as evaluation of the internal control system which requires management's attention and action are set out in a management letter issued separately to the Accounting Officer.

### **1.2 Brief History of client establishment**

The Tanzania Meteorological Agency is a semi-autonomous government Agency under the Ministry of Transport which was established by the Executive Agencies Act No 30 of 1997. It was officially inaugurated as an executive Agency, on 3<sup>rd</sup> December 1999 through Establishment Order No 405 of 29<sup>th</sup> November 1999 published in Government Gazette of 26<sup>th</sup> November, 1999.

### **1.3 Functions of the Tanzania Meteorological Agency**

The functions of the Agency includes:-

- (i) To implement the Meteorology Policy in relation to weather and climate matters;
- (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 of the World Meteorological Organization;
- (iii) To organize and administer efficient networks of surface and upper air stations necessary to capture accurate records of the weather and climatic conditions of the United Republic of Tanzania;
- (iv) Observe, collect, archive and disseminate meteorological and related information for the United Republic of Tanzania;
- (v) Take part in global exchange of meteorological 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 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), etc.
- (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 Co-operation (EAC);
- (xi) Publish weather and climatologically 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.

#### 1.4 Financing

During the financial year 2013/2014, the Tanzania Meteorological Agency had a total sum of TZS.17,198,249,904 from exchequer issues from Treasury and own sources as follows:

Table 1: Total funds available during the year

Source of funds	Amount (TZS.) 2013/14	%	Amount (TZS.) 2012/13	%
Opening Balance	521,113,117	3	887,764,554	5
Recurrent grants	11,714,027,802	68	7,980,955,038	49
Development grants	695,000,000	4	3,552,300,000	22
Own Source	4,268,108,985	25	3,809,096,439	24
<b>Total Funds available</b>	<b>17,198,249,904</b>	<b>100</b>	<b>16,230,116,031</b>	<b>100</b>

Tanzania Meteorological Agency had approved budgets of TZS.7,151,445,000 and TZS.4,000,000,000 for recurrent and development accounts respectively.

#### 1.5 Management Structure

Tanzania Meteorological Agency is managed by a Director General appointed by the Minister for Transport for a term not exceeding five (5) years which is renewable. The Permanent Secretary of the Ministry of Transport is responsible for Policy and Strategic Management of TMA.

The Agency's organizational structure has been designed so as to ensure maximum efficiency and performance of TMA functions. The Director General, Directors and the Managers constitute the Senior Management Team of the Agency.

The Ministerial Advisory Board (MAB) comprises of seven (7) members appointed by the Minister for a period not exceeding three (3) years which is also renewable. The responsibility of the MAB is to advise the Minister on the development and maintenance of strategic framework, acceptability of plans and associated budgets prepared by the Chief Executive Officer, setting priorities on annual performance targets and evaluation of performance.

#### **1.6 Audit Mandate**

By virtue of the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (as amended) and Sect.10 of the Public Audit Act No. 11 of 2008, the Controller and Auditor General is the statutory auditor of all public revenues and expenditures including the revenue and expenditures of Tanzania Meteorological Agency.

#### **1.7 Audit Objectives**

The main objective of the audit is to enable the Controller and Auditor General to express an opinion on the financial statements of the Tanzania Meteorological Agency for the year ended 30<sup>th</sup> June, 2014 and establish whether they were prepared in all material respects, in accordance with the applicable financial reporting framework.

#### **1.8 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 steps:

- Planning the audit to obtain an adequate understanding of the Agency's activities and operations,
- Holding an entrance meeting with the auditee to discuss the audit objectives, timing and the expected deliverables,
- Reviewing and analysing major risk areas, carrying out an assessment of the related risks including assessment of the audit risk in order to arrive at an appropriate audit opinion,
- Evaluating the internal control system in place, including testing whether it is in compliance with laid down Rules and Regulations, Policies and Procedures,

- Ascertaining whether the controls are designed such that they adequately protect the Tanzania Meteorological Agency assets against theft or fraud, foster accountability and operational efficiency and whether management has persistently been using them,
- Reviewing and appraising the Tanzania Meteorological Agency IT control environment,
- Carrying out substantive tests of the transactions and account balances reported by the Tanzania Meteorological Agency in order to obtain reasonable assurance regarding the accuracy of those transactions and disclosures included in the financial statements,
- Reviewing Tanzania Meteorological Agency Medium Term Expenditure Framework (MTEF), establishing and obtaining reasons for all the significant variances,
- Holding interviews and discussions with key staff and other stakeholders in the implementation of various activities of the Tanzania Meteorological Agency,
- Conducting site visits to verify physical implementation of planned activities as well as assessing the progress made in an effort to establish the existence of value for money in the projects undertaken by Tanzania Meteorological Agency,
- Closely following up on the implementation of the previous year's audit findings and recommendations and instructions/directives issued by the Public Accounts Committee (PAC) and to ensure that proper actions have been taken in respect of all audit matters raised,
- Verifying whether the Tender Board/Procurement Management Unit effectively performs their prescribed duties and whether goods and services procured by the Tanzania Meteorological Agency were acquired through laid down procurement procedures and in accordance with the Public Procurement Act No. 7 of 2011 and its Regulations of 2013,
- Reviewing the Tanzania Meteorological Agency organisation structure, determining gaps(if any) in the overall governance structure,



- Determining whether the Tanzania Meteorological Agency has properly addressed key social problem areas such as HIV/AIDS, gender balance, environmental issues etc, and
- Holding an exit meeting with the auditee to discuss the results of the audit.

### **1.9 Scope of Audit**

The audit was carried out in accordance with International Standards of Supreme Audit Institutions and other audit procedures as were deemed necessary under the circumstances. This covered the evaluation of the effectiveness of the financial accounting system and internal control over various activities of the Agency.

The audit was conducted on a sample basis and therefore, audit findings and recommendations included in this report are confined to the extent that records, documents and information requested for the purpose of the audit were made available to us.

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

## 2.0 AUDIT REPORT AND FINANCIAL STATEMENTS

To: Chairperson of the Ministerial Advisory Board,  
Tanzania Meteorological Agency,  
P O. Box 3056,  
DAR ES SALAAM.

RE: REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
FINANCIAL STATEMENTS OF TANZANIA METEOROLOGICAL AGENCY FOR  
THE YEAR ENDED 30<sup>th</sup> JUNE 2014

### Introduction

I have audited the Financial Statements of Tanzania Meteorological Agency which comprises of the Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flows, Statement of Changes of Net Assets and summary of significant Accounting Policies and other Explanatory Notes attached as annexure II for the year ended 30<sup>th</sup> June, 2014.

### Management's responsibilities for the Financial Statements

The preparation of the Financial Statements is the responsibility of the management of Tanzania Meteorological Agency as per the Statement of Management responsibility on the Financial Statements enclosed in this report as Annexure I.

Sect. 25(4) of the Public Finance Act (PFA) No. 6 of 2001 (revised 2004), places responsibility on the Accounting Officer to prepare financial statements for each financial year, which give a true and fair view of the receipts and payments of the reporting entity as at the end of the financial year. It also, requires management to ensure that the reporting entity keeps proper accounting records, which will disclose with reasonable accuracy its financial position of the reporting entity and its responsibility in safeguarding the assets of the reporting entity.

The Financial Statements should be prepared using appropriate accounting polices supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards and in the manner required by Sect 25(4) of the Public Finance Act, 2001.

In addition, Regulations 28-35 of the Public Finance Regulations (PFR) 2001 requires the Accounting Officer and the organization's management to establish an effective internal control system, internal audit unit and audit

committee appropriate to the circumstances of Tanzania Meteorological Agency.

### **Responsibilities of the Controller and Auditor General**

My responsibility as an auditor is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the International Standards of Supreme Audit Institutions and such other audit procedures I considered necessary in the circumstances. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, I considered the internal control relevant to Tanzania Meteorological Agency preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Tanzania Meteorological Agency internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 and that; reasonable precautions have been taken to safeguard the collection of revenue, receipt, custody, disposal, issue and proper use of public property, and that the law, directions and instructions applicable thereto have been duly observed and expenditures of public monies have been properly authorized.

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 auditee has complied with the provisions of the Law and its Regulations.

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

### **Unqualified opinion**

In my opinion, the Financial Statements present fairly, in all material respects, the Financial Position of Tanzania Meteorological Agency as of 30<sup>th</sup> June, 2014 and its Cash Flows for the year then ended in accordance with the International Public Sectors Accounting Standards accrual basis of Accounting.

### **Report on Other Legal and Regulatory Requirements**

#### **Compliance with Procurement Legislation**

In view of my responsibility on the procurement legislation, and taking into consideration the procurement transactions I have reviewed as part of this audit. I state that the Tanzania Meteorological Agency has generally complied with the requirements of the Public Procurement Act No.7 of 2011 and it's underlying Regulations of 2013.

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

Office of the Controller and Auditor General  
National Audit Office  
Dar es Salaam.

March, 2015

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

Permanent Secretary and Paymaster General,  
Ministry of Finance,  
P.O. Box 9111,  
1 Madaraka Street  
**11468 DAR ES SALAAM.**



Permanent Secretary,  
Ministry of Transport,  
P.O. Box 9144,  
**DAR ES SALAAM.**


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

**TANZANIA METEOROLOGICAL AGENCY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2014**

	NOTES	30.06.2014 TZS	30.06.2013 TZS
<b>NON-CURRENT ASSETS</b>			
Non Current Assets (Net)	3	9,910,956,736	9,412,495,881
W.I.P	4.1	3,944,628,377	0
Intangible Assets	5	139,577,049	209,365,426
<b>Total Non Current Assets</b>		<b>13,995,162,163</b>	<b>9,621,861,307</b>
<b>CURRENT ASSETS</b>			
Stocks and Supplies	6	68,783,893	85,078,502
Debtors and Prepayments	7	1,029,613,483	3,787,652,293
Cash and Bank Balances	8	1,326,965,210	521,113,117
<b>Total Current Assets</b>		<b>2,425,362,586</b>	<b>4,393,843,912</b>
<b>TOTAL ASSETS</b>		<b>16,420,524,748</b>	<b>14,015,705,219</b>
<b>EQUITY, LIABILITIES AND GRANTS</b>			
<b>EQUITY:</b>			
Capital Reserves		3,601,913,150	3,601,913,150
Accumulated Reserves	13.1	2,918,482,883	1,372,260,447
Revaluation Reserves		4,712,614,800	4,712,614,800
<b>Total Equity</b>		<b>11,233,010,833</b>	<b>9,686,788,397</b>
<b>CURRENT LIABILITIES</b>			
Creditors and Accruals	9	3,905,839,997	647,362,793
<b>LONG - TERM LIABILITIES</b>			
<b>Total Long - term Liabilities</b>		-	-
<b>GRANTS</b>			
Deferred Government Grants	11	1,059,553,093	3,130,782,145
Deferred Donor Grants	12	222,120,826	550,771,885
<b>Total Grants</b>		<b>1,281,673,919</b>	<b>3,681,554,030</b>
<b>Total Liabilities &amp; Grants</b>		<b>5,187,513,916</b>	<b>4,328,916,823</b>
<b>TOTAL EQUITY, LIABILITIES AND GRANTS</b>		<b>16,420,524,749</b>	<b>14,015,705,219</b>

Notes 1 to 28 form part of these Accounts

  
 .....  
**MAB CHAIRMAN**

  
 .....  
**MAB MEMBER**

**TANZANIA METEOROLOGICAL AGENCY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2014**

		2013/2014	2012/2013
INCOME		TZS	TZS
Internal Generated Income	10	4,240,999,432	3,787,849,581
Amortisation of Government Grant	11	10,535,069,362	7,366,935,800
Amortisation of Donors Grant	12	1,178,958,440	614,019,238
Other Income	13	27,109,553	21,246,858
<b>TOTAL INCOME</b>		<b>15,982,136,787</b>	<b>11,790,051,477</b>
<b>EXPENSES:</b>			
Staff Costs	14	8,693,298,701	7,705,790,671
Administrative Costs	15	5,604,091,637	4,937,665,886
Maintenance Costs	16	213,851,567	412,672,600
Finance Costs	17	18,367,134	8,194,667
<b>TOTAL EXPENSES</b>		<b>14,529,609,039</b>	<b>13,064,323,823</b>
<b>SURPLUS/(DEFICIT) DURING THE YEAR</b>		<b>1,452,527,748</b>	<b>(1,274,272,346)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Exchange Gain		8,832,188	4,238,902
Gain/loss on Disposal of Non Current Asset		84,862,500	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>1,546,222,436</b>	<b>(1,270,033,444)</b>

Notes 1 to 28 form part of these Accounts

  
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**MAB CHAIRMAN**

  
 .....  
**MAB MEMBER**


# TANZANIA METEOROLOGICAL AGENCY

## STATEMENT OF CASH FLOW

AS AT JUNE 30, 2014

	30.06.2014 TZS	30.06.2013 TZS
<b>Cash Flows from Operating Activities</b>		
Surplus / ( Deficit) for the period	1,546,222,436	(1,270,033,444)
Adjust. for Depreciation & Amortisation	1,041,300,269	912,514,971
Gain on disposal of motor vehicles	-84,862,500	-
<b>Operating surplus before working Capital</b>	<u>2,502,660,205</u>	<u>(357,518,473)</u>
(Increase) / Decrease in Stocks and Supplies	16,294,609	(11,426,680)
(Increase)/ Decrease in Debtors and Prepayments	2,758,038,810	(265,991,655)
Increase / (Decrease) in Creditors and Accruals	3,258,477,204	266,543,457
<b>Cash flows generated from Operating Activities (A)</b>	<u>8,535,470,828</u>	<u>(368,393,351)</u>
<b>Cash Flows from Investing Activities</b>		
(Increase)/Decrease of W.I.P	-3,944,628,377	-
(Acquisition) of Fixed Assets	-1,385,110,247	(827,389,071)
Disposal / (Acquisition) of Intangible Assets	0	(209,365,426)
<b>Cash flows from Investing Activities (B)</b>	<u>-5,329,738,624</u>	<u>(546,204,862)</u>
<b>Cash Flows from Financing Activities</b>		
Deferred Government Grant	-2,071,229,052	165,052,690
Deferred Donor Grant	-328,651,059	382,894,089
<b>Cash Flows from Financing Activities (C)</b>	<u>-2,399,880,111</u>	<u>547,946,779</u>
<b>Increase / (Decrease) in Cash and Cash Equivalentents (A+B+C)</b>	<u>805,852,093</u>	<u>(366,651,434)</u>
Cash and Cash Equivalent at the Beginning of the Year	<u>521,113,117</u>	<u>887,764,554</u>
<b>Cash and Cash Equivalent at the end of the Year</b>	<u>1,326,965,210</u>	<u>521,113,117</u>

Notes 1 to 28 form part of these Accounts

  
 .....  
 MAB CHAIRMAN

  
 .....  
 MAB MEMBER



## TANZANIA METEOROLOGICAL AGENCY

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2014

	Capital Reserve	Accumulated Reserves	Revaluation Surplus	TOTAL
	TZS	TZS	TZS	TZS
Balance as at 30th June 2012	3,601,913,150	2,642,293,892	4,712,614,800	10,956,821,842
Surplus/(Deficit) during the year	<u>                                </u>	<u>(1,270,033,444)</u>	<u>                                </u>	<u>(1,270,033,444)</u>
Balance as at 30th June 2013	<u>3,601,913,150</u>	<u>1,372,260,447</u>	<u>4,712,614,800</u>	<u>9,686,788,397</u>
Surplus/(Deficit) during the year	<u>                                </u>	<u>1,546,222,436</u>	<u>                                </u>	<u>1,546,222,436</u>
Balance as at 30th June 2014	<u>3,601,913,150</u>	<u>2,918,482,883</u>	<u>4,712,614,800</u>	<u>11,233,010,833</u>

Notes 1 to 28 form part of these Accounts

  
 .....  
 MAB CHAIRMAN

  
 .....  
 MAB MEMBER

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**TANZANIA METEOROLOGICAL AGENCY (TMA)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2014**

**1. General Information**

Tanzania Meteorological Agency (TMA) was established as an Executive Agency under the Executive Agencies Act No. 30 of 1997 through a Ministerial Establishment Order No 405 of 29<sup>th</sup> 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, 3<sup>rd</sup> 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.

**Authorisation of Financial Statements**

The Financial statements for the year ended 30<sup>th</sup> June 2013 would be authorised for issue by the Ministerial Advisory Board Meeting.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation**

The financial statements have been prepared on a historical cost basis except for investment properties, land and buildings, financial instruments and available-for-sale investments that have been measured at fair value. 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 IFRS 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.

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## Statement of compliance

The financial statements of the Agency have been prepared in accordance with International Financial Reporting Standards (IFRS) and comply with the **Public Finance Act 2001. (R.E 2004)**

### Accounting policies

The accounting policies adopted by the Agency which are consistent with those of previous years, are shown below.

#### (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 is reduced for estimated customer returns, rebates and other similar allowances.* The following specific recognition criteria must also be met before revenue is recognised:

##### *Sale of goods*

Revenue from sale of goods is recognised when the following conditions are satisfied;

- The Agency has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Agency retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits 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.

##### *Rendering of services*

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- Installation fees are recognised by reference to the stage of completion of the installation, determined as the proportion of the total time expected to install that has elapsed at the statement of financial position date;
- Servicing fees included in the price of products sold are recognised by reference to the proportion of the total cost of providing the servicing for the product sold, taking into account historical trends in the number of services actually provided on past goods sold; and

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- Revenue from time and material contracts is recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.
  - Income from providing financial guarantee is recognised in statement of financial performance over the guarantee period on a straight line basis.

#### ***Interest income***

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

#### ***Dividend income***

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

#### ***Royalties***

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement. Royalties determined on a time basis are recognised on a straight-line basis over the period of the agreement. Royalty arrangements that are based on production, sales and other measures are recognised by reference to the underlying arrangement.

#### ***Rental income***

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

#### **(c) Government grants**

Government grants are not recognised until there is reasonable assurance that the Agency will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Agency should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the statement of financial position and transferred to statement of financial performance on a systematic and rational basis over the useful lives of the related assets. Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. 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.

#### **(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**

Property, plant and equipment are stated at cost, 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.

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:

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<u>Description</u>	<u>Rate (%)</u>
Buildings and Structures	2
Motor Vehicles	25
Meteorological Equipment	10
RADAR	7
Communications Equipment	7
Furniture and Fittings	10
Office Equipments	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.

**(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.

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#### (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 profit or loss 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 expensed 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) Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Agency in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS are recognised at their fair values at the acquisition date, except for non-current assets (or disposal group) that are classified as held for sale in accordance with *Non-Current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Agency's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Agency's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in the statement of financial performance.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

#### (k) Goodwill

Goodwill arising on the acquisition of a subsidiary or a jointly controlled entity represents the excess of the cost of acquisition over the Agency's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiary or jointly controlled entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Agency's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit prorata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

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On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Agency's policy for goodwill arising on the acquisition of an associate is described under 'Associates' below.

#### **(l) Associates**

An associate is an entity over which the Agency has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under Non-current Assets Held for Sale and Discontinued Operations. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Agency's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Agency's interest in that associate (which includes any long-term interests that, in substance, form part of the Agency's net investment in the associate) are not recognised, unless the Agency has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Agency's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Agency's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where TMA transacts with an associate of the Agency, profits and losses are eliminated to the extent of the Agency's interest in the relevant associate.

#### **(m) Interests in joint ventures**

A joint venture is a contractual arrangement whereby the Agency and other parties undertake an economic activity that is subject to joint control, which is when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where an Agency undertakes its activities under joint venture arrangements directly, the Agency's share of jointly controlled assets and any liabilities incurred jointly with other venturers are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Agency's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Agency and their amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Agency reports its interests in jointly controlled entities using proportionate consolidation, except when the investment is classified as held for sale, in which case it is accounted for under Non-current Assets Held for Sale and Discontinued Operations. The Agency's share of the assets, liabilities, income and expenses of jointly controlled entities are combined with the equivalent items in the consolidated financial statements on a line-by-line basis.

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Any goodwill arising on the acquisition of the Agency's interest in a jointly controlled entity is accounted for in accordance with the Agency's accounting policy for goodwill arising on the acquisition of a subsidiary.

Where the Agency transacts with its jointly controlled entities, unrealised profits and losses are eliminated to the extent of the Agency's interest in the joint venture.

**(n) 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 intangible assets are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The annual rate of amortisation which has been consistently applied is 33 1/3%.

The amortisation period and the amortisation method 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 asset 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. Gains or losses arising from de-recognition of an intangible asset 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.

**(o) Impairment of non-financial assets**

The Agency assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Agency makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the statement of financial performance in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of financial performance. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**(p) Investments and other financial assets**

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, or available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair



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value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

The Agency determines the classification of its financial assets on initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year end.

All regular way purchases and sales of financial assets are recognised on the trade date, which is the date that the Agency commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

#### ***Financial assets at fair value through profit or loss***

Financial assets at fair value through profit or loss includes financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss.

Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term.

#### ***Held-to-maturity investments***

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held-to-maturity when the Agency has the positive intention and ability to hold to maturity. After initial measurement held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the investments are derecognised or impaired, as well as through the amortisation process.

#### ***Loans and receivables***

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

#### ***Available-for-sale financial investments***

Available-for-sale financial assets are those non-derivative financial assets that are designated as available-for-sale or are not classified in any of the three preceding categories. After initial measurement, available-for-sale financial assets are measured at fair value with unrealised gains or losses recognised directly in equity until the investment is derecognised or determined to be impaired at which time the cumulative gain or loss previously recorded in equity is recognised in profit or loss.

#### ***Fair value***

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the statement of financial position date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis or other valuation models.

#### ***Amortised cost***

Held-to-maturity investments and loans and receivables are measured at amortised cost. This is computed using the effective interest method less any allowance for impairment. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

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## **Impairment of financial assets**

The Agency assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired.

### ***Assets carried at amortised cost***

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, 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 expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (ie the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognised in profit or loss. 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 recognised, the previously recognised impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Agency will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

### ***Available-for-sale financial investments***

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from equity to profit or loss. Reversals in respect of equity instruments classified as available-for-sale are not recognised in profit or loss. Reversals of impairment losses on debt instruments are reversed through profit or loss, if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognised in profit or loss.

## **De-recognition of financial assets and liabilities**

### ***Financial assets***

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- The rights to receive cash flows from the asset have expired;
- The Agency retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- The Agency has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Agency has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Agency's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Agency could be required to repay.

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### ***Financial liabilities***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of financial performance.

#### **(q) 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.

#### **(r) 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.

#### (s) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

*Raw materials* - purchase cost on first in first out basis.

*Stationeries and other consumables* - cost is determined on first in first out basis.

*Finished goods and work in progress* - cost of direct materials and labour and a proportion of manufacturing overheads based on normal capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

#### (t) 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 profit or loss 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.

#### (u) 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 employees 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.

#### (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.

#### (x) 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).

**TANZANIA METEOROLOGICAL AGENCY**

**NOTE 3: MOVEMENT OF FIXED ASSETS AS AT JUNE 30, 2014**

DETAILS	BUILD & STRUCTURE	LAND	TELECOM EQUIP.	OBSEV. EQUIP.	HOUSE HOLD APPL.	FURNIT. & FITT.	OFF. EQUIP.	COMPUTER	MOTOR VEH.	BOOKS & LIBR.	PLANT & EQUIP	RADAR	TOTAL
Balance b/f	4,057,321,146	1,308,800,000	59,548,679	1,661,378,262	873,000	376,206,328	398,006,181	488,525,423	775,927,085	2,701,937	248,584,804	3,388,547,075	12,766,419,920
Total Additions (2013/14)	612,569,509	-	-	196,834,676	-	12,352,004	24,154,780	70,163,188	468,812,590	223,500	-	-	1,385,110,247
Written Off									226,300,000				226,300,000
Total Cost	4,669,890,655	1,308,800,000	59,548,679	1,858,212,938	873,000	388,558,332	422,160,961	558,688,611	1,018,439,675	2,925,437	248,584,804	3,388,547,075	13,925,230,168
Acc. Deprec b/f	382,877,809	-	18,304,991	631,910,219	442,934	244,590,920	270,934,728	227,502,175	892,401,043	2,576,936	173,586,442	508,795,842	3,353,924,039
Depreciated Expenses 2013/14	82,167,372	-	4,168,408	168,476,334	87,300	38,441,700	80,569,794	100,787,152	234,035,010	722,047	24,858,480	237,198,295	971,511,892
Acc depr on disposal									311,162,500				311,162,500
Acc. Depreciation to date	465,045,181	-	22,473,399	800,386,553	530,234	283,032,620	351,504,522	328,289,327	815,273,553	3,298,983	198,444,922	745,994,137	4,014,273,431
Net Book Value as at 30/06/2014	4,204,845,474	1,308,800,000	37,075,280	1,057,826,385	342,766	105,525,712	70,656,439	230,399,284	203,166,122	373,546	50,139,882	2,642,552,938	9,910,956,737
Net Book Value as at 30/06/2013	3,674,443,337	1,308,800,000	41,243,688	1,029,468,043	430,066	131,615,408	127,071,453	261,023,248	116,473,958	125,001	74,998,362	2,879,751,233	9,412,495,881

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	2013/2014	2012/2013
<b>NOTE: 4.1 WORK IN PROGRESS (W.I.P)</b>	-	490,549,63
Balance at start	-	
Additions	3,944,628,377	490,549,63
<b>Total</b>	-	(490,549,63)
Transfer to Deferred Grant	-	490,549,63
<b>Balance at year end 30 June</b>	<b>3,944,628,377</b>	
<b>NOTE: 4.1 (a) WORK IN PROGRESS (W.I.P)</b>		
Contract of Installing SBAS & Epicor Software	81,701,149	
Contract for Purchasing Motor Vehicle	560,257,477	
Contract for Purchasing Met Instruments	316,680,556	
Contract for Purchasing Studio Equipments	82,690,500	
Contract for Purchasing & Upgrading Synergy System	1,559,927,786	
Contract for Printing TMA Journals	10,018,0000	
RADAR Mwanza	1,272,030,469	
Contract of Installing Data Link Fibre	61,322,240	
<b>Total</b>	<b>3,944,628,377</b>	
<b>NOTE 5 : INTANGIBLE ASSETS - SOFTWARE</b>		
Balance b/d	209,365,426	
Additions	-	209,365,42
Amortisation	(69,788,377)	
	<b>139,577,049</b>	<b>209,365,42</b>
<b>NOTE 6: STOCKS AND SUPPLIES</b>		
Stationery Stock	25,353,930	17,166,39
Meteorological Consumables Stock	22,171,405	33,057,09
Computer Supplies Stock	21,258,559	34,855,01
<b>TOTAL</b>	<b>68,783,894</b>	<b>85,078,50</b>

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TANZANIA METEOROLOGICAL AGENCY

NOTES ON THE ACCOUNTS

NOTE 7: DEBTORS AND PREPAYMENTS

	2013/2014	2012/2011
	TZS	TZS
Safari Imprest	6,380,000	28,217,900
Special Imprest	36,746,000	24,156,800
Salary Advance & Staff Loan	192,079,490	156,484,500
Trade Debtors and prepayments	<u>794,407,992</u>	<u>3,578,793,000</u>
<b>TOTAL</b>	<b><u>1,029,613,482</u></b>	<b><u>3,787,652,200</u></b>

**TANZANIA METEOROLOGICAL AGENCY  
NOTES ON THE ACCOUNTS**

<b>NOTE 8: CASH AND BANK BALANCES</b>	<b>2013/2014</b>	<b>2012/2013</b>
	<b>TZS</b>	<b>TZS</b>
TMA BADEA Tech. Ass. Project	725,393	928,54
TMA Development Account	217,729,129	248,157,12
TMA AAP Bank Account	4,391,697	990,00
Expenditure Bank Account	144,610,927	1,075,79
Revenue Bank Account	65,964,341	10,845,70
Forex (USD) Revenue Bank Account	848,349,025	178,609,09
Expenditure Bank Account - Pemba	7,920,845	4,920,63
Expenditure Bank Account - Arusha	2,008,521	2,022,14
Expenditure Bank Account - Kigoma	2,287,140	6,129,22
Expenditure Bank Account - Dodoma	44,316	2,703,08
Expenditure Bank Account - Mwanza	501,716	3,523,37
Expenditure Bank Account - KIA	8,781,834	14,182,84
Expenditure Bank Account - Mbeya	694,950	3,784,72
Expenditure Bank Account - Morogoro	2,605,786	6,097,23
Expenditure Bank Account - Iringa	879,295	3,521,63
Expenditure Bank Account - Shinyanga	305,360	2,364,71
Expenditure Bank Account - Mtwara	10,556	2,682,45
Expenditure Bank Account - Tabora	744,315	4,290,75
Expenditure Bank Account - Bukoba	269,294	1,055,09
Expenditure Bank Account - Sumbawanga	388,301	2,123,06
Expenditure Bank Account - Singida	4,869,368	4,006,49
Expenditure Bank Account - Musoma	7,393	1,055,71
Expenditure Bank Account - Moshi	279,259	2,920,40
Expenditure Bank Account - Mahenge	6,517,462	5,197,46
Expenditure Bank Account - Tanga	588,551	5,329,20
Expenditure Bank Account - Songea	1,030,315	1,140,03
Expenditure Bank Account - Zanzibar	4,460,121	1,456,54
<b>TOTAL</b>	<b>1,326,965,210</b>	<b>521,113,1</b>



**TANZANIA METEOROLOGICAL AGENCY  
NOTES ON THE ACCOUNTS**

	2013/2014	2012/2013
	TZS	TZS
<b>NOTE 9: CREDITORS AND ACCRUALS</b>		
Trade creditors & Accrued Expenses	107,851,680	103,151,612
Other Creditors	3,734,798,077	510,013,424
Other Liabilities	<u>63,190,240</u>	<u>34,197,757</u>
<b>TOTAL</b>	<b><u>3,905,839,997</u></b>	<b><u>647,362,793</u></b>

**NOTE 10: OWN GENERATED INCOME**

Landing and Parking Charges	1,265,876,171	1,161,104,8
Air Navigation charges	2,861,546,132	2,540,122,6
Charges of MET Services, Data & products	76,367,699	75,782,00
Fees from Training Activities & Programs	882,000	900,00
Charges from Consultancy & Educat. Tours	5,903,500	2,773,10
Fees from MET Services to the Media	<u>30,423,930</u>	<u>7,167,00</u>
<b>TOTAL</b>	<b><u>4,240,999,432</u></b>	<b><u>3,787,849,</u></b>

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

	2013/2014	2012/2013
<b>NOTE 11: DEFERRED GOVERNMENT GRANT</b>	<b>TZS</b>	<b>TZS</b>
Balance b/d on 01/07/2013	3,130,782,145	2,965,729,455
Receipts during the year (note 11.a)	8,463,840,310	10,319,513,900
Amortisation for RADAR Mwanza & Building	(1,219,620,270)	(2,787,525,410)
Amortised amount	<u>(9,315,449,092)</u>	<u>(7,366,935,800)</u>
Balance c/f 30 June 2014	<u><u>1,059,553,093</u></u>	<u><u>3,130,782,145</u></u>
<b>NOTE :11.a GOVERNMENT GRANT RECEIVED</b>		
Government Subventions - Other Charges	1,353,836,000	921,158,400
Government Subventions - Personal Emoluments	6,415,004,310	5,846,055,500
Capital Grants	<u>695,000,000</u>	<u>3,552,300,000</u>
	<u><u>8,463,840,310</u></u>	<u><u>10,319,513,900</u></u>
<b>NOTE 12: DEFERRED DONOR GRANT</b>		
Balance b/d on 01/07/2013	550,771,885	167,877,796
Receipts during the year (note 12.a)	850,307,381	866,913,327
DFP	-	130,000,000
Amortised amount	<u>(1,178,958,440)</u>	<u>(614,019,238)</u>
Balance c/f 30 June 2014	<u><u>222,120,826</u></u>	<u><u>550,771,885</u></u>
<b>NOTE12.a : DONOR GRANT RECEIVED</b>		
CCIAM Program	349,297,180	332,348,014
CLIVET Project	-	60,955,858
WMO	313,010,201	63,825,216
Lake Victoria Weather Alert Project	-	132,469,240
National Microfinance Bank	10,000,000	-
UNDP	178,000,000	-
AAP Project	<u>-</u>	<u>277,315,000</u>
<b>Total Donor Grant Received</b>	<u><u>850,307,381</u></u>	<u><u>866,913,327</u></u>

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	2013/2014	2012/2013
	TZS	TZS
<b>NOTE 13.0: OTHER INCOME</b>		
Sale of Tender Documents	2,050,000	1,200,000
House Rent	8,210,371	3,595,000
Miscellaneous Receipts	16,849,182	13,165,084
Recovery of Overpayment	-	3,286,774
<b>TOTAL OTHER INCOME</b>	<b><u>27,109,553</u></b>	<b><u>21,246,858</u></b>
 <b>NOTE 13.1: ACCUMULATED RESERVE</b>		
Balance on July 1,	1,372,260,447	2,642,293,891
Add: Surplus/(Loss) During the Year	1,452,527,748	(1,274,272,346)
Exchange Gain	8,832,188	4,238,902
Gain/ Loss on disposal of Non Current Assets	<u>84,862,500</u>	<u>-</u>
<b>Balance on 30, June</b>	<b><u>2,918,482,883</u></b>	<b><u>1,372,260,447</u></b>

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	2013/2014	2012/2013
	TZS	TZS
<b>NOTE 14: Staff Costs</b>		
Staff Salaries	6,411,181,800	5,886,833,078
Wages to Casual Labour	171,714,824	180,805,681
Leave Allowance	281,712,367	178,120,320
Transfer Allowance	127,963,898	49,680,800
Staff Uniforms	10,474,000	200,000
Medical Expenses	129,305,503	22,213,639
House and furniture Allowances	30,800,000	21,400,000
Meal Allowance	193,492,500	275,164,516
Acting Allowance	65,101,114	45,622,830
Extra Duty Allowance, Telephone & Electricity Allowances	308,137,200	250,930,300
Outfit Allowance & Overtime	5,700,000	6,042,771
Sitting Allowance	130,804,350	161,475,700
Shift Allowance	692,908,645	524,466,037
Risk Allowance	<u>134,002,500</u>	<u>102,835,000</u>
<b>TOTAL</b>	<b><u>8,693,298,701</u></b>	<b><u>7,705,590,671</u></b>

**TANZANIA METEOROLOGICAL AGENCY  
NOTES ON THE ACCOUNTS**

	2013/2014 TZS	2012/2013 TZS
<b>NOTE 15: Administrative Expenses</b>		
Contributions	59,077,706	30,639,347
Telephone, Emails, Fax Expenses & communication network	169,404,799	144,483,320
Postage	8,528,180	6,984,579
Printing and publication	49,135,050	46,067,960
Advertising and Publicity	210,682,289	101,541,695
Computer Supplies	101,722,408	60,198,009
Newspapers and Periodicals	2,280,400	5,349,000
Stationery	64,885,529	48,882,505
Sundry Expenses	103,916,044	89,537,937
Conference Facilities	337,810,350	110,390,556
Travelling-Local	242,948,144	220,029,665
Staff Transport	215,228,457	118,612,489
Office Rent	465,217,314	458,529,269
Travelling Overseas	335,521,102	381,481,232
Water	10,192,639	8,871,089
Electricity Expenses	204,227,373	181,591,682
Depreciation & Amortisation of software	1,041,300,269	912,514,971
Audit Expenses and Audit committee	27,880,000	12,800,400
Office Cleaning,	116,394,916	80,806,221
Consultancy Fees	81,412,738	38,789,101
Security Services	174,100,000	101,215,266
Honorariums	230,472,000	199,828,000
Burial Expenses	28,557,650	18,230,250
Workers Council	111,969,400	95,780,000
MAB Meetings	86,353,200	47,430,300
Staff Welfare	110,679,440	49,385,107
WMO	27,009,000	22,730,253
Budget Preparation	23,182,000	15,532,000
M/V Running Costs - Fuel & Lubricants	168,104,409	188,734,754
M/V Running Costs - Licenses & Parking & Insurance	5,132,000	2,214,000
Training Local, Staff Training Local and Hiring Charges	286,817,088	332,399,885
Training Overseas and Staff Training Overseas	277,794,481	576,625,916
Internet	91,260,329	85,583,482
Agency Hospitality, Food and Refreshments	28,644,790	29,362,520
Meteorological Supplies Account & Tools and Implements	29,799,185	77,174,625
Research Expenses	76,450,958	37,338,500
<b>TOTAL</b>	<b>5,604,091,637</b>	<b>4,937,665,886</b>

**TANZANIA METEOROLOGICAL AGENCY  
NOTES ON THE ACCOUNTS**

	2013/2014	2012/2013
	TZS	TZS
<b>NOTE 16: Maintenance Costs</b>		
Maintenance Costs - Buildings & Minor Civil Works	25,192,394	142,776,058
Maintenance Costs - Furniture & Fittings	662,600	732,400
Maintenance Costs - Computers	19,489,060	1,917,000
Maintenance Costs - Motor Vehicles	111,764,812	96,152,823
Maintenance Costs - Office & Telecommunication Equipment	11,668,285	6,973,903
Maintenance Costs - Meteorology Equipment	<u>45,074,416</u>	<u>164,120,415</u>
<b>TOTAL</b>	<b><u>213,851,567</u></b>	<b><u>412,672,600</u></b>
 <b>NOTE 17: FINANCE COSTS</b>		
Bank Charges	<u>18,367,134</u>	<u>8,194,667</u>
<b>TOTAL</b>	<b><u>18,367,134</u></b>	<b><u>8,194,667</u></b>
 <b>NOTE 18: Related Party Transactions:</b>		
The following transactions between TMA and related parties (controlled entities, associates, joint ventures were entered into:		
Funds received through MOT towards OC , PE and Development during the year	<u>8,463,840,310</u>	<u>10,319,513,900</u>

All transactions were at an arm's length.

**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

<b>Key management compensation: Salaries &amp; other short-term benefits</b>	<b>2013/2014</b>	<b>2012/2013</b>
	<b>TZS</b>	<b>TZS</b>
Advisory Board	30,710,000	14,000,000
Audit Committee	12,200,000	7,200,000
Management Team	1,287,508,000	1,272,948,000

**NOTE:19 LEASES - LESSEE**

Amount Paid during the year	465,217,315	458,529,269
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**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	465,217,315	458,529,269
Later than one year and not later than five years	-	-
Later than five years	-	-
<b>Total non- cancellable operating leases</b>	<b>465,217,315</b>	<b>458,529,269</b>

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

	2013/2014 TZS	2012/2013 TZS
<b>Note 19.a Operating leases as lessor</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>Non-cancellable operating leases as lessor</b>		
Not later than one year	8,210,371	3,595,000
Later than one year and not later than five years	-	-
Later than five years	-	-
<b>Total non-cancellable operating leases</b>	<u><u>8,210,371</u></u>	<u><u>3,595,000</u></u>
 <b>NOTE 20 : EVENTS AFTER BALANCE SHEET DATE</b>		
There was no significant event after the balance sheet date.		
 <b>NOTE 21 : CAPITAL COMMITMENTS</b>		
Capital expenditure contracted for at balance sheet date but not yet incurred for:		
- property, plant and equipment	-	458,815,500
Capital commitment represents contract entered into for the supply of Met instruments, studio equipments, motor vehicles, provision of data link communication service, consultancy to upgrade SBAS software and upgrade of synergy and wedis system	2,962,820,759	61,712,526
	<u><u>2,962,820,759</u></u>	<u><u>520,528,026</u></u>
 <b>NOTE 22 : EMPLOYEES BENEFITS</b>		
Salaries	6,411,181,800	5,886,833,078
Staff Allowances	1,010,651,645	722,466,037
Annual leave	281,712,367	178,120,320
<b>Total employees benefits</b>	<u><u>7,703,545,812</u></u>	<u><u>6,787,419,435</u></u>



**TANZANIA METEOROLOGICAL AGENCY**

**NOTES ON THE ACCOUNTS**

	2013/2014 TZS	2012/2013 TZS
<b>NOTE 23: PROVISIONS</b>		
Current provisions are represented by:		
Financial guarantees	<u>2,314,952,074</u>	<u>1,249,163,523</u>
<b>Total current provisions</b>	<b><u>2,314,952,074</u></b>	<b><u>1,249,163,523</u></b>

**NOTE 24 : 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 26: NUMBER OF EMPLOYEES**

The number of employees in 2013/2014 were 606 while in 2012/2013 were 634

**NOTE 27 : 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	2013/2014	2012/2013
	TZS	TZS
<b>Trade Receivables:</b>		
Up to 1 Month	-	3,561,563,002
1 to 3 months	777,177,992	-
3 to 12 months	-	-
Over 1 year	17,230,000	17,230,000
<b>Staff Receivables:</b>		
Up to 1 Month	-	-
1 to 3 months	43,126,000	52,374,761
3 to 12 months	35,594,960	156,484,530
Over 1 Year	156,484,530	-

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

The liquidity of the various financial instruments possessed by the Agency is as follows:

	1 to 3 months TZS	3 to 12 months TZS	Over 1 years TZS
<b>2013/2014</b>			
Trade Debtors and other receivables	777,177,992	-	17,230,000
Staff Receivables	43,126,000	35,594,960	156,484,530
Cash and cash equivalent	1,326,965,210	-	-
Trade Creditors and other payables	3,547,209,138	82,694,458	275,936,400
<b>Balance</b>	<b>5,694,478,340</b>	<b>118,289,418</b>	<b>449,650,930</b>
<b>2012/2013</b>	<b>TZS</b>	<b>TZS</b>	<b>TZS</b>
Trade Debtors and other receivables	3,561,563,002	-	17,230,000
Staff Receivables	52,374,761	156,484,530	-
Cash and cash equivalent	521,113,117	-	-
Trade Creditors and other payables	355,979,443	29,975,700	261,407,650
<b>Balance</b>	<b>4,491,030,323</b>	<b>186,460,230</b>	<b>278,637,650</b>

**NOTE 28 : COMPARATIVE**

Previous year's figures have been re-grouped wherever considered necessary in order to make them comparable with the current year's figures.

STATEMENT OF PLANNED ACTIVITY VS FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30.06.2014

SUB VOTE DESCRIPTION 4001

SUBVOTE STRATEGIC OBJECTIVE (a)	ACTIVITY CODE	PLANNED TARGET (b)	APPROVED ESTIMATES (In Millions) (c)	EXPENDITURES (In Millions) (d)	VARIANCE (e) = c-d	ACHIEVED TARGET (PERFORMANCE INDICATOR) % (e)	REMARKS (f)
A To improve services and HIV/AIDS infections	1011A01C	Awareness Level of staff HIV/AIDS increased from 80% to 95% by June, 2014.	5.60	4.30	1.30	77	Respective employees were provided with meal allowances.
	1011A02C	Mainstream good governance and gender policies and plans enhanced by June, 2014	1.90	1.08	0.82	57	Ethical and Gender Committees meetings conducted. Awareness seminar to staff on ethical matters provided Most of activities done within working hours. Some of gender programs implemented by using donor fund.

B	Quality Meteorological and related services	1011-12B01S	Accuracy of meteorological forecasts, advisories and warnings improved from an average of 70% to 80% by June, 2014	465.03	390.43	74.60	84	<p>i. Forecasting activities facilitated including Daily and Seasonal forecasts issued.</p> <p>ii. Forecasting systems improved include WRF and Cosmo models data assimilation.</p> <p>iii. Marine weather services provided at Zanzibar and Dar Port offices.</p> <p>iv. Training to staff on WEDIS, Aviation information system, computer cluster and Table Driven Code.</p> <p>v. Table Driven Code Format installed and configured for 15 stations.</p> <p>vi. Furniture and refrigerator acquired for outstations.</p> <p>vii. Weather and climate issues publicized in various TVs and Radio stations.</p> <p>viii. Warnings on severe weather events including heavy</p>
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1012B03S	Conducive environment for the operation of station network ensured by June, 2014	607.62	417.01	190.61	69	29 meteorological stations were operationalized throughout the year	Suppliers were not paid in time due to Budget constraints.
C Capacity building, efficient and effective resource management	1011C01C Training Program established and implemented to 70% by June 2014	700.00	578.90	121.10	83	<ul style="list-style-type: none"> <li>i. TMA training program improved and implemented.</li> <li>ii. NACTE accreditation for Kigoma NMTC obtained.</li> <li>iii. NMTC Curriculum reviewed.</li> <li>iv. A total of 39 staff graduated whereby 1 for post graduate, 1 PhD, 3 Msc, 14 Bsc., 19 Post-graduate and 1 Diploma.</li> <li>v. 66 staff continued with studies at various academic institutions.</li> </ul>	

1013C02S	Human resource operational policies and guidelines in place by June, 2014	1,891.00	1,871.53	19.47	99	<ul style="list-style-type: none"> <li>i. TMA structure and incentive package reviewed.</li> <li>ii. Stationeries and other office supplies were procured.</li> <li>iii. Employees attended various in-service courses.</li> <li>iv. Salaries for staff with no check numbers and casual laborer.</li> <li>v. Allowances provided to TMA staff.</li> </ul>
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1013C02S	Public expenditure reviewed and Medium Term Expenditure Framework prepared by June, 2014	288.74	157.42	131.32	55	<ul style="list-style-type: none"> <li>i. Budget, Annual Action Plan and MTEF documents for FY 2014/15 in place.</li> <li>ii. 4 MAB Meetings conducted.</li> <li>iii. Draft of National meteorological policy prepared and submitted to Cabinet Secretariat.</li> <li>iv. TMA performance reports prepared.</li> <li>v. Mid-year Budget Review conducted.</li> <li>vi. Attended statutory framework including Parliamentary Budget session, JTSR, TSIP II, PIC.</li> </ul>	Some of activities conducted in-house to meet the budget deficiency. TMA Strategic Plan is in reviewing process
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<p>Procurement management system which is compliant with relevant Acts and Regulations in place by June, 2014</p>	<p>112.31</p>	<p>56.81</p>	<p>55.49</p>	<p>51</p>	<p>i. Annual Procurement Plan prepared and implemented  ii. Training to PMU staff conducted  iii. Stock taking and verification conducted.  iv. PSTB annual conference attended.  v. 6 Tender Board meetings were held and 10 evaluations of tenders conducted.  vi. TMA engaged 51 contracts and advertised 5 tenders.  vii. Inventory register prepared</p>	<p>Training to Tender Board, Management, PMU, Accounts, Internal Audit and user departments was not done due to insufficient fund and will be done in the next financial year (2014/15).</p>
<p>Assets management system maintained by June 2014</p>	<p>1.65</p>	<p>0.94</p>	<p>0.71</p>	<p>57</p>	<p>TMA assets disposal preparation</p>	<p>Internal resources including TMA vehicles used to transfer equipment.</p>

					104.00	64.01	40.00	62	<ul style="list-style-type: none"> <li>i. Capacity building provided to accountants.</li> <li>ii. Capacity building provided to heads of stations on keeping financial records.</li> <li>iii. TMA final accounts Prepared and submitted</li> <li>iv. Clean Audit report for 2012/13 was acquired</li> <li>v. Revenue increased by 11% from 2012/13 to 2013/14</li> </ul>	Contract for EPICOR upgrading was extended to FY 2014/15
1015C03S	Environment for efficient and effective delivery of supportive services ensured during the FY 2013/14			1,861.80	1,521.61	340.19	82	<ul style="list-style-type: none"> <li>i. Office rent, cleaning and security services, telephone bills, electricity and postal charges</li> <li>ii. Running and maintenance of motor vehicles</li> <li>iii. Workers' Council, Management meetings, Women Day, SHIMIWI and May Day facilitated.</li> </ul>		

1013C04S	Physical resource management system for non technical fixed assets improved by June, 2014	7.50	-	7.50	-	i. TMA fixed assets register updated.	License fees for Fixed asset register will be paid within FY 2014/15. Fixed Asset Register was updated within working hours
1011C05S	Auditing Management system developed and operationalized	48.56	44.12	4.44	91	i. Capacity building for Internal Audit staff. ii. TMA Audit Committee activities facilitated. iii. Clean certificate audited report for FY 2012/13. iv. Internal and external auditing facilitated.	
1011C06S	TMA adherence to laws, rules and regulations enhanced and complied by June, 2014	8.78	7.56	1.22	86	i. Legal awareness seminar conducted. ii. Training on arbitration. iii. Purchasing law reports and Acts	

<p>D Research and Applied Meteorology</p>	<p>1014D01S</p>	<p>Accuracy of Meteorological Services improved through strengthening of research and applications by June 2014</p>	<p>90.70</p>	<p>50.34</p>	<p>40.36</p>	<p>56</p>	<p>i. Climatological services provided throughout the period. ii. TMA research journal reviewed. iii. Research activities facilitated iv. Newspapers purchased. v. Name-name and World Environment Day expenses. vi. Library services facilitated</p>	<p>Research Journal submitted to printer for printing, payments will be made after submission of invoices.</p>
	<p>1014D03S</p>	<p>Conducive Environment for supporting of Agro-meteorological stations ensured by June, 2014</p>	<p>48.12</p>	<p>34.43</p>	<p>13.69</p>	<p>72</p>	<p>i. Two motorcycles acquired for Ukiliguru and Lyamungo stations. ii. Simtank was installed at Mlingano Agromet station. iii. Renovation at Uyole station. iv. Capacity building for Agromet staff. v. 12 Agromet stations were operationalized throughout the</p>	<p>Remaining motorcycles, tender will be re-advertised due to supplier failure to comply with tender price.</p>

E	1015E01S	Modern meteorological and telecommunication equipment instruments installed and maintained by June, 2014	4.68	3.40	1.28	73	year.	Suppliers were not paid on time due to Budget constraints
	1015E02C	Management information system installed by June 2014	136.70	89.71	46.99	66	<ul style="list-style-type: none"> <li>i. Computers repaired and maintained.</li> <li>ii. Software licensing renewed.</li> <li>iii. Stations equipped with meteorological and telecommunication equipment.</li> </ul>	Some activities were not done due to financial constraints
							<ul style="list-style-type: none"> <li>i. Various application softwares and data bases in place.</li> <li>iv. Computer accessories and consumables supplied throughout the year.</li> <li>ii. Aviation software certification and application in place.</li> <li>iii. Feasibility for Local Area Networking at Kiama NMTC</li> </ul>	

F Meteorological quality management framework strengthened	1014F01C	Adherence to all procedures of observing and quality control of data to WMO standards developed	10.63	9.57	1.06	90	<p>conducted.</p> <p>iv. TMA Headquarters connected with national fiber optic</p> <p>v. Internet services and webhosting for 2013/14 facilitated</p> <p>vi. Five ICT staff attended various capacity building courses on ICT.</p>	
						<p>i. Protective gears (dust coats, masks, and gloves) procured for TMA staff.</p> <p>ii. The Agency continued with data rescue programme and digitization of Agro-data.</p> <p>iii. Extraction and analysis of rainfall intensities.</p> <p>iv. Inspection visit for hydromet stations conducted</p>		

F01C	QMS implementation	8.30	6.95	1.35	84	<ul style="list-style-type: none"> <li>i. ISO certification in aeronautical meteorological services in place</li> <li>ii. Internal Auditing for QMS conducted.</li> <li>iii. AMP competence training at JNIA, ZNZ and KIA.</li> <li>iv. ICAO oversight documentation in place.</li> <li>v. QMS Management review conducted</li> <li>vi. Supply of met forms No. 646, 444 and 481.</li> <li>vii. Acquisition of printer for QMS implementation.</li> </ul>	Some of activities shifted to next financial year (2014/15)
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1015F01C0 1	Quality standards developed and observed by June 2014	174.94	112.47	62.47	64	<p>i. Printing and supplying met forms, charts and rainfall cards.</p> <p>i. Preventive maintenance for KIA, Mbeya and Zanzibar conducted.</p> <p>ii. Corrective maintenance done at Mtwara, Musoma, Shinyanga, Kigoma, Bukoba, Mwanza, Mtwara, Same, Songea, KIA and Mbeya.</p>	Some of corrective maintenance were not done due to budget constraints.
G Awareness on weather and climate issues enhanced by June 2010ed	G01S Awareness creation programme prepared and implemented by June 2014	150.29	138.31	11.98	92	<p>i. Supply of 3000 Calendars and 150 diaries.</p> <p>ii. Publication of weather update, climate outlook.</p> <p>iii. English version of TMA documentary in place.</p> <p>iv. Annual conference for Public relations Attended.</p> <p>v. TMA participated in 50 years Zanzibar Revolutionary</p>	



							<p>Anniversary, Public Service week and World Meteorological Day.</p> <p>vi. TMA conducted Media workshop.</p> <p>vii. Start preparation of TMA annual report.</p>	
<p>H International cooperation and networks enhanced</p>	<p>1011HO1C</p>	<p>Tanzania's obligation to regional, international conventions and cooperation fulfilled and enhanced with other Relevant institution by June 2014.</p>	<p>400.46</p>	<p>396.29</p>	<p>4.17</p>	<p>99</p>	<p>i. Membership contributions to SADC-MASA and WMO were settled.</p> <p>ii. TMA Staff attended capacity building through international workshops and seminars.</p> <p>iii. Representing Tanzania in International protocols and meetings on weather and climate affairs.</p> <p>iv. DSA and Outfit top up to support staff attending short course trainings abroad provided.</p>	

I	Infrastructure improved	1011101D	Phase I of the construction of the National Meteorological Headquarters completed by June, 2014	1.00	0.60	0.40	60	i. Cleaning and slashing of TMA Headquarters plot.
		1011102D	Physical resource management system for non-technical fixed assets improved by June, 2014	0.30	0.18	0.12	60	i. Minor works for renovation work at Zanzibar
		1015101D	Expansion of meteorological network through establishment, rehabilitation and maintenance of stations	20.85	15.82	5.02	76	i. 3 Automatic weather stations maintained at Njombe, Tabora and Kibondo. ii. Training on AWS facilitated. iii. Electrical installation at Tabora. iv. Hydrogen generator commissioning and training
	<b>TOTAL</b>			<b>7,151.44</b>	<b>5,973.80</b>	<b>1,177.67</b>	<b>84</b>	