



TANZANIA EDUCATION AUTHORITY (TEA)

ANNUAL REPORT 2019/2020



TANZANIA EDUCATION AUTHORITY (TEA)



**ANNUAL REPORT
FOR FINANCIAL YEAR 2019/20**

NOVEMBER, 2020

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ABBREVIATIONS

ACPA	Associate Certified Public Accountant
COVID	Coronavirus Disease
CSR	Corporate Social Responsibility
DC	District Council
EPforR	Education Programme for Results
ESPJ	Education and Skills for Productive Jobs
EWRMF	Entity Wide Risk Management Framework
FAEDP	Fund Assisted Education Development Projects
FY	Financial Year
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IAS	International Accounting Standards
ICT	Information Communication Technology
IESBA	International Ethics Standards Board for Accountants
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards of Auditing
ISSAI	International Standards of Supreme Audit Institutions
KIST	Karume Institute of Science and Technology
MC	Municipal Council
MDAs	Ministries, Departments and Agencies
MoEST	Ministry of Education, Science and Technology
MTEF	Medium Term Expenditure Framework
MUST	Mbeya University of Science and Technology
NBAA	National Board of Accountants and Auditors
PAA	Public Audit Act, No. 11 of 2008
PAC	Public Accounts Committee
PAR	Public Audit Regulations, 2009
PE	Personnel Emoluments
PFA	Public Finance Act, No.6 of 2001 (Revised 2004)
PFR	Public Finance Regulations, 2001
PO-LARG	President's Office Regional Administration and Local Government
PPA	Public Procurement Act, 2011
PPR	Public Procurement Regulations, 2013
SDF	Skills Development Fund
TC	Town Council
TCU	Tanzania Commission for Universities
TEA	Tanzania Education Authority
TZS	Tanzania Shillings
URT	United Republic of Tanzania



1. GENERAL INFORMATION

A. ABOUT TANZANIA EDUCATION AUTHORITY (TEA)

Tanzania Education Authority (TEA) was established under section 5 (1) of the Education Fund Act No.8 of 2001 to manage the Education Fund. The Education Fund was established under the same Act with the intention of supplementing the Government's efforts in financing education. According to section 4 (3) of the Act, the Education Fund shall be used for the purposes of improving quality, access and equity of education at all education levels in the mainland Tanzania and higher education in Tanzania Zanzibar.

B. Our Vision

TEA aspires to be a reliable Education Fund responsive to national educational needs through diversified interventions for Tanzania's sustainable education development.

C. Our Mission

To secure financial and material resources for the Education Fund and effectively deploy those resources to support educational and skills development programs for improved quality, access, and equity to education and skills development.

D. Functions

Section 6 of Education Fund Act of 2001 as amended thereof, provides the principal functions of the Tanzania Education Authority include:

- a) To provide funds to supplement the provision of education at all levels;
- b) To advise the Government on new sources of revenue for the purpose of ensuring an adequate and stable flow of money into the Fund;
- c) To raise the quality of Education and increase access and equity;
- d) To promote education and training according to needs within the framework of overall national socio-economic development plans and policies;
- e) To apply the money deposited into the Fund for the purpose of improvement and promotion of education
- f) To develop and make a periodic review of the formula for allocation and disbursement of the financial resources of the Authority to different educational levels except that, at least fifty per cent of the financial resources shall be provided to finance basic and secondary education.
- g) To develop and make a periodic review of the resources allocated for facilitation of education to students with disabilities
- h) To monitor the use of the funds disbursed and ensure adherence to objectives of the Fund other than the funds allocated to other institutions specified under this section.
- i) To apply the monies deposited into the Fund for the purpose of giving effect to the mandate of the Authority, the Higher Education Students' Loans Board, the Tanzania Commission for Universities and the National Council for Technical Education pursuant to the formula specified in the Third Schedule, except that, the funds so applied shall relate to the sources specified under section 13(a) to (c). Provided that the Authority shall consult with the Institutions referred to in this section in the application of the money deposited into the Fund.
- j) To receive gifts, donations, grants or other money on behalf of the Fund.
- k) To sponsor and provide facilities for higher learning and to establish a relationship or association with institutions both nationally and internationally



E. Our Core Values

TEA is committed to exercising team spirit, transparency, objectivity and equitable treatment in offering prompt and quality services to its stakeholders with due integrity, courtesy and professionalism.

AUDITORS

Controller and Auditor General

National Audit Office of Tanzania
4 Ukaguzi Road /Tambukareli
P.O. Box 9080
41104 DODOMA
Tell: +255(026) 2161200
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SUB-CONTRACTED JOINT AUDITORS

PanAfrican Auditors

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PHYSICAL ADDRESS

Tanzania Education Authority

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BANKERS

Bank of Tanzania

2 Mirambo Street 1184,
P.O. Box 2939.
Dar es Salaam, Tanzania.

CRDB Bank Limited, Azikiwe branch,

Azikiwe Street,
P. O. Box 72344.
Dar es Salaam, Tanzania.
Tel: +255 22 22 214556/2124558
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2. LETTER OF TRANSMITTAL

Hon. Prof Joyce Ndalichako (MP),

Minister for Education, Science and Technology,
Government City - Mtumba,
P.O. Box 10,
DODOMA.

Pursuant to section 16(3) of the Education Fund Act No. 8 of 2001, I am honored to submit the Tanzania Education Authority's Annual Report and Audited Financial Statement for the financial year 2019/2020. The report presents the Authority's operational activities and projects implementation for that period under review. In the report, you will find a Statement of the Chairperson of the Board; Statement of the Director General; an Annual Performance Review; the independent review of the Controller and Auditor General, and Audited Financial Statements.

It is my expectation that you will find in the report, accurate, practical and useful information to the Government and to our valued stakeholders on the performance of Tanzania Education Authority for the whole span of the year under review.

We look forward to your continued support and guidance in the future as we implement the education sector policies aimed at enhancing equity, quality and access to education in Tanzania.



.....
Prof. Maurice C.Y Mbago
BOARD CHAIRPERSON



3. MESSAGE FROM BOARD CHAIRPERSON



I am pleased to present our Annual Report for the Financial Year 2019/2020 prepared in accordance to Section 16(3) of the Education Fund Act No. 3 of 2001. This report summarizes the work of Tanzania Education Authority (TEA) in the financial year under review, i.e. from 1st July 2019 to 30th June 2020.

During the financial year under review, TEA has continued to play its part in complementing the Government's efforts to improve the country's education infrastructure with great success. This has been achieved in collaboration with various stakeholders including Government Ministries, Public and Private Corporations, development Partners and communities across the country.

Also, TEA has continued to implement the Skills Development Fund (SDF) projects in various parts of the country with the aim of enabling Tanzanian youth to increase skills that enable them to become self-employed or employed. All activities are geared towards ensuring the improvement of quality, equity and access to education and skills development in Tanzania.

I am also pleased to note the weight of support and guidance provided by the Ministry Education, Science and Technology in our operations. We also acknowledge and appreciate the cooperation received from Treasury Registrar, Ministry of Finance and Planning, President's office Regional Administration and Local Government, as well as Educational Regulatory Authorities.

We are proud to be in good cooperation with a range of education stakeholders in the country. We are also humbled by the trust bestowed by the Government on us, with regard to improvement of quality, equity and access to education.

A handwritten signature in black ink, appearing to read 'M. Mbago', written over a dotted line.

Prof. Maurice C.Y Mbago
BOARD CHAIRPERSON

4. STATEMENT OF THE DIRECTOR GENERAL



On behalf of the Management of Tanzania Education Authority (TEA), I have great honour to present the Authority's Annual Report for the financial year 2019/2020.

This report presents achievements made during the year under review. A total of 189 education project were supported, supervised and implemented countrywide for enhancing equitable access to quality education and skills development to Tanzanian youth.

Out of 189 projects supported by TEA, 96 projects were funded through the Education Fund, these projects were worth TZS 9,178,000,000 while 93 projects were funded under the Skills Development Fund (SDF), with a total value of TZS. 5,386,184,197.33.

TEA began implementing the SDF project after the Ministry of Education, Science and Technology delegated the responsibility to TEA in 2017/2018. The project aims to increase skills for Tanzanian youth in priority sectors of; Agriculture and Agribusiness; Tourism and Hospitality; Energy; Construction; Transportation and Logistics; and Information Communication & Technology (ICT).

In terms of resources, the Authority received Government budgetary allocation of TZS 13,000,000,000 for the Education Fund, against the previous year's TZS 12,000,000,000 while a total of TZS 4,951,073,654 was received for implementation of Skills Development Fund (SDF) projects against previous year's TZS. 4,461,524,272. Internal sources of revenue including loan collections, philanthropic giving, Corporate Social Responsibility (CSR) funds and other sources realized TZS 994,701,390 making a total annual revenue for the Authority in the year under review to TZS 20,631,319,243.

While we continue implementation of our 3rd Rolling Corporate Strategic Plan (2016/17 – 2020/21), we are optimistic that in the years ahead, we will intensify our resource mobilization efforts and make more strategic Interventions, that will allow us reach even more beneficiaries and have greater impact.

I would like to express my gratitude to the Government of the United Republic of Tanzania for its continued commitment in supporting the Education Fund. I would also like to thank contributors of the Education Fund including corporate bodies, Agencies, Parastatal Organizations and Individuals for financial and material contributions availed into the Education Fund. These contributions made a significant impact as we worked towards improvement of quality, access and equity to education across the country.

To the Board, Management and staff, I thank them all for their support, and most of all the commitment to ensure the objectives of the Education Fund and Skills Development Fund (SDF) respectively are continuously realized.

A handwritten signature in black ink, appearing to be 'B. Geuzye', written over a dotted line.

Bahati I. Geuzye
DIRECTOR GENERAL



5. CORPORATE GOVERNANCE

Tanzania Education Authority is committed to the principles of effective Corporate Governance and the Board is of the opinion that currently the Authority complies with the principles.

5.1 Composition of the Governing Board

Tanzania Education Authority is governed by the Governing Board comprising of six non-executive Members and the Director General who serves as the Secretary. The Chairperson of the Tanzania Education Authority Board is appointed by the President of the United Republic of Tanzania to serve for a term of three years, renewable once for a period of three years. The Minister for Education, Science and Technology appointed five other Members to the TEA Board.

The Board takes overall responsibility of the Authority, including considering financial matters, reviewing management performance against budgets and plans, investment decisions and identifying key risk areas. The Board is also responsible to ensure that a comprehensive system of internal control with policies and procedures is in place and operative. The Board is required to meet at least four times a year, while the day-to-day activities are under the Director General.

The following Members served the Board during the financial year ended 30th June, 2020.

TEA BOARD MEMBERS DURING FINANCIAL YEAR 2019/20

S/N	Name	Position	Qualification
1.	 Prof. Maurice C.Y. Mbago	Chairperson	PhD in Statistics
2.	 Prof. Bernadeta Killian	Vice Chairperson	PhD in Political Science
3.	 Mr. Abdul Maulid Mnonya	Member	MA Education
4.	 Mr. Emmanuel Tutuba	*Member	MBA in Corporate Management

S/N	Name	Position	Qualification
5.	 Mrs. Mystica Mapunda Ngongi	Member	MBA in Corporate Management
6.	 Mr. Meshack A. Anyingisye	**Member	MSc. Development Economics and Policy.
7.	 Mr. Atupele Mwambene	***Member	Master of Economics (MEc)
8.	 Mr. Gerald Mweli	Member	MSc in Economics and Finance
9.	 Ms. Bahati I. Geuzye	Secretary/ Director General	MBA in Corporate Management.

* *Mr. Emmanuel Tutuba served for seven (7) months from July 2019 to January 2020.*

** *Mr. Meshack Anyingisye served for five (5) months from February 2020 to June 2020.*

*** *Mr. Atupele Mwambene served for five (5) months from February 2020 to June 2020.*

5.2 Board and Committee Meetings

To discharge the obligation contained in the first schedule of the Education Fund Act No. 8 of 2001, in the FY 2019/20 the Board held the meetings as follows: -

- Ordinary Board meeting 4
- Executive Committee Meeting 4
- Revenue Committee meeting 4
- Award Committee Meeting 4
- Audit Committee meeting 4

5.3 Board Committees

The Board is required, by virtue of section 7(5), (6) and (7) of the Education Fund Act, Cap 412, to establish two permanent committees: Revenue Committee and Award Committee for the purpose of fulfilling its oversight responsibilities. Two more committees were established by the Board namely, the Executive Committee and Audit Committee. Members of the Committees of the Board for the period between July 2019 to August 2020 were as follows

5.3.1 Revenue Committee

The Revenue Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of the Committee as invitees. During the financial year ended 30th June 2020, the Committee held four (4) meetings in which several issues were discussed regarding to the Authority's sources of fund and efforts made by management to increase the resources mobilisation. During the financial year 2019/2020 the Committee had the following members.

S/N	Name	Qualification	Position
1.	Prof. Maurice C.Y Mbago	PhD in Statistics	Chairperson
2.	Mr. Abdul M. Maulid	MA Education	Member
3.	Mrs. Mystica Mapunda Ngongi	MBA in Corporate Management	Member
4.	Ms. Bahati I. Geuzye	MBA in Corporate Management.	Secretary

5.3.2 Award Committee

The Award Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of the Committee as invitees. The Award Committee discussed several matters regarding the allocation of funds to various education projects and the status of implementation of the ongoing projects. During the financial year 2019/2020 the Committee held four (4) meetings. The following were the members of the Committee for the financial year ended 30th June 2020.

S/N	Name	Qualification	Position
1.	Prof. Bernadeta Killian	PhD in Political Science	Chairperson
2.	Mr. Gerald Mweli	MSc in Economics and Finance	Member
3.	Mr. Atupele Mwambene	Master of Economics (MEc)	Member
4.	Ms. Bahati I. Geuzye	MBA in Corporate Management.	Secretary

5.3.3 Executive Committee

The Executive Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of



the Committee as invitees. During the financial year, the Committee held four (4) meetings, which discussed several matters regarding the budgets of the Authority, staff matters and overall administration and governance of the Authority. During the financial year 2019/2020 the following were the members of the Committee.

S/N	Name	Qualification	Position
1.	Prof. Maurice C.Y Mbago	PhD in Statistics	Chairperson
2.	Prof. Bernadeta Kilian	PhD in Political Science	Member
3.	*Mr. Emmanuel Tutuba	MBA in Corporate Management	Member
4.	*Mr. Meshack Anyingisye	MSc. Development Economics and Policy.	Member
5.	Ms. Bahati I. Geuzye	MBA in Corporate Management.	Secretary

* *Mr. Emmanuel Tutuba served for seven (7) months only from July 2019 to January 2020 and Mr. Meshack Anyingisye served for five (5) months from February 2020 to June 2020.*

5.3.4 Audit Committee

The Audit Committee is comprised of three (3) members, two members from the TEA Board, one co-opted member from outside the Authority and a Secretary. The Management members also attended the meetings of the committee as invitees. During the financial year, ended 30th June 2020 the Committee held four (4) meetings, which discussed several issues regarding to audit findings from both internal and external auditor's reports. The Committee is foreseeing the implementation of the directives of the Board relating to various issues raised by both internal and external auditors. During the financial year 2019/2020 the Committee had the following members:

S/N	Name	Qualification	Position
1.	Mr. Meshack Anyingise	Msc. Development Economics and Policy, from February, 2020	Chairperson
2.	*Mr. Emmanuel Tutuba	MBA in Corporate Management to February 2020	Chairperson
3.	Mrs. Mystica Mapunda Ngongi	MBA Corporate Management	Member
4.	Mr. Simon F. Sayore	FCCA and MSc in Finance	Co-opted Member
5.	Christina Sylvester	Masters of Legal Relations	Secretary

* *Mr. Emmanuel Tutuba served for seven (7) months only from July 2019 to January 2020 and Mr. Meshack Anyingisye served for five (5) months from February 2020 to June 2020.*



6. PERFORMANCE REVIEW

6.1 Education Projects' Support through the Education Fund

In the financial year 2019/20 there have been positive results in Authority's efforts to support Educational Projects countrywide. A total of 96 projects amounting to TZS. 9,178,000,000 were approved for 89 beneficiaries' education institutions and schools. The support aimed at the improvement of quality, equity and access to education at all levels, and supporting skills development projects.

The 96 projects that were funded include teaching and learning facilities for students with disabilities, laboratory equipment, Text books and construction of classrooms, dormitories, teachers' houses, pit latrines, and rehabilitation programs for both primary and secondary schools.

Thus, the approved and planned projects for the financial year 2019/2020 were as follows:

- (i) Construction of 81 Classrooms in 27 Schools at a total cost of TZS 1,620,000,000.
- (ii) Construction of 16 Girls' Dormitories in 16 Schools at a total cost of TZS 1,200,000,000.
- (iii) Construction of 40 Teachers' Houses in 10 Schools at a total cost of TZS1,000,000,000.
- (iv) Completion of 1st phase and commencement of 2nd phase of rehabilitation in National secondary schools in 11 Schools at a total cost of TZS 2,013,000,000.
- (v) Construction of 528 Pit-Latrines in 22 Schools with acute at a total cost of TZS 770,000,000.
- (vi) Infrastructure Improvement and Procurement of Teaching and Learning (T&L) materials for students with special needs in 05 at a total cost of TZS 315,000,000.
- (vii) To support infrastructures improvement/construction and procurement of equipment at Karume Technical college in Tanzania - Zanzibar at a total cost of TZS 200,000,000.
- (viii) To support rehabilitation and expansion of 04 Primary Schools in Dodoma City Council at a total cost of TZS 2,000,000,000.
- (ix) TZS 60,000,000 was set aside to facilitate intervention into emerging education development issues, the fund was approved for allocation to Msalato Secondary School for rehabilitation of classrooms and learning infrastructure.

6.1.1 Construction of 81 classrooms in 27 Primary and Secondary Schools

The Authority in collaboration with MoEST and PO-LARG identified 27 Schools that benefitted from the classroom's construction project. A total of TZS 1,620,000,000 was disbursed to respective schools and the project was implemented using Force Account method. All 81 classrooms in 27 Schools were successfully completed. In the FY 2019/20 the Authority allocated funds for construction of classrooms in the following schools:

No.	Name of the School	Council
1.	Rubambangwe Primary School	Chato DC
2.	Busalala Primary School	Chato DC
3.	Ibaning'ombe Primary School	Kilolo DC
4.	Bunazi Primary School	Misenyi DC
5.	Nambilanje Primary School	Ruangwa DC
6.	Nanganga Primary School	Ruangwa DC
7.	Nyamitwebili Primary School	Bunda DC
8.	Butora Primary School	Busokelo DC
9.	Mlabani Primary School	Ifikara DC
10.	Muungano Primary School	Morogoro DC
11.	Twendapomoja Primary School	Newala DC
12.	Chemchem Primary School	Mtwara DC



13	Azimio Primary School	Nanyamba DC
14.	Igogo Primary Schools	Sengerema DC
15.	Kilabela Primary School	Sengerema DC
16.	Mbwera Primary School	Rufiji DC
17.	Kazole Primary School	Mkuranga DC
18.	Ruwe Primary School	Utete Rufiji DC
19.	Ikaranga Primary School	Iramba DC
20.	Chief Kidulile Secondary School	Ludewa DC
21.	Kigong'o Primary School	Rufiji DC
22.	Kilambo Primary School	Nkasi DC
23.	Kabonde Primary School	Songwe DC
24.	Chapwa Primary	Tunduma TC
25.	Nyansha Secondary School	Kasulu TC
26.	Mango Secondary School	Nyasa DC
27	Msungua Secondary School	Ikungi DC

6.1.2 Construction of forty (40) Teachers' Houses Project

The Authority in collaboration with MoEST and PO-LARG identified 10 Schools that benefited from the classroom's construction project. A total of TZS. 1,000,000,000 was disbursed to respective schools. The project begun in December 2019 through the Force Account System. The following schools benefited from the project:

No.	Name of the School	Council
1.	Longido Secondary School	Longido DC
2.	Ole Sokoine Secondary School	Monduli
3.	Liuguru Secondary School	Ruangwa DC
4.	Chinongwe Secondary School	Ruangwa DC
5.	Meritatu chini Secondary School	Mbulu DC
6.	Nansimo Secondary School	Bunda DC
7.	Kiromba Secondary School	Nanyamba DC
8.	Kikale Secondary School	Kibiti DC
9.	Mwamanenge Secondary School	Maswa DC
10.	Komkalakala	Kilindi DC

6.2.2 Construction of 16 Dormitories in Secondary Schools

The Authority in collaboration with MoEST and PO-LARG identified 16 Schools that benefited from the dormitory's construction project. A total of TZS 1,200,000,000 was disbursed to respective Schools. The project was implemented using the Force Account Method. Schools which were allocated funds for construction of dormitories are:

SN.	Name of the School	Council
1.	Enoti Secondary School	Arusha DC
2.	Arash Secondary School	Ngorongoro DC
3.	Ipeta Secondary School	Kilolo DC
4.	Samunge Secondary School	Ngorongoro DC



5.	Meritatu chini Secondary School	Mbulu DC
6.	Mlabani Secondary School	Ifakara TC
7.	Ngoreme Secondary School	Serengeti DC
8.	Malegesi Secondary School	Newala DC
9.	Ngoma A Secondary School	Sengerema DC
10.	Sima Secondary School	Sengerema TC
11.	Kirongwe Secondary gSchool	Mafia DC
12.	Mwazye Secondary School	Kalambo DC
13.	Mbagamao Secondary School	Mbinga DC
14.	Puma Secondary School	Ikungi DC
15.	Idete Secondary School	Uyui DC
16.	Lwande Secondary School	Kilindi DC

1.1.3 Completion of phase one of rehabilitation of National Secondary Schools

The Authority identified eleven (11) National Secondary Schools which were under rehabilitation project, and which had further funding needs to complete pending works. The project was implemented by Force Account Method. A total of TZS 2,013,000,000 was disbursed to respective schools. The beneficiaries of this phase of rehabilitation of National Secondary Schools project were:

No.	Name of the School	Council
1.	Pugu Secondary School	Ilala MC
2.	Tanga Technical Secondary School	Tanga MC
3.	Tabora Boys Secondary School	Tabora MC
4.	Kilakala Girls Secondary School	Morogoro MC
5.	Same Secondary School	Same DC
6.	Bwiru Girls Secondary School	Mwanza CC
7.	Nganza Girls Secondary School	Mwanza CC
8.	Mwenge Secondary School	Singida MC
9.	Msalato Girls Secondary School	Dodoma CC
10.	Kondoa Girls Secondary School	Kondoa DC
11.	Korogwe Girls Secondary School	Korogwe DC

6.1.4 Provision of Teaching and Learning materials and development of infrastructure in Higher Learning Institution in Zanzibar

The Authority identified and selected Karume Institute of Science and Technology (KIST) to benefit from the project. The Authority through the Education Fund financed the construction of the Hangar building to be used to provide practical training for aircraft maintenance engineering students. A total of TZS 200,000,000 were used for the project which started in February, 2020 and was completed in July, 2020 through the Force Account Method.

6.1.5 Rehabilitation and remodelling of 4 Primary Schools in Dodoma Capital city

The Authority in collaboration with the Dodoma City Council and PO-LARG identified 4 Schools which benefited from the project. Medeli, Kisasa, Kizota and Mlimwa C Primary Schools were selected following the conditional survey conducted by Mbeya University of Technology Consultancy Bureau. A total of TZS 1,902,701,589.51 was disbursed to all schools for implementation of the project through Force Account Method. Rehabilitation and remodelling work site is complete.



1.1.6 Construction of 528 Pit-Latrines in 22 primary and secondary schools with acute needs

The Authority in collaboration with MoEST and PO-LARG identified 21 Schools that benefited from the project. A total of TZS. 735,000,000 was disbursed to respective schools. The construction work begun in December 2019 and complete in July 2021 through Force Account Method. The following are schools benefited from the projet for construction of pit- latrines:

No.	Name of the School	Council
1.	Kisarawe II Secondary School	Kigamboni MC
2.	Kitete B Primary School	Chato DC
3.	Magufuli Primary School	Chato DC
4.	Bupandwampuli Primary School	Chato DC
5.	Rubambagwe Primary School	Chato DC
6.	Bunazi Secondary School	Misenyi DC
7.	Bulamba Secondary School	Bunda DC
8.	Nakaguru Secondary School	KilombeloDC
9.	Muongano Primary School	Morogoro DC
10.	Chikwaya Primary School	Newala TC
11.	Likuna Primary School	Newala TC
12.	Kilimani Primary School	Tandahimba DC
13.	Mitumbati Primary School	Tandahimba DC
14.	Namidoli Primary School	Tandahimba DC
15.	Mkukwi Primary School	Mkuranga DC
16.	Rume Primary School	Utete-Rufiji DC
17.	Kifungamo Primary Schools	Mkuranga DC
18.	Kigongo Primary School	Nyasa DC
19.	Buchambi Primary School	Kishapu DC
20.	Ng"wang"wita A Primary School	ltilima DC
21.	Makibo Primary School	Sikonge DC

6.1.7 Provision of teaching and learning materials and development of Infrastructure for students with special needs in 5 primaries and secondary schools.

The Authority in collaboration with MoEST and PO-LARG identified 5 Schools that benefited from the project. A total of TZS 315,000,000 was disbursed to respective Schools for project implementation through the Force Account Method. The schools which benefited from the project are:

- (i) Mbaramo Primary School (Muheza DC)
- (ii) Masuguru Primary School (Muheza DC)
- (iii) Hedaru Primary School (Same DC)
- (iv) Miembeni Primary school (Chato DC) and
- (v) Busagara Primary School I (Misungwi DC).

6.2. Support for Skills Development through the Skills Development Fund (SDF)

In the year 2019/2020 the Authority commenced with implementation of the Second Phase of Skills Development Fund (SDF) while continuing supporting phase one training providers. Therefore, 97 SDF projects, including 15 - phase one projects and 82- phase two projects were implemented. A total of TZS. 5,386,184,197.33 was disburse to 93 out of 97 SDF Training providers while a total of TZS. 739,610,125.05

were spent as operations expenses. Investment in the SDF projects have yielded positive results. As of 30th June 2020, 8,494 trainees (45% female) were trained to SDF phase one projects compared to 3,093 trainees targeted to be enrolled. Among those, 3,452 are direct beneficiaries and 5,042 are indirect beneficiaries (other students in training institutions who benefitted from using facilities financed by SDF); while at that time Phase Two Training providers had enrolled about 1,000 trainees.

6.3. Resource Mobilization Activities

6.3.1 Revenue Flow into the Education Fund

Cumulatively, the Authority's revenue collection as at 30th June 2020 was TZS 20,312,197,960.24, being TZS 2,105,510,711 opening balance, TZS 13,000,000,000 as Government Subvention Development, TZS 4,951,073,654 for Skills Development Fund, TZS 1,112,202,900 as Government Subvention PE, TZS 57,600,000 for Corporate Social Responsibility (CSR) projects, TZS 100,000,000 as principal loan collection and TZS 205,321,406.24 as own source collections. The total revenue flow into the Education Fund stood at 70.1% in relation to projected annual flow.

6.1.2. Voluntary contributions for the Education Fund

Despite statutory sources availed for the Education Funds, in attempt to widen the resource base for the Education Fund, the Authority continues to solicit voluntary contributions from philanthropists, alumni, corporations, private and private companies from within the country and abroad.

In the year under review, the Authority continued to engage various stakeholders for mobilizing resources for the Education Fund. Among the contributors to the Education Fund for the financial year 2019/2020 are Asilia Camps and Lodges Ltd based in Arusha Region, SAMAKIBA Foundation based in Dar es Salaam, and Darsh Industries Ltd based in Arusha Region. In addition to that, the Authority worked closely with the President's Office - Regional Administration and Local Government (PO-RALG) on establishment of District Education Funds, aimed at mobilizing all potential education contributors for the Education Fund to discuss on areas that need their acute attention in financing education development in Tanzania.

Despite a positive trend in the readiness to contribute to education development through the Education Fund, there have been challenges that have affected the Authority in effectively carrying out resource mobilization for the Financial Year 2019/2020. These challenges include emergence of Covid-19 pandemic affecting TEA's education financing partnership projects and hampering planned activities of engaging stakeholders and Development Partners. Management had rescheduled halted activities due to Covid-19 pandemic into the Authority's Action Plans and Budget of FY 2020/2021, including the activity of holding an Annual Education Stakeholders Forum, Engagement Session with Development Partners, and Sensitization on District Education Funds as well as wide publicity and promotion of TEA's Mandate, roles, functions and activities through the media documentaries, social media, as well as special arranged media programs.



7.1 INTRODUCTION

In compliance with Section.16 of the Education Fund Act, Cap 412, read together with the Public Corporations Act, 1992 and the Tanzania Financial Reporting Standard No. 1 on Directors' Report, the Board submits its report and Financial Statements of Tanzania Education Authority for the year ended 30th June, 2020.

7.2 CORPORATE OUTLOOK

2.1 VISION

Tanzania Education Authority (TEA) aspires to be a leading strategic financial and material resources interventionist in the education sector.

2.2 MISSION

To secure financial and material resources for the Education Fund and efficiently and effectively deploy these resources to support education projects or programmes for the realization of improved access, equity and quality of education

7.3 TEA FUNCTIONS

The principal functions of Tanzania Education Authority include:

- a) To provide funds to supplement the provision of education at all levels
- b) To advise the Government on new sources of revenue for the purpose of ensuring adequate and stable flow of money into the Fund
- c) To raise the quality of Education and increase access and equity
- d) To promote education and training according to needs within the framework of overall national socio-economic development plans and policies
- e) To apply the money deposited into the Fund for the purpose of improvement and promotion of education
- f) To develop and make periodic review of the formula for allocation and disbursement of the financial resources of the Authority to different educational levels except that, at least fifty percent of the financial resources shall be provided to finance basic and secondary education.
- g) To develop and make periodic review of the resources allocated for facilitation of education to students with disabilities.
- h) To monitor the use of the funds disbursed and ensure adherence to objectives of the Fund other than the funds allocated to other institutions specified under this section.
- i) To apply the monies deposited into the Fund for the purpose of giving effect to the mandate of the Authority, the Higher Education Students' Loans Board, the Tanzania Commission for Universities and the National Council for Technical Education pursuant to the formula specified in the Third Schedule, except that, the funds so applied shall relate to the sources specified under section 13(a) to (c). Provided that the Authority shall consult with the Institutions referred to in this section in the application of the money deposited into the Fund.
- j) To receive gifts, donations, grants or other moneys on behalf of the Fund
- k) To sponsor and provide facilities for higher learning and to establish relationship or association with institutions both nationally and internationally.

7.4 COMPOSITION OF THE GOVERNING BOARD

Tanzania Education Authority is governed by the Governing Board comprising of six non-executive Members and the Director General who serves as the Secretary. The Chairperson of the Tanzania Education Authority Board is appointed by his Excellency, the President of the United Republic of Tanzania to serve for a term of three years. The Minister for Education, Science and Technology appointed five other Members to the TEA Board.



The following Members served the Board during the Financial Year ended 30th June, 2020.

S/N	Name	Position	Qualification	Nationality	Date of Appointment	Age	Retirement/ End date
1.	Prof. Maurice C.Y. Mbago	Chairperson	PhD in Statistics	Tanzanian	Reappointed on 20 th January, 2020	70	19 th January, 2023
2.	Prof. Bernadeta Killian	Vice Chairperson	PhD in Political Science	Tanzanian	Reappointed on 27 th February, 2020	54	10 th August, 2023
3.	Mr Abdul Maulid Mnonya	Member	MA Education	Tanzanian	Appointed on 11 th August, 2017.	53	10 th August, 2020
4.	Mr. Emmanuel Tutuba	Member	MBA in Corporate Management	Tanzanian	Appointed on 11 th August, 2017.	47	Ended 27 th February, 2020.
5.	Mr. Gerald Mweli	Member	MSc in Economics and Finance	Tanzanian	Reappointed on 27 th February, 2020	37	10 th August, 2023
6.	Mrs. Mystica Mapunda Ngongi	Member	MBA in Corporate Management	Tanzanian	Reappointed on 27 th February, 2020	49	10 th August, 2023
7.	Mr. Meshack A. Anyingsy	Member	MSc. Development Economics and Policy.	Tanzanian	Appointed on 27 th February, 2020	39	26 th January, 2023
8.	Mr. Atupele Mwambene	Member	Master of Economics (MEc)	Tanzanian	Appointed on 27 th February, 2020	42	26 th January, 2023
9.	Ms. Bahati I. Geuzye	Secretary / Director General	MBA in Corporate Management.	Tanzanian	Appointed on 15 th November, 2018	43	Five years renewable

7.5 COMMITTEES OF THE BOARD

The Board is required, by virtue of section 7(5), (6) and (7) of the Education Fund Act, Cap 412, to establish two permanent committees; Revenue Committee and Award Committee for the purpose of fulfilling its oversight responsibilities. Two more committees were established by the Board namely, the Executive Committee and Audit Committee.

7.5.1 REVENUE COMMITTEE

The Revenue Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of the Committee as invitees. During the financial year ended 30th June 2020, the Committee held four (4) meetings in which several issues were discussed regarding to the Authority sources of fund and several efforts made by management to increase the resources mobilization. During the financial year 2019/2020 the Committee had the following members.



S/N	Name	Qualification	Position
1.	Prof. Maurice C.Y Mbago	PhD in Statistics	Chairperson
2.	Mr. Abdul M. Maulid	MA Education	Member
3.	Mrs. Mystica Mapunda Ngongi	MBA in Corporate Management	Member
4.	Ms. Bahati I. Geuzye	MBA in Corporate Management.	Member/Secretary

7.5.2 AWARD COMMITTEE

The Award Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of the Committee as invitees. The Award Committee discussed several matters regarding the allocation of funds to various education projects and the status of implementation of the ongoing projects. During the financial year 2019/2020 the Committee held four (4) meetings. The following were the members of the Committee for the financial year ended 30th June 2020.

S/N	Name	Qualification	Position
1.	Prof. Bernadeta Killian	PhD in Political Science	Chairperson
2.	Mr. Gerald Mweli	MSc in Economics and Finance	Member
3.	Mr. Atupele Mwambene	Master of Economics (MEc)	Member
4.	Ms. Bahati I. Geuzye	MBA in Corporate Management.	Member/Secretary

7.5.3 EXECUTIVE COMMITTEE

The Executive Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of the Committee as invitees. During the financial year, the Committee held four (4) meetings, which discussed several matters regarding the budgets of the Authority, staff matters and overall administration and governance of the Authority. During the financial year 2019/2020 the following were the members of the Committee.

S/N	Name	Qualification	Position
1.	Prof. Maurice C.Y Mbago	PhD in Statistics	Chairperson
2.	Prof. Bernadeta Kilian	PhD in Political Science	Member
3.	*Mr. Emmanuel Tutuba	MBA in Corporate Management	Member
4.	*Mr. Meshack Anyingisye	MSc. Development Economics and Policy.	Member
5.	Ms. Bahati I. Geuzye	MBA in Corporate Management.	Member/Secretary

* *Mr. Emmanuel Tutuba served for seven (7) months only July 2019 to January 2020 and Meshack Anyingisye served for five (5) months from February 2020 to June 2020.*

7.5.4. AUDIT COMMITTEE

The Audit Committee is comprised of three (3) members, two members from the TEA Board, one co-opted member from outside the Authority and a secretary. The Management members also attended the meetings of the committee as invitees. During the financial year, ended 30th June 2020 the Committee held four (4) meetings, which discussed several issues regarding to audit findings from both internal and external auditor's reports. The Committee is foreseeing the implementation of the directives of the Board relating to the different issues raised by both internal and external auditors. During the financial year 2019/2020 the Committee had the following members:



S/N	Name	Qualification	Position
1.	*Mr. Meshack Anyingisye	MSc. Development Economics and Policy.	Chairperson from February, 2020
2.	*Mr.Emmanuel Tutuba	MBA in Corporate Management	Chairperson to February, 2020
3.	Mrs. Mystica Mapunda Ngongi	MBA in Corporate Management	Member
4.	**Mr. Simon F. Sayore	FCCA and MSc in Finance	Co-opted Member
5.	Christina Sylvester	Masters of Legal Relations	Secretary

* Mr. Emmanuel Tutuba served for seven (7) months only from July 2019 to January 2020 and Mr. Meshack Anyingisye served for five (5) months from February 2020 to June 2020.

** Mr. Simon Sayore (72 years) was re-appointed on 11th August 2017 to serve as a Co-opted Member to the Audit Committee. He is Tanzanian.

7.6 TEA MANAGEMENT

The Management of TEA is under the Director General and is organized in Directorates and Units as follows:

Directorates:

7.6.1 Directorate of Corporate Services

S/N	Name	Title
1	Dr. Erasmus F. Kipasha	Director of Corporate Services
2	Ms. Tija Ukondwa	Human Resources and Administration Manager
3	Ms. Wendo Chiduo	Planning, Monitoring and Evaluation Manager
4	Ms. Mwanahamisi O. Chambega	Finance and Accounts Manager

7.6.2 Directorate of Resource Mobilization and Education Support Management

S/N	Name	Title
1	Mr. Waziri Rajabu Salum	Director of Resource Mobilization and Education Support
2	Mr. Masozi Nyirenda	Ag. SDF Coordinator
3	Ms. Anne Mlimuka	Manager Education Support
4	Mr. Tito Mganwa	Resource Mobilization and Advocacy Manager

7.6.3 Units:

S/N	Name	Title
1	Christina Sylvester	Legal Services Manager
2	Mr. Richard N. Mazinge	Chief Internal Auditor
3	Mr. William F. Masanja	Manager Procurement Management Unit
4	Mr.Emmanuel R. Shirima	Head of ICT and Statistics
5	* Vacant	Principal Information Officer



7.7 PERFORMANCE FOR THE FINANCIAL YEAR 2019/2020

During the period under review, the Authority fulfilled its core activities as stipulated in the TEA Rolling Corporate Strategic Plan 2016/17 to 2020/21 as translated in the annual operational plan.

Annual Budgetary projections and Actual for the Financial Year 2019/2020

7.7.1 INCOME FOR THE PERIOD

The Midterm Expenditure Framework (MTEF) for Financial Year 2019/2020 had an approved sum total of TZS 31,098,254,401/= as total income for the Authority; whereas TZS 12,000,000,000/= is from Government Subvention Development, TZS 14,000,000,000/= from Skills Development Fund, TZS 1,521,588,000/= as Government Subvention PE, TZS 350,000,000/= as Interest from Loans Advances, TZS 3,000,000/= being donation, TZS 21,543,000/= Interest Revenue, TZS 5,457,000/= being other income, TZS 100,000,000 as a collection of principal loans and TZS 991,155,690 as a collection for Corporate Social Responsibility (CSR) projects. Also, the Authority had an opening balance of TZS 2,105,510,711.

During the FY2019/2020 the Authority's Actual collections was TZS 20,631,319,243/= being TZS 13,000,000,000/= from Government Subvention Development, TZS 4,951,073,654 from Skills Development Fund, TZS 1,113,337/= from Government Subvention in respect of personal emolument (PE), TZS 213,770,195/= being donation received from Asilia Camps and Yalin Global Ltd, TZS 173,119,632/= being loan penalty income, TZS 285,193,160/= from interest on loan and TZS 8,750,497 interest income.

Also, the Authority received TZS 886,000,000/= from the Ministry of Education Science and Technology for School Incentive Fund (EPforR).

1.1.2 EXPENDITURE FOR THE PERIOD

The Authority's actual expenditure for the FY2019/2020 was TZS 19,420,717,963/= being TZS 15,228,738,852/= for implementation of Education Funds projects and skills development projects, TZS. 1,732,031,084/= Staff costs, TZS 93,277,520/= being office expenses, TZS 353,103,300 board expenses, TZS 190,168,143/= Audit fee and supervision expenses, TZS 1,454,576,861 being administration expenses while TZS 8,866,827/= finance cost and TZS 359,435,375 being depreciation expenses.

7.8 RISK MANAGEMENT AND INTERNAL CONTROL

The Board accepts the final responsibility for Risk Management and Internal Control system of the Authority and keeping proper accounting records that disclose with reasonable degree of accuracy at any time, the financial position of the Authority and enable it to ensure that the financial statements comply with the Education Fund Act, Cap 412. It is the responsibility of the Management to ensure that adequate operational and financial systems are in place and working to provide assurance on:

- (i) Effectiveness and efficiency of operations.
- (ii) Compliance with laws and regulations.
- (iii) The reliability and timeliness of accounting records.
- (iv) Safeguarding the assets of the Authority and putting in place necessary safeguards and controls to facilitate prevention and detection of theft and fraud, errors and other irregularities.
- (v) Business sustainability and continuity.
- (vi) Maintenance of TEA's good reputation.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Authority's system is designed to provide the Governing Board with reasonable assurance that the procedures in place are operating effectively.

The Governing Board carries risk and internal control assessment through the Audit Committee. The Governing Board assessed the internal control systems throughout the financial year ended 30th June, 2020 and is of the opinion that they have met accepted criteria.



7.9 GOING CONCERN

The Board Members have reviewed the financial position of TEA as exhibited by the Statement of Financial Position as at 30th June, 2020 and the related Statement of Financial Performance. On the basis of the aforesaid review, the Board Members are satisfied that the Authority is a going concern and has continued to adopt the going concern basis of preparing the financial statements.

7.10 SOLVENCY

A review of TEA's Statement of Financial Position as at 30th June, 2020 and particularly the net worth (Net Asset) and the working capital performance indicated and confirmed that TEA was solvent. Total assets of the Authority by far exceeded total liabilities at the balance sheet date, 30th June, 2020. The current ratio, which is the ratio of total current assets to total current liabilities, as at 30th June, 2020 was 360:1.

7.11 AUDITOR

The Controller and Auditor General is the statutory auditor of TEA by virtue of Article 143 of the Constitution of the United Republic of Tanzania and as amplified in section 32(4) of the Public Audit Act, No. 11 of 2008.

7.12 EMPLOYEES' WELFARE

The Authority continued to offer benefits to staff that have been approved by the Government. The Authority provided training to enhance skills, and also provided furniture and housing allowance to entitled staff in line with TEA Staff Regulations.

7.13 GENDER PARITY

TEA is an equal opportunity employer that gives equal access to employment opportunities to persons with the right capabilities. Out of 49 employees as at 30th June 2020 there were 24 males and 25 females. As such it ensures that the best available person is appointed in a given position free from discrimination of any kind.

7.14 PERSONS WITH DISABILITY

It is TEA's policy to give employment to persons with disabilities whenever practicable. Currently there is one staff with disability.

7.15 ENVIRONMENTAL SOCIAL PROTECTION

In supporting environmental conservation and protection TEA insists on compliance with statutory environmental and social impact assessment requirements. Moreover, the Authority insists on statutory compliance related to social safeguards during implementation of projects.

7.16 HIV AND AIDS

TEA recognizes that HIV and AIDS is an important aspect to be addressed at workplace for optimal output. TEA continued to implement the HIV/AIDS policy through which preventive care and supportive services are provided to employees.

7.17 FUTURE OUTLOOK

- (i) TEA will continue to increase its efforts in the mobilization of financial and material resources from various sources including Corporate Social Responsibility (CSR), Philanthropists, Development Partners, Alumni Associations, District Education Funds and other stakeholders to support education programmes/projects.
- (ii) The Authority will continue to make strategic interventions to the education projects/programmes that will enhance impact to the education sector.



- (iii) The Authority will devise and deploy strategies to ensure sustainable financing of Skills Development Fund in order to support skills development projects.

7.18 STATEMENT OF DIRECTORS' RESPONSIBILITIES

These financial statements have been prepared by the Board of Directors of Tanzania Education Authority in accordance with the provisions of section 25 (4) of the Public Finance Act, No. 6 of 2001 (Revised 2004). The financial statements as required by the said Act are presented in a manner consistent with the International Public Sector Accounting Standards (IPSAS) - Accrual basis of accounting.

The Board of Tanzania Education Authority is responsible for establishing and maintaining a system of effective Internal Control designed to provide reasonable assurance that the transactions recorded in the accounts are within the statutory authority and that they contain the receipt and use of all public financial resources by Tanzania Education Authority.

To the best of our knowledge, the system of Internal Control has operated adequately throughout the reporting period and the financial statements and underlying records provide a reasonable basis for the preparation of the financial statements for the FY 2019/2020.

We accept responsibility for the integrity of the financial statements, the information they contain and their compliance with the Public Finance Act, No. 6 of 2001 (revised 2004) and instructions issued by the Ministry of Finance and Planning in respect of the year under review.

Approval of the financial statements

The Financial Statements of the Authority, as indicated above, were approved by the Board on 23rd February, 2021 and are signed on its behalf by:



CHAIRPERSON

09th March, 2021

DATE



DIRECTOR GENERAL

7.19 DECLARATION OF THE HEAD OF FINANCE OF TANZANIA EDUCATION AUTHORITY

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

It is the duty of a Professional Accountant to assist the Authority to discharge the responsibility of preparing Financial Statements of an entity showing a true and fair view of the entity's financial position and performance in accordance with applicable International Public Sector Accounting Standards (IPSASs) and statutory financial reporting requirements.

Full legal responsibility for the preparation of Financial Statements rests with the Authority's Board as stated under the Board's Responsibility statement on page 11

I, Mwanahamis Omary, being the Head of Finance/Accounting of Tanzania Education Authority hereby acknowledge my responsibility of ensuring that Draft Financial Statements for the year ended 30th June 2020 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the Draft Financial Statements comply with applicable accounting standards and statutory requirements as at that date and that they have been prepared based on properly maintained financial records.



.....
Mwanahamis Omary

Position: Finance and Accounts Manager

NBAA Membership No.: ACPA 3399

Date: **09th March, 2021**
.....

8. INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman of the Board,

Tanzania Education Authority,
P.O Box 34578,
Dar es Salaam.

8.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of Tanzania Education Authority, which comprise the statement of financial position as at 30th June, 2020, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Education Authority as at 30th June, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of Tanzania Education Authority in accordance with the 'International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the Director's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements



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

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

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

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

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

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

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

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

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

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



public interest benefits of such communication.

In addition, Section 10 (2) of the Public Audit Act, 2008 requires me to satisfy myself that, the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.



8.2 REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Compliance with the Public Procurement Act, No.7 of 2011 (as amended in 2016)

In view of my responsibility on the procurement legislation and taking into consideration the procurement transactions and processes I have reviewed as part of this audit, I state that, Tanzania Education Authority procurement transactions and processes have generally complied with the requirements of the Public Procurement Act No.7 of 2011 (as amended in 2016) and its underlying Regulations of 2013 (as amended in 2016).





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

March, 2021.

STATEMENT OF FINANCIAL POSITION AS AT 30THJUNE, 2020

PARTICULARS		30.06.2020	30.06.2019
CURRENT ASSETS	NOTE	TZS	TZS
Cash and Cash equivalents	2	7,673,505,535	5,868,082,587
Loans Receivables Due	3	4,091,693,289	5,142,928,321
Advance Payment & Other Receivables	4	1,868,484,733	2,423,883,187
Closing Inventory	14B	101,099,411	89,212,536
Total Current Assets		13,734,782,968	13,524,106,631
NON CURRENT ASSETS			
Land	5	857,792,000	857,792,000
Plants and Equipment	5	2,993,981,812	2,549,993,108
Intangible Assets	6	100	100
Total Non-Current Assets		3,851,773,912	3,407,785,208
TOTAL ASSETS		17,586,556,880	16,931,891,839
EQUITY AND LIABILITIES			
Capital Fund	7	2,881,574,727	2,881,574,727
Accumulated Surplus	8	14,586,240,253	13,995,700,722
TOTAL EQUITY		17,467,814,981	16,877,275,459
LIABILITIES			
Accrued Expenses	9	118,741,899	54,616,390
TOTAL LIABILITIES		118,741,899	54,616,390
TOTAL EQUITY AND LIABILITIES		17,586,556,880	16,931,891,839

NOTES 1 TO 35 FORM PART OF THE FINANCIAL STATEMENTS



 CHAIRPERSON OF THE BOARD	09th March, 2021 DATE	 DIRECTOR GENERAL
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STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE, 2020

PARTICULARS	NOTE	30.06.2020	30.06.2019
REVENUE		TZS	TZS
Government Subvention PE	10	1,113,337,104	899,062,000
Government Subvention Development	11	13,000,000,000	12,000,000,000
SDF Income		4,951,073,654	4,461,524,272
Interest from Loans Advanced	12	285,193,160	344,680,429
Loan Penalty Income	12	173,119,632	197,819,469
Other Income	13	886,075,000	1,093,216,501
Donations	14A	213,770,195	114,212,536
Interest Income		8,750,497	12,259,023
		20,631,319,243	19,122,774,230
LESS EXPENSES			
Educational Projects	15	15,228,738,852	19,463,868,590
Staff Cost	16A	1,732,551,084	1,648,851,803
Office Expenses	16B	93,277,520	120,385,672
Board Expenses	16C	353,103,300	240,514,000
Audit Fee and Expenses	16D	190,168,143	196,822,504
Administration Expenses	16E	1,454,576,861	897,524,519
Depreciation and Amortization Expenses	16F	359,435,375	251,177,998
Finance Cost	16G	8,866,827	12,019,352
TOTAL EXPENSES		19,420,717,963	22,831,164,438
Surplus/(Deficit) for the Year		1,210,601,280	-3,708,390,208
Accumulated Surplus/(Deficit) Brought Forward		13,995,700,722	17,704,090,929
ACCUMULATED SURPLUS CARRIED FORWARD		15,206,302,002	13,995,700,721

NOTES 1 TO 35 FORM PART OF THE FINANCIAL STATEMENTS



	09th March, 2021	
CHAIRPERSON OF THE BOARD	DATE	DIRECTOR GENERAL



CASH FLOWS STATEMENT FOR THE YEAR ENDED 30TH JUNE, 2020

PARTICULARS	NOTE	30.06. 2020	30.06.2019
CASH FLOWS FROM OPERATING ACTIVITIES		TZS	TZS
Receipts			
Government Subvention PE	25	131,428,054	131,421,179
Government Subvention Development	11	13,000,000,000	12,000,000,000
SDF Income	11B	4,951,073,654	4,461,524,272
Donations	26	39,600,000	25,000,000
Interest Income		8,750,497	12,259,023
Other Income	13	886,075,000	1,093,216,501
Total Receipts		<u>19,016,927,205</u>	<u>17,723,420,974</u>
Payments			
Fund Assisted Educational Projects	30	(15,228,738,852)	(19,815,753,421)
Staff Cost	32	(644,432,684)	(1,648,851,803)
Office Expenses	27	(108,066,311)	(112,257,979)
Board & Expenses	16C	(353,103,300)	(240,514,000)
Audit Expenses	28	(199,501,370)	(186,202,504)
Administration Expenses	29	(1,472,199,103)	(1,419,792,419)
Finance Cost		(8,866,827)	(12,019,352)
Total payments		<u>(18,014,908,447)</u>	<u>(23,435,391,479)</u>
Net Cash flow from Operating Activities		1,002,018,758	(5,711,970,505)
CASH FLOWS FROM INVESTING ACTIVITIES			
Loans Repayments Received	31	889,774,774	692,941,388
Purchase of Assets	33	(116,689,612)	(167,873,984)
Movement of Staff Loan		30,319,027	-
Net Cash Flows From Investing Activities		<u>803,404,190</u>	<u>525,067,404</u>
CASH FLOW FROM FINANCING ACTIVITIES		-	-
Net Increase In Cash And Cash Equivalents		<u>1,805,422,948</u>	<u>(5,186,903,102)</u>
Cash and cash equivalent at beginning of the year		5,868,082,587	11,054,985,689
Cash and Cash Equivalents at the end of the year		<u>7,673,505,535</u>	<u>5,868,082,587</u>



NOTES 1 TO 35 FORM PART OF THE FINANCIAL STATEMENTS

 CHAIRPERSON OF THE BOARD	09th March, 2021 DATE	 DIRECTOR GENERAL
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STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 30TH JUNE, 2020

PARTICULARS	CAPITAL FUND	ACCUMULATED SURPLUS	TOTAL
	TSHS	TSHS	TSHS
Balance as at 1st July 2019	2,881,574,727	13,995,700,722	16,877,275,449
Surplus for the year ended 30th June 2020	-	1,210,601,280	1,210,601,280
	2,881,574,727	15,206,302,002	18,087,876,729
Add: Prior Year Adjustments		(620,061,749)	(620,061,749)
Balance as at 30th June 2020	2,881,574,727	14,586,240,253	17,467,814,980

 CHAIRPERSON OF THE BOARD	09th March, 2021 DATE	 DIRECTOR GENERAL
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STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR 2019-2020

Detail	Original Budget in TZS	Revised Budget in TZS.	Actual in TZS.	Variance in TZS.	% Variance in Percentage	Remarks
Opening Balance	2,105,510,711	2,105,510,711	2,105,510,711	-		
Government Subvention PE	1,521,588,000	1,521,588,000	1,113,337,104	(408,250,896)	-27%	Unfavourable variance was due to the approved estimates taking into consideration of salaries for new recruitment, promotion and salary adjustments which did not take place.
Government Subvention Development	12,000,000,000	12,000,000,000	13,000,000,000	1,000,000,000	8%	
SDF Revenue	14,000,000,000	14,000,000,000	4,951,073,654	(9,048,926,346)	-65%	Unfavorable variance was due to under released of funds from MoEST for implementation of SDF projects.
Donations	3,000,000	3,000,000	213,770,195	210,770,195	7026%	Fund received from Asilia Camps and lodges and donation in kind from Yalin Global Ltd to support education Projects.
Interest from Loans Advanced	300,000,000	350,000,000	184,334,439	(165,665,561)	-47%	Unfavorable variance was due to Non-performing loans.
Penalty Income on Loans	-	-	58,790,216	58,790,261	0%	Improved efficiency in loan follow up and collections.
Interest Revenue	21,543,000	21,543,000	8,750,497	(12,792,503)	-59%	Unfavorable variance was due to compliance with the Government directive of maintaining funds with the Central Bank instead of Commercial Banks.
Other Income	5,457,000	5,457,000	886,075,000	880,618,000	16137%	Allocation of fund from MoEST as school incentive for improved and best performed schools.
CSR Project	-	991,155,690	-	(991,155,690)	-100%	Revenue was not collected due to COVID 19 pandemic



Detail	Original Budget in TZS	Revised Budget in TZS.	Actual in TZS.	Variance in TZS.	% Variance in Percentage	Remarks
Allocation of Principal Loan	-	100,000,000	646,650,074	546,650,074	547%	
Total Income	29,957,098,711	31,098,254,401	23,168,219,935	(7,929,962,466)	-25%	
Expenditure						
Staff Costs	2,300,698,040	2,111,188,000	1,732,551,084	378,636,916	18%	Non-recruitment of new staff and Control over expenditure.
Office Expenses	160,460,000	184,520,000	108,066,311	76,453,689	41%	Favorable variance was due to effective control over expenditure.
Board Meeting Expenses	225,650,000	379,700,000	353,103,300	26,596,700	7%	
Audit Expenses	223,950,000	222,100,000	199,501,370	22,598,630	10%	Favorable variance was due to reschedule of Internal Audit Plan and control over reimbursable expenditure.
Administration Expenses	1,722,374,480	1,963,424,430	1,456,015,861	491,225,327	25%	Favorable variance was due to effective control over expenditure.
Finance Cost	12,400,000	12,200,000	8,866,827	3,333,173	27%	
Procurement of Assets, Motor Vehicles, Computer, Photocopier, servers and equipment	385,486,191	207,886,191	116,689,612	91,196,579	44%	Favourable variance was due to Authority finalizing the establishment of sub office in Dodoma. At the end of Financial year 2019/2020 procurements of Assets for sub office were in progress
Printer, Scanners, office Furniture						



Detail	Original Budget in TZS	Revised Budget in TZS.	Actual in TZS.	Variance in TZS.	% Variance in Percentage	Remarks
Fund Assisted Educational Projects and SDF projects.	4,926,080,000	26,017,235,780	15,228,738,852	10,788,496,928	41%	<ul style="list-style-type: none"> TZS 3 billion of the allocated fund to support assisted Education projects was not disbursement as at 30th June 2020 due to delay of receiving of fund from MoEST. SDF funds are disbursed in phases. As at 30th June 2020 only 4.95 billion out of 14 billion was received from MoEST.
Total Expenditure	29,957,098,711	31,098,254,401	19,203,533,217	11,878,537,942	38%	As per above explanation
NET BUDGET			3,964,758,718	3,964,758,718		

Authority Budget Preparation and Presentations

- i. The Authority presents its approved budget on a modified cash basis and the financial statements on accrual basis.
- ii. The budget is approved on a modified cash basis by functional classification. The Authority's approved budget covers the fiscal period from 1st July 2019 to 30th June 2020.
- iii. The Authority's budget and Financial Statement were prepared on different basis. The Financial Statements are prepared on accrual basis using a classification based on the nature of expenses in the statements of financial performance whereas the budget is prepared on a modified cash basis.
- iv. The amounts in the financial statements were recast from the accrual basis to cash basis and reclassified by presentation to be on the same basis as the approved budget. Further, adjustments to amounts in the financial statements for timing differences associated with the continuing operations were made to express the actual amounts on a comparable basis to the final approved budget. The amount of the adjustments is identified to the note.
- v. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, presented in the Statement of Comparison of Budget and Actual Amounts. The excess of actual amount over the final budget of above 10% are explained.
- vi. For expenditure a positive variance represents under expenditure while negative variance represents over expenditure. For income positive variance represents over collections while negative variance represents under collections of income.
- vii. A reconciliation between the actual amounts on a comparable basis as presented in the Statement of comparison of Budget and Actual Amounts and the actual amounts in the statement of cash flows for the year ended 30th June,2020 presented in this report.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2020

NOTE 1: ACCOUNTING POLICIES

1.1 Basis for Preparation of the Financial Statements

Financial Statements have been prepared under the historical cost convention in Tanzania Shillings with modifications where considered necessary to incorporate revaluation adjustments on property, plant and equipment. The Financial Statements have been prepared in accordance with International Public Sector Accounting Standards.

The accounting policies have been consistently applied in these financial statements.

1.1.1 The Tanzania Education Authority adopted the following Fundamental Accounting Concepts: -

- Going Concern Concept
- Accrual Basis of Accounting
- Matching Principle of Accounting

1.1.2 The Accounting Policies as detailed in the financial statements were developed taking into account the following criteria: -

- Prudence
- Substance Over Form
- Relevance and Materiality

1.2 Summary of Significant Accounting Policies for the Year ended 30th June, 2020

1.2.1 Property, Plant and Equipment



Property, Plant and Equipment are initially recorded at cost and later modified whenever revaluation is undertaken in order to incorporate the revaluation adjustments in the accounts.

1.1.2 Cost comprises of expenditure that is directly attributable to the acquisition (purchase or construction) of the item. Subsequent costs are included in the asset's carrying amount, only when it is probable that the future economic benefits associated with the use of the asset will be realised.

1.2.3 Depreciation of Assets

Depreciation is charged on assets from the date when they are ready for use and stop on the date when the asset is derecognized by the Authority. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Gains and losses on disposal are determined by

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

comparing the disposal proceeds with the carrying amount and the resulting difference credited/charged to Statement of Comprehensive Income.

Depreciation expense on Property, Plant and Equipment and amortization of intangible assets are charged on a straight-line method using approved depreciation rates as shown hereunder.

Motor Vehicles	20%
Plant and Equipment	20%
Furniture and fittings	20%
IT Hardware	25%
Office Machines	20%
Building	2%

1.2.4 Amortization of Intangible Assets (IT-Software)

Intangible Assets which comprise of IT Software are amortized over a period of 4 years at a rate of 25% per annum.

1.2.5 Non-Current Assets (Intangible Assets)

Acquired Computer Software and web development costs are capitalized on the basis of the costs incurred to acquire and bring to use the specific assets.

Amortization expense for intangible assets has been computed at a rate of 25% for IT Software.

1.2.6 Cash and Cash Equivalent

Authority Cash comprises of cash in hand and demand deposits with banks. Cash Equivalents comprises of investments in money market instruments (fixed deposits) with maturity periods of not greater than twelve months.

1.2.7 Loans Receivables Due

Loans Receivable Due are disclosed in the Statement of Financial Position under Notes 3 and recognised as current asset.



1.1.8 Inventories

Authority inventories are recorded before being utilized or kept into the storage facility at cost. In case of donated inventories, values shall be determined based on current market price.

Further, Authority's inventories are reported as an expense when deployed for utilization or consumption in the ordinary course of operations.

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

1.2.9. Revenue Recognition

Non-Exchange Revenue

The Authority non-exchange revenue includes income received direct from the government in a form of fee, taxation and received from prominent donor in a form of gift or donations. Authority recognized the inflow of resources from a non-exchange transaction as an asset/revenue except to the extent that a liability is also recognized in respect of the same inflow.

a) Revenue from Exchange Transaction

Authority Exchange revenue include revenue from interest on loan, disposal of asset and document fee,

i. Interest Income

Authority recognize revenue from interest on a time proportion basis that considers the effect of simple interest rate schedule on the asset. Interest income is accrued using simple interest rate schedule.

ii. Revenue from Disposal of Asset

The Authority recognize Revenue from the disposal of goods when the significant risks and rewards of ownership have been transferred to the buyer,

NOTE 2: CASH AND CASH EQUIVALENTS: -

Current Account Balances		30.06.2020	30.06.2019
Particulars	Currency	TZS	TZS
Bank of Tanzania	TZS	3,062,977,585	1,285,104,211
SDF Bank of Tanzania	TZS	2,220,481,475	3,222,024,898
CRDB Bank PLC – Azikiwe	TZS	2,435,595,730	1,355,136,080
CRDB Bank PLC – Kijitonyama	TZS	(40,481,110)	9,910,973
SDF CRDB Bank-Kijitonyama	TZS	(7,248,044)	(6,093,575)
Cash in Hand	TZS	1,999,500	2,000,000
GePG Mfuko wa Elimu	TZS	180,400	0
Total Cash & Cash Equivalents		7,673,505,535	5,868,082,587



**NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
30TH JUNE, 2020**

NOTE 3: LOAN RECEIVABLE 30TH JUNE, 2020

	NAME OF INSTITUTION	BALANCE AS AT 01.07.2019	ADJUSTMENT	PRINCIPAL REPAYMENTS 2019/20	BALANCE AS AT 30.06.2020
		TZS	TZS	TZS	TZS
1	Wazo Hill Secondary School	66,381,759	-	-	66,381,759
2	St Moses Primary School	20,000,000	-	-	20,000,000
3	St Augustine University-Mwanza	204,677,782	-	-	204,677,782
4	The Winning Spirit Sec School	46,286,580	(150,663)	-	46,135,917
5	Sebastian Kolowa University	59,537,535	-	-	59,537,535
6	St Augustine University -Tabora	796,065,053	-	-	796,065,053
7	The Institute of Adult Education	100,000,000	-	(50,000,000)	50,000,000
8	Mzumbe University	1,000,000,000	-	(200,000,000)	800,000,000
9	Ardhi University	591,040,982	(95,945,570)	-	495,095,412
10	Alianga Junior Seminary	9,072,903	-	-	9,072,903
11	Theofilo Kisanji University	500,000,000	-	-	500,000,000
12	Sokoine University of Agriculture	337,086,482	14,069,415	(233,394,653)	117,761,244
13	Lieberman Pre -Primary	36,240,775	(3,382,591)	(12,645,445)	20,212,739
14	Mbogamo Sec School	16,010,867	-	(16,010,867)	-



	NAME OF INSTITUTION	BALANCE AS AT 01.07.2019	ADJUSTMENT	PRINCIPAL REPAYMENTS 2019/20	BALANCE AS AT 30.06.2020
		TZS	TZS	TZS	TZS
15	Mzinga Sec School	100,053,055	-	-	100,053,055
16	Charles Totera Sec School	95,261,819	-	-	95,261,819
17	TEJ Secondary School	43,038,326	-	-	43,038,326
18	Premier Secondary School	60,609,096	(2,864,052)	(10,683,223)	47,061,821
19	Agape Secondary School	39,177,559	-	-	39,177,559
20	Dar es Salaam University College of Education	400,000,000	-	(100,000,000)	300,000,000
21	College of Business Education	162,785,029	116,141	-	162,901,170
22	Tumaini University Iringa	31,344,484	-	(23,915,886)	7,428,598
23	Open University of Tanzania	428,258,235	(316,427,637)	-	111,830,598
	TOTAL	5,142,928,321	(404,584,958)	(646,650,074)	4,091,693,289



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

Prior year Adjustment of Institutional loan as indicated above was due to the following:

During reconciliation of outstanding with the loan Institutions it was observed that some Institutions signed loan contract but the actual amount of the loan was not provided to the Institutions. Thus, adjustment was made to reflect the actual principal loan provided to Ardhi University amount to TZS 95,945,570.00

Further as for Lieberman Pre – Primary and Premier Secondary School adjustment was due to time difference of signing the contract and issuing the principal loan amount to TZS 3,382,591.00. The Open University of Tanzania adjustment was due to the absence of Penalty rate to the Contract amount to TZS 316,427,637.00 and Adjustment for TZS 135,168,040.00 was Interest and Penalties to the respective institutions.

NOTE 4: OTHER RECEIVABLES, PREPAYMENTS & ADVANCES

Details	30.06.2020	30.06.2019
	TZS	TZS
Loans to Staff	231,591,557	261,910,584
Imprest to Staff	22,861,000	90,334,600
Loans Interest Receivable	760,485,489	761,023,061
Loans Penalty Receivable	852,107,687	774,757,349
PE subvention Receivables	430,276	11,293,320
Other Advances/Prepayments	1,439,000	524,564,273
TOTAL	<u>1,868,484,733</u>	<u>2,423,883,187</u>



**NOTES ON THE FINANCIAL STATEMENT FOR THE FINANCIAL YEAR ENDED
30TH JUNE, 2020**

NOTE 5: MOVEMENT OF PROPERTY, PLANT AND EQUIPMENT

	Land	Building	Motor Vehicles	Plant & Equipment	Furniture & Fittings	IT Hardware	Office Machines	TOTAL
COST			TZS	TZS	TZS	TZS	TZS	TZS
01.07.2019	857,792,000	2,075,494,175	523,049,113	229,896,380	114,205,105	297,689,788	58,654,807	4,156,781,367
Additions 2019/20	-	-	524,564,273	4,140,014	73,351,886	201,367,906	-	803,424,080
Disposals 2019/20	-	-	-	-	-	-	-	-
30.06.2020	857,792,000	2,075,494,175	1,047,613,386	234,036,394	187,556,991	499,057,694	58,654,807	4,960,205,447
DEPRECIATION								
01.07.2019	-	81,709,581	357,039,268	76,297,058	67,482,903	150,571,436	15,896,014	748,996,259
Charge for the year 2019/20		41,509,884	153,158,456	46,298,077	22,277,727	84,909,632	11,281,599	359,435,375
Disposals 2019/20	-	-	-	-	-	-	-	-
30.06.2020	-	123,219,465	510,197,724	122,595,135	89,760,630	235,481,067	27,177,613	1,108,431,634
NBV 30.6.20	857,792,000	1,952,274,710	537,415,662	111,441,259	97,796,361	263,576,627	31,477,194	3,851,773,812
NBV 30.6.19	857,792,000	1,993,784,594	166,009,845	153,599,322	46,722,202	147,118,352	42,758,793	3,407,785,108

Value of Property Plant and Equipment includes Assets worth TZS 162,170,195 donate by TCU under ESPJ Project for implementations of SDF projects.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 6: INTANGIBLE ASSETS

Details	30.06.2020	30.06.2019
COST	TZS	TZS
As at 30 th June, 2019	570,307,659	570,307,659
As at 30 th June, 2020	570,307,659	570,307,659
AMORTIZATION		
As at 30 th June, 2019	(570,307,559)	(570,307,559)
Amortization Charge for The Year	-	-
As at 30 th June, 2020	(570,307,559)	(570,307,559)
Net Book Value as at 30 th June 2020	100	100

NOTE 7: CAPITAL FUND

Details	30.06.2020	30.06.2019
	TZS	TZS
Balance as at 30 th June, 2019	<u>2,881,574,727</u>	<u>2,881,574,727</u>
Balance as at 30 th June, 2020	<u>2,881,574,727</u>	<u>2,881,574,727</u>

NOTE 8: ACCUMULATED SURPLUS

Details	30.06.2020	30.06.2019
	TZS	TZS
Balance as at 30 th June, 2019	13,995,700,722	17,704,090,929
Surplus/(Deficit) for the Year	1,210,601,280	(3,708,390,208)
Prior Year Adjustments	(620,061,748)	-
Balance as at 30 th June, 2020	14,586,240,253	13,995,700,721

The Accumulated Surplus balance of TZS 14,586,240,253 up to 30th June 2020 has been arrived after considering surplus of income over expenditure for the year.

amounting to TZS 1,210,601,280 The Accumulated Surplus, inter alia, provides financial resources for loans granted to Educational Institutions which have been receiving educational support from TEA since 11th September, 2003.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 9: ACCRUED EXPENSES PAYABLE

Details	30.06.2020	30.06.2019
	TZS	TZS
Accrued Expenses - Provisions	80,308,751	-
CS LIMITED COMPANY	-	4,625,600
GG TRADING COMPANY	-	948,000
TANZANIA STANDARD NEWSPAPER	-	531,000
TEMESA	-	439,256
SCI TANZANIA LIMITED	-	259,600
CHARLES ODILO FAUSTINE	-	644,000
e-GOVERNMENT AGENCY	-	10,620,000
EAST AFRICAN TECHNOLOGY LIMITED	-	1,789,500
DIGTALL LIMITED	-	4,159,500
TTCL	-	990,050
LEONARD AUTOMOTIVE GARAGE	-	663,160
PAYE	17,780,147	5,055,849
NSSF	6,838,539	6,838,539
PPF	2,672,447	2,431,520
TEA SACCOS	5,704,261	5,704,261
HESLB	1,179,152	1,179,151
NHIF	1,798,110	2,385,330
LAPF	39,963	106,100
PSPF	1,627,818	1,880,596
TUGHE Contributions	74,000	74,000
Rambirambi Katiba na Sheria	5,000	5,000
PSSSF	2,248,350	2,731,000
NMB /CRDB Loan/African Capital	186,017	187,003
GEPF	9,000	9,000
House Loan	400,000	359,375
Net Salary Payable	352,381	-
PSPF Voluntary Contribution	2,327,223	-
PPF Voluntary Contribution	1,525,333	-
LAPF-Voluntary Contribution	0.67	-
THTU-Contribution	19,998	-



Details	30.06.2020	30.06.2019
	TZS	TZS
MWASA	160,000	-
Pension Scheme Payable	234,865	-
Bayport Loan	752,450	-
CWT Contribution	169,240	-
Motor Vehicle Loan	1.1	-
Ultimate Loan	668,521	-
TIB LOAN & LAPF Loan	0.79	-
People's Bank of Zanzibar Loan	2.88	-
HAZINA	0.5	-
Faraja	60,000	-
GPSA Housing Loan	1,797,501	-
Mzumbe Muwasa	20,000	-
UDOM Deduction	220,000	-
House rent	14,000	-
TOTAL	118,741,910	54,616,390

NOTE 10: GOVERNMENT SUBVENTION RECEIVED (PE) FOR THE YEAR ENDED 2019/2020

DATE	TZS
Jul-19	83,511,000
Aug-19	82,321,000
Sep-19	114,987,900
Oct-19	89,171,000
Nov-19	87,589,000
Dec-19	83,493,000
Jan-20	90,119,700
Feb-20	91,445,000
Mar-20	95,739,504
Apr-20	95,670,000
May-20	98,785,000
Jun-20	100,505,000
TOTAL	1,113,337,104



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 11: GOVERNMENT SUBVENTION - DEV FOR THE YEAR 2019/2020

During the year, the Authority received TZS 13,000,000,000 from the Government.

MONTH	BUDGET	ACTUAL RECEIVED	CUMULATIVE VARIANCE
	TZS	TZS	TZS
Jul-19	1,000,000,000	-	1,000,000,000
Aug-19	1,000,000,000	1,000,000,000	-
Sep-19	1,000,000,000	1,000,000,000	-
Oct-19	1,000,000,000	-	1,000,000,000
Nov-19	1,000,000,000	-	1,000,000,000
Dec-19	1,000,000,000	3,000,000,000	(2,000,000,000)
Jan-20	1,000,000,000	1,000,000,000	-
Feb-20	1,000,000,000	1,000,000,000	-
Mar-20	1,000,000,000	1,000,000,000	-
Apr-20	1,000,000,000	1,000,000,000	-
May-20	1,000,000,000	853,280,650	146,719,350
Jun-20	1,000,000,000	3,146,719,350	(2,146,719,350)
TOTAL	12,000,000,000	13,000,000,000	(1,000,000,000)

NOTE 11B: SDF INCOME - FOR THE YEAR 2019/2020

DATE	BUDGET IN TZS	ACTUAL IN TZS	VARIANCE IN TZS
21.02.2020	15,000,000,000	4,951,073,654	10,048,926,346
TOTAL	15,000,000,000	4,951,073,654	10,048,926,446



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE12: INTEREST AND PENALTY INCOME

	INSTITUTION	Interest Income	Penalty Income
		30-Jun-20	30-Jun-20
S/N		TZS	TZS
1	Wazo Hill Secondary School	4,976,780	3,328,911
2	St Moses Primary School	1,733,401	1,733,401
3	St Augustine University-Mwanza	9,700,530	14,528,967
4	The Winning Spirit Sec School	2,068,706	2,190,051
5	Sebastian Kolowa University	2,730,320	4,055,528
6	St Augustine University Tabora	66,692,340	66,692,341
7	The Institute of Adult Education	3,000,000	-
8	Mzumbe University	54,000,000	-
9	Ardhi University	30,450,815	3,577,175
10	Ailanga Juniour Seminary	416,159	236,768
11	TheofiloKisanji University	26,600,367	39,900,551
12	Sokoine University of Agriculture	15,630,876	9,927,297
13	Libermann Pre-Primary	1,096,354	465,690
14	Mbogamo Sec. School	225,684	150,660
15	Mzinga Secondary School	4,107,995	5,340,924
16	Charles Totera Sec School	4,712,363	4,712,363
17	TEJ Secondary School	2,125,728	2,125,728
18	Pemier Secondary School	2,093,400	1,805,912
19	Agape Secondary School	1,695,780	2,420,068
20	Dar es Salaam University College of Education	24,000,000	-
21	College of Business Education	15,630,876	9,927,297
22	Tumaini University Iringa	2,577,738	-
23	Open University of Tanzania	7,769,198	-
24	STAFF INTEREST LOAN	1,157,750	-
	TOTAL	285,193,160	173,119,632



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 13: OTHER INCOME

Details	30.06.2020	30.06.2019
	TZS	TZS
School Incentive (EP4R)	886,000,000	1,071,273,501
Application fees	75,000	385,000
NSSF Contribution	-	3,000,000
Arusha Technical College	-	3,059,000
Mbeya University of Science & Technology (MUST)	-	15,499,000
Total	886,075,000	1,093,216,501

NOTE 14A: DONATION

Details	30.06.2020	30.06.2019
	TZS	TZS
Asilia Camps and lodging	39,600,000	-
Tanzania Revenue Authority	-	20,000,000
Tanzania Communications Regulatory Authority	-	5,000,000
Oxford University Press	-	89,212,536
Yalin Global Ltd	12,000,000	-
ICT Equipment & Office Furniture from TCU	162,170,195	-
Total	213,770,195	114,212,536

The value of Donation TZS 213,770,195/= includes five tons of Iron Sheets as donation in kind from Yalin Global Ltd worth TZS 12,000,000/=, ICT Equipment and Office Furniture from TCU for implementations of SDF projects, and TZS 39,600,000/= cash from Asilia Camps and lodging to support student at Arusha Technical College.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 14B CLOSING INVENTORY

Details	30.06.2020	30.06.2019
	TZS	TZS
Oxford University Press	74,310,620	89,212,536
Stationery Stock	14,788,791	-
Yalin Global Ltd	12,000,000	-
Total	101,099,411	89,212,536

12,306 books worth TZS 14,901,916.03 were donated to Tanzania National Library.

NOTE 15: EDUCATIONAL PROJECTS – GRANTS

Details	30.06.2020	30.06.2019
Project Name	TZS	TZS
Allocations ICT	-	133,759,549
Allocations Laboratory Equipment	-	60,020,800
Allocations Boarding Facilities	-	299,703,800
Learning Facilities	218,900,100	-
Allocations TEA office Building	28,978,995	-
Allocations School Incentive Scheme	914,762,300	1,071,283,000
Allocations Rehabilitation of National Schools	1,953,568,356	1,161,783,038
Allocations Dormitories Construction	1,350,000,000	2,859,767,325
Allocation Teachers Houses	1,637,941,280	4,140,413,000
Allocations Construction Classrooms & Pit Latrines	2,635,000,000	7,459,934,350
Allocations Special Needs	359,000,000	242,214,018
Allocation Dinning Hall	150,000,000	600,000,000
SDF Project	5,980,587,822	1,434,989,710
TOTAL	15,228,738,852	19,463,868,590

Figure of SDF Project TZS 5,980,587,822/= comprise of TZS 5,284,330,597 transferred to SDF beneficiaries and TZS 696,257,224 for SDF operations.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 16: OPERATIONAL COSTS

16A: Staff Costs

Details	30.06.2020	30.06.2019
	TZS	TZS
Salaries and Wages	1,215,344,000	920,512,000
Consolidated Allowances	453,327,500	685,754,246
Employers Pension Contribution	-	1,200,000
Travel on Leave	11,180,700	12,621,627
Staff Welfare	44,366,384	25,563,930
Medical Expenses	8,332,500	3,200,000
Sub Total	1,732,551,084	1,648,851,803

16B. Office Expenses

Details	30.06.2020	30.06.2019
	TZS	TZS
Telephone	3,160,257	2,410,260
Postage and Telegraphs	7,000,000	8,296,700
Printing and Publications	1,141,900	14,198,672
Stationery and Office Supplies	33,171,291	41,906,090
Newspapers & Periodicals	8,318,000	9,285,000
Electricity	10,000,000	15,500,000
Water	6,092,732	14,671,750
Office Cleaning	24,393,340	14,117,200
Sub Total	93,277,520	120,385,672

16C: Board Expenses

Details	30.06.2020	30.06.2019
	TZS	TZS
Board Meeting Expenses	353,103,300	240,514,000
Sub Total	353,103,300	240,514,000



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

16D: Audit Expenses

Details	30.06.2020	30.06.2019
	TZS	TZS
External Audit Fees & Expenses	146,422,083	107,506,961
Internal Audit & Investigation expenses	43,746,060	89,315,543
Sub Total	190,168,143	196,822,504

16E: Administrative Expenses

Details	30.06.2020	30.06.2019
	TZS	TZS
Staff Recruitment and Repatriation	41,861,380	17,357,930
Travel Local	66,452,471	24,059,606
Foreign Travelling	12,390,745	-
Staff Training Expenses	57,872,200	48,201,813
Seminars	75,704,700	27,638,600
Consultancy	14,761,000	45,300,000
Public Relations	2,440,000	10,200,000
Advertisement Expenses	12,937,300	29,062,400
Professional Membership	2,216,500	875,000
Insurance	300,000	20,818,286
Motor Vehicles Running Costs	20,900,700	33,986,505
System Development and Maintenance	65,122,860	59,420,819
Tender Board Meetings	50,380,000	23,644,000
Fund Raising	8,600,000	38,611,612
Legal Expenses	4,536,000	105,000
Security Expenses	28,390,508	21,377,409
Repair and Maintenance- Motor Vehicles	49,530,346	82,845,129
Repair and Maintenance of Equipment	5,271,900	-
Repair and Maintenance Building	4,503,814	-
Project Monitoring and Evaluation	273,200,753	254,447,296
Planning and Investment	71,464,000	55,920,100
Stock Taking & Final Account Preparation	86,016,000	15,400,000
District Education Fund Affiliation	33,931,100	26,923,014
Exhibitions	27,547,866	7,100,000
Award Ceremony	0	24,202,000



Details	30.06.2020	30.06.2019
	TZS	TZS
Review of FAEDP Policies	92,547,000	30,010,000
Project Proposal Financing	38,800,000	-
Special Allowance	123,655,000	-
HIV/AIDS	11,300,000	-
Annual Report	16,100,000	-
Software Licence	54,738,801	-
Stakeholder Meetings	9,425,000	-
Disciplinary Committee Meeting	4,870,000	-
Management Meetings	30,107,000	-
Donation	56,701,916	-
Total Operational Costs	1,454,576,861	897,524,519

NOTE 16F: Depreciation and Amortization Expenses

	30.06.2020	30.06.2019
	TZS	TZS
Depreciation of Fixed Assets	359,435,375	251,177,998
Sub Total	359,435,375	251,177,998

NOTE 16G: Finance Cost

	30.06.2020	30.06.2019
	TZS	TZS
Bank charges	8,866,827	12,019,352
Sub Total	8,866,827	12,019,352
GRAND TOTAL(A+B+C+D+E+F+G)	4,201,312,337	3,426,046,848

NOTE 17: RISK MANAGEMENT

The Authority has introduced an Entity Wide Risk Management Framework (EWRMF) which will, inter alia, facilitate risk-based planning and management of its business operations in conformance to the requirements of sound Corporate Governance principles and best practice.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 18: RELATED PARTY TRANSACTIONS

IPSAS 20 requires certain disclosures to be made on the remuneration of key Management personnel and close members of the families of key Management personnel during the reporting period.

Transactions with related parties during the year 2019/2020 amounted to TZS 1,109,694,500. These were disbursements in favour of key Management personnel in terms of remuneration and allowances.

The analysis is as follows: -

Details	2019/2020	2018/2019
	TZS	TZS
Board Allowances	98,000,000	111,880,000
Key Management Remuneration	709,714,000	469,755,000
Key Management Allowances	301,980,500	406,784,000
Total	1,109,694,500	988,419,000

NOTE 19: COMPARATIVE FIGURES

Previous year's figures in the Financial Statements have been reclassified or re-arranged wherever considered necessary to make them comparable to the current year's figures in order to facilitate better presentation and comparability.

NOTE 20: PRESENTATION CURRENCY

Financial reports are presented in Tanzania Shillings at full amount. Figures have been rounded to the nearest shilling.

NOTE 21: PRESENTATIONS AND CLASSIFICATION OF ITEMS

Presentation and classification of items of accounts comprising various assertions in the financial statements for the current year have, where considered necessary, been reclassified or regrouped to facilitate comparability with previous year's figures.

NOTE 22: RESTRICTIONS

There were no amounts of restrictions on title, property, plant and equipment pledged as security for liabilities.

NOTE 23: CONTINGENT LIABILITIES

There is one pending labour case at Commission for Mediation and Arbitration CMA/DSM/LA/R.701/207 where one TEA retired staff Mr Fredy Mbeyella claims for his salary arrears and other entitlements for the period he was serving as Head of Procurement Management Unit, amounting to TZS 236,488,660.73.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 24: COMMITMENT ON TEA's PROJECT

PROJECT APPROVED FOR ALLOCATION BUT NOT YET DISBURSED

(A). PHASE TWO REHABILITATION OF NATIONAL SECONDARY SCHOOLS					
SN	REGION	COUNCIL	NUMBER OF PROJECTS	APPROVED AMOUNT TZS	NAME OF INSTITUTION
1	MWANZA	MWANZA CC	1	90,000,000	Nganza Secondary School
	TOTAL		1	90,000,000	
(B). CONSTRUCTION AND REMODELLING OF 4 PRIMARY SCHOOLS					
SN	REGION	COUNCIL	NUMBER OF PROJECTS	APPROVED AMOUNT TZS	NAME OF INSTITUTION
	PRIMARY SCHOOLS				
2	DODOAMA	DODOMA CC	1	500,000,000.00	Medeli Primary. School
3	DODOAMA	DODOMA CC	1	500,000,000.00	Kisasa Primary. School
4	DODOAMA	DODOMA CC	1	500,000,000.00	Kizota Primary. School
5	DODOAMA	DODOMA CC	1	500,000,000.00	Mlimwa 'C' Primary. School
	TOTAL		4	2,000,000,000.00	
(C). CONSTRUCTION OF TEACHERS' HOUSES, REHABILITATION AND PROCUREMENT OF FURNITURE TO SCHOOLS WITH ACUTE SHORTAGE					
SN	REGION	COUNCIL	NUMBER OF PROJECTS	APPROVED AMOUNT TZS	NAME OF INSTITUTION
6	DODOMA	DODOMA CC	1	30,000,000.00	Bunge Girls Sec. School
7	DODOMA	DODOMA CC	1	60,000,000.00	Msalato Girls Sec. School
8	SINGIDA	SINGIDA MC	1	10,000,000.00	Mwenge Sec. School
	TOTAL		1	100,000,000.00	



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

**NOTE 25: GOVERNMENT SUBVENTION PERSONNEL EMOLUMENT RECEIVED FOR THE YEAR
2019/2020**

PERIOD	2019/2020	PERIOD	2018/2019
	TZS		TZS
Jul-19	9,907,071	Jul-18	14,853,112
Aug-19	10,416,327	Aug-18	13,923,920
Sep-19	14,570,823	Sep-18	11,892,441
Oct-19	9,749,235	Oct-18	9,852,861
Nov-19	9,448,992	Nov-18	10,241,478
Dec-19	8,779,018	Dec-18	9,817,600
Jan-20	9,348,833	Jan-19	9,520,690
Feb-20	8,941,572	Feb-19	9,920,422
Mar-20	9,312,612	Mar-19	10,298,514
Apr-20	9,754,099	Apr-19	10,366,714
May-20	10,113,299	May-19	10,366,714
Jun-20	10,223,129	Jun-19	10,366,714
	120,565,005		131,421,179
March-20	10,863,044	Note 4	
	131,428,049		

The above figure present amount of deduction received from the Ministry of Science and Technology. Other amount was paid direct to employee bank accounts and respective institutions. The movement of cash into our bank accounts was caused by figure of deduction received and paid.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

Reconciliation summary of Government Subvention Emoluments

Details	30.06.2020	30.06.2019	
	TZS	TZS	
Total PE Received	1,113,337,104	899,062,000	NOTE 10
Direct Paid to Employee and Institution	(992,772,099)	(767,640,821)	
Actual deduction received by TEA	120,565,005	131,421,179	
Add: Salary Deduction Receivable	10,863,044	-	NOTE 4
Total PE Received	131,428,049	131,421,179	

NOTE: 26 DONATIONS

Details	30.06.2020	30.06.2019
	TZS	TZS
Tanzania Revenue Authority	-	20,000,000
Tanzania Communications Regulatory Authority	-	5,000,000
Asilia Camp	39,600,000	-
Total	39,600,000	25,000,000

NOTE: 27 OFFICE EXPENSES

Details	30.06.2020	30.06.2019	
	TZS	TZS	
Telephone	3,160,257	2,083,167	
Postage and Telegraphs	7,000,000	8,296,700	
Printing and Publications	1,141,900	10,039,172	
Stationery and Office Supplies	33,171,291	38,908,990	
Newspapers & Periodicals	8,318,000	8,641,000	
Electricity	10,000,000	15,500,000	
Water	6,092,732	14,671,750	
Office Cleaning	24,393,340	14,117,200	
Stationery Stock	14,788,791	-	NOTE 14B
Sub Total	108,066,311	112,257,979	

Stationery of books are donation in kind from oxford and TEA donated them to Tanzania Library.



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE: 28 AUDIT EXPENSES

Details	30.06.2020	30.06.2019
	TZS	TZS
External Audit Fees & Expenses	155,755,310	96,886,961
Internal Audit & Investigation expenses	<u>43,746,060</u>	<u>89,315,543</u>
Sub Total	<u>199,501,370</u>	<u>186,202,504</u>

NOTE:29 ADMINISTRATIVE EXPENSES

Details	30.06.2020	30.06.2019	
	TZS	TZS	
Staff Recruitment and Repatriation	41,861,380	17,357,930	
Travel Local	66,452,471	24,059,606	
Foreign Travelling	12,390,745	-	
Staff Training Expenses	57,872,200	48,201,813	
Seminars	75,704,700	27,638,600	
Consultancy	14,761,000	45,300,000	
Public Relations	2,440,000	10,200,000	
Advertisement Expenses	12,937,300	28,531,400	
Professional Membership	2,216,500	875,000	
Insurance	300,000	20,818,286	
Motor Vehicles Running Costs	20,900,700	33,986,505	
System Development and Maintenance	65,122,860	58,757,862	
Tender Board Meetings	50,380,000	23,644,000	
Fund Raising	8,600,000	38,611,612	
Legal Expenses	4,536,000	105,000	
Security Expenses	28,390,508	21,377,409	
Repair and Maintenance- Motor Vehicles	49,530,346	82,845,129	
Repair and Maintenance of Equipment	5,271,900	-	
Repair and Maintenance Building	4,503,814	-	



Details	30.06.2020	30.06.2019	
	TZS	TZS	
Project Monitoring and Evaluation	273,200,753	254,447,296	
Planning and Investment	71,464,000	55,920,100	
Stock Taking & Final Account Preparation	86,016,000	6,200,000	
District Education Fund Affiliation	33,931,100	26,923,014	
Exhibitions	27,547,866	7,100,000	
Award Ceremony	-	24,202,000	
Review of FAEDP Policies	92,547,000	30,010,000	
Administration Expenses	-	532,661,857	
Project Proposal Financing	38,800,000	-	
Special Allowance	123,655,000	-	
HIV/AIDS	11,300,000	-	
Annual Report	16,100,000	-	
Software Licence	54,738,801	-	
Stakeholder Meetings	9,425,000	-	
Disciplinary Committee Meeting	4,870,000	-	
Management Meetings	30,107,000	-	
Donation	56,701,916	-	
Other Advances/ Prepayment	1,439,000		NOTE 4
Movement of Accrual expenses	16,183,242	-	NOTE 9
Total Operational Costs	1,472,199,103	1,419,792,419	



NOTES ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 30: EDUCATIONAL PROJECTS – GRANTS

Project Name	30.06.2020	30.06.2019
	TZS	TZS
Allocation School Incentive Scheme	914,762,300	1,071,283,000
Construction of Dinning Hall	150,000,000	600,000,000
Allocation Rehabilitation of National Schools	1,953,568,356	1,163,667,870
Allocations Teachers' Houses construction	1,637,941,280	4,440,413,000
Allocation for ICT	-	133,759,549
Allocation for Laboratory Equipment's	-	60,020,800
Allocation for Boarding Facilities	-	299,703,800
Allocation TEA Office Building	28,978,995	-
Learning Facilities	218,900,100	0
Allocation Dormitories Constructions	1,350,000,000	2,859,767,325
Allocation construction classrooms & pit Latrines	2,635,000,000	7,509,934,350
Allocation to schools with special needs Students	359,000,000	242,214,018
SDF Projects	5,980,587,822	1,434,989,710
TOTAL	15,228,738,853	19,815,753,422



NOTES ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE: 31 LOANS REPAYMENT RECEIVED

	2019/2020	2018/2019
INSTITUTION NAME	AMOUNT	AMOUNT
	TZS	TZS
Mzinga Secondary School	5,000,000	20,000,000
Premier Girls Sec School	15,000,000	20,000,000
Lieberman Primary School	14,000,000	15,000,000
Institute of Adult Education	54,320,000	55,680,000
Mzumbe University	260,000,000	272,000,000
Mbogamo Secondary School	16,651,774	23,811,000
Ardhi University	-	156,450,388
Dar es Salaam University College of Education	124,000,000	130,000,000
Sokoine University of Agriculture	356,503,000	-
Agape Secondary School	5,000,000	-
St. Moses Primary School	300,000	-
University of Iringa	39,000,000	-
TOTAL	889,774,774	692,941,388

The actual loan collection from July 2019 to June 2020 was TZS 889,774,774. That figure comprises of loan principal, interest and penalty. That figure is different from the one in statement of financial position because note 3 indicated the prior year adjustment for institution loan. Details of loan collection are shown in table no.1



NOTES ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED

30TH JUNE, 2020

Table 1: INSTITUTIONS LOAN COLLECTION

DATE	RECEIPT NO/ CONTROL NO	NAME	AMOUNT	PRINCIPAL PAID	INTEREST PAID	PENALTY PAID
26-Jul-19	99022088455	PREMIER GIRLS SEC SCHOOL	5,000,000	3,193,499	951,469	855,031
8-Jan-20	994200000184	PREMIER GIRLS SEC SCHOOL	5,000,000	3,127,881	997,199	874,920
9-Mar-20	994200000242	PREMIER GIRLS SEC SCHOOL	5,000,000	4,361,843	344,470	293,687
30-Jul-19	99022382247	SOKOINE UNIVERSITY OF AGRICULTURE	80,000,000	(0)	56,326,812	23,673,188
30-Sep-19	994200000141	SOKOINE UNIVERSITY OF AGRICULTURE	20,000,000	-	3,578,904	16,421,096
22-Jan-20	94200000202	SOKOINE UNIVERSITY OF AGRICULTURE	100,000,000	77,754,219	6,623,044	15,622,737
3-Feb-20	994200000203	SOKOINE UNIVERSITY OF AGRICULTURE	156,503,000	155,640,434	539,313	323,253
14-Oct-19	99030408959	MBOGAMO SEC SCHOOL	16,651,774	16,010,867	385,354	255,553
8-Nov-19	DIRECT BANK DEPOSIT	AGAPE SEC SCHOOL	5,000,000	-	5,000,000	-
12-Dec-19	994200000162	MZINGA SECONDARY SCHOOL	5,000,000	-	5,000,000	-
21-Dec-19	DIRECT BANK DEPOSIT	INSTITUTE OF AUDULT EDUCATION	53,452,800	50,000,000	3,452,800	
11-Jun-20	994200000363	INSTITUTE OF AUDULT EDUCATION	867,200		867,200	
13-Jan-20	94200000185	ST.MOSE PRIMARY SCHOOL	300,000	-	300,000	-
14-Jan-20	994200000186	LIBERMAN PRIMARY SCHOOL	14,000,000	12,645,445	883,760	470,795
28-Feb-20	994200000222	MZUMBE UNIVERSITY	260,000,000	200,000,000	60,000,000	



DATE	RECEIPT NO/ CONTROL NO	NAME	AMOUNT	PRINCIPAL PAID	INTEREST PAID	PENALTY PAID
10-Jun-20	994200000347	UNIVERSITY OF IRINGA	39,000,000	23,915,886	15,084,114	
15-Jun-20	994200000322	DAR ES SALAAM COLLEGE OF EDUCATION	124,000,000	100,000,000	24,000,000	
		TOTAL	889,774,774	646,650,074	184,334,439	58,790,261

NOTE: 32 STAFF COST

Details	30.06.2020	30.06.2019	
	TZS	TZS	
Salaries and Wages	120,565,010	920,512,000	
Consolidated Allowances	453,327,500	685,754,246	
Employers Pension Contribution	-	1,200,000	
Travel on Leave	11,180,700	12,621,627	
Staff Welfare	44,366,384	25,563,930	
Medical Expenses	8,332,500	3,200,000	
PE Subvention Receivable	10,863,044	-	NOTE 4
Sub Total	644,432,684	1,648,851,803	

NOTE: 33 PURCHASE OF ASSET

Details	30.06.2020	30.06.2019
	TZS	TZS
Addition of assets	803,424,080	167,873,984
Advance Purchase of Asset	(524,564,273)	-
Asset Donation received	(162,170,195)	-
Sub Total	116,689,612	167,873,984

NOTE: 34 EFFECT OF CORONA TO THE AUTHORITY

During the financial year ended 30th June, 2020 the World faced the challenge of pandemic disease named Corona (Covid-19) which led to difficult in implementation of Education Fund projects and Skills Development Fund projects. The funded Institutions were closed up to 30th June, 2020.



NOTES ON THE FINANCIAL STATEMENT FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE 36: STATEMENT OF RECONCILIATION OF ACTUAL ON COMPARABLE

DETAILS	Actual Amount on Comparable TZS	CASH FLOW TZS	DIFFERENCE TZS
RECEIPTS			
Opening Balance	2,105,510,711	-	2,105,510,711
Government Subvention PE	1,113,337,104	131,421,179	981,915,925
Government Subvention Development	13,000,000,000	13,000,000,000	-
SDF Income	4,951,073,654	4,951,073,654	-
Donations	213,770,195	39,600,000	174,170,195
Interest Income	8,750,497	8,750,497	-
Other Income	886,075,000	886,075,000	-
Interest on Loan	184,334,439	184,334,439	-
Penalty Income	58,790,261	58,790,261	-
Loan Principal	646,650,074	646,650,074	-
Movement of Staff Loan	-	30,319,027	(30,319,027)
	<u>23,168,291,935</u>	<u>19,906,695,104</u>	<u>3,231,277,804</u>
PAYMENT			
Fund Assisted Educational Projects	15,228,738,852	(15,228,738,852)	-
Staff Cost	1,732,551,084	(644,432,684)	1,088,118,400
Office Expenses	108,066,311	(108,066,311)	-
Board & Expenses	353,103,300	(353,103,300)	-
Audit Expenses	199,501,370	(199,501,370)	-
Administration Expenses	1,456,015,861	(1,472,199,103)	(16,183,242)
Finance Cost	8,866,827	(8,866,827)	-
Acquisition of Assets	116,689,612	(116,689,612)	-
	<u>19,203,533,218</u>	<u>(18,131,598,059)</u>	<u>1,071,935,158</u>
	<u>3,964,758,717</u>	<u>1,775,097,044</u>	<u>2,159,342,646</u>
BASIC DIFFERENCE IN OPERATING CASH FLOW			
(+/-)			
Opening Balance	(2,105,510,711)		
Government Subvention PE	(981,915,925)		
Donations	(174,170,195)		



Movement of Staff Loan	30,319,027		
Staff Cost	1,088,118,400		
Administration Expenses	(16,183,242)		
	(2,159,342,646)	1,805,422,948	
Net Increase in Cash and cash equivalent	1,805,422,948		
opening balance Cash	5,868,082,587		
closing Balance of Cash and Cash equivalent	7,673,505,535		

NOTE: 37 RECONCILIATION OF BUDGET AND FINANCIAL PERFORMANCE

DETAILS	AMOUNT TZS
Net Profit Budget	3,964,758,718
Less: Depreciation	(359,435,375)
Acquisition of Assets	116,689,612
Other Receivable	1,439,000
Audit Fee Expenses	9,333,227
Office Expenses	14,788,791
Principal Loan	(646,650,074)
Accrued Penalty from loan advance	114,329,371
Accrued Interest from loan advance	100,858,721
Opening Balance Budget	(2,105,510,711)
Net Surplus for the year	1,210,601,280



NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED

30TH JUNE, 2020

NOTE: 38 PRIOR YEAR ADJUSTMENT

TOTAL EQUITY	2019/2020	ADJUSTMENT	RESTATED BALANCE
	TZS	TZS	TZS
Capita Fund	2,881,574,727		2,881,574,727
Accumulated Surplus	15,206,302,002		15,206,302,002
PRIOR YEAR ADJUSTMENT			
Winning Spirit		(150,663)	(150,663)
Ardhi University		(95,949,570)	(95,949,570)
Sokoine University of Agriculture		14,069,415	14,069,415
Lieberman Pre-Primary		(3,382,591)	(3,382,591)
Premier Secondary School		(2,864,052)	(2,864,052)
College of Business Education		116,141	116,141
Open University of Tanzania		(316,427,637)	(316,427,637)
Audit Fee		(89,333,227)	(89,333,227)
Adjustment of Penalty and Interest- Ardhi and Open University		(126,139,565)	(126,139,565)
Balance as at 30 th June 2020	18,087,876,729	(620,061,749)	17,467,814,980





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