REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS AND COMPLIANCE AUDIT OF GOVERNMENT CHEMIST LABORATORY AUTHORITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

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March, 2022

AR/CG /GCLA/2020/21

Mandate
The statutory mandate and responsibilities of the Controller and Auditor General are provided for under Article 143 of the Constitution of the URT of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418 [R.E 2021].

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

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

Motto: "Modernizing External Audit for Stronger Public Confidence"

Core values
In providing quality services, NAO is guided by the following Core Values:
i. Independence and objectivity
ii. Professional competence
iii. Integrity
iv. Creativity and Innovation
v. Results-Oriented
vi. Teamwork Spirit

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

© This audit report is intended to be used by Government Chemist Laboratory Authority and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

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Abbreviations

AAS	Atomic Absorption Spectrophotometer
BOT	Bank of Tanzania
BV	Bureau VERITAS
CAG	Controller and Auditor General
CAPP - TZ	Chemical Accident prevention and Preparedness in Tanzania
CGC	Chief Government Chemist
DCEA	Drug Control and Enforcement Authority
DCI	Director for Criminal Investigation
DNA	Deoxyribonucleic Acid
FOB	Freight on Board
GCLA	Government Chemist Laboratory Authority
GCMS	Gas Chromatograph coupled with Mass Spectrometer
HCMIS	Human Capital Management Information System
HDNA	Human Deoxyribonucleic Acid
HDNAA	Human DNA Act
HPLC	High Performance Liquid Chromatography
ICCA	Industrial and Consumer Chemicals (Management and Control) Act No. 3 of 2003
ICT	Information Communication Technology
IEC	Information, Education and Communication
IFMS	Intergraded Financial Management System
IPDS	Import Permit Data Sheet
IPSAS	International Public Sector Accounting Standards
ISO	International Standards for Organization
ISSAIs	International Standards of Supreme Audit Institutions
KPIs	Key Performance Indicators
LGAs	Local Government Authorities
MAB	Ministerial Advisory Board
MDA	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MOHCGEC	Ministry of Health, Community Development, Gender, Elderly and Children
MOU	Memorandum of Understanding
MTEF	Medium Term Expenditure Framework
MTSP	Medium Term Strategic Plan
NACS	National Anti-Corruption Strategies
NEMC	National Environmental Management Council
NPCC	National Poison Control Centre
OC	Other Charges
PAA	Public Audit Act, Cap 418
PAR	Public Audit Regulation, 2009
PAC	Public Accounts Committee
PCCB	Prevention and Combating of Corruption Bureau

PCR	Real time - Polymerase Chain Reaction
PE	Personnel Emolument
PFA	Public Finance Regulations, 2001
PO - PSMGG	President Office Public Service Management and Good Governance
PPA	Public Procurement Act, 2011 (as amended in 2016)
PPR	Public Procurement Regulations, 2013 (as amended in 2016)
PSRP	Public Service Reform Program
PT	Proficiency Testing
SADCAS	Southern Africa Development Accreditation Service
SAICM	Strategic Approach to International Chemical Management
SP	Strategic Plan

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Accounting Officer,
Chief Government Laboratory Authority,
P.O. Box 164, Barrack Obama Drive,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of Government Chemist Laboratory Authority, which comprise the statement of financial position as at 30 June 2021, the statement of financial performance, statement of changes in net assets, 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 Government Chemist Laboratory Authority as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) accrual basis of accounting and the manner required by the Public Finance Act, Cap 348 [R.E 2020].

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of Government Chemist Laboratory 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 misstatements, whether due to fraud or errors.

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 misstatements, whether due to fraud or errors 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 material misstatements when they exist. Misstatements can arise from fraud or errors 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 scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

Compliance with the Public Procurement laws of Tanzania

Subject matter: Compliance audit on procurement of works, goods and services
I performed a compliance audit on procurement of works, goods and services at GCLA for the financial year 2020/21 as per the Public Procurement laws of Tanzania.

Conclusion
Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of Government Chemist Laboratory Authority is generally in compliance with the requirements of the Public Procurement laws of Tanzania.

1. Awarded contracts for works / services before obtaining tender board approval TZS 12,565,600
During the audit I noted that, the Authority awarded works / services contracts worth TZS 12,565,600 during the financial year 2020/21 to a service provider before obtaining tender board approval which is contrary to the requirements of Regulation 57 (3) of the Public Procurement Regulations, 2013.

2. Inadequate management of contract for catering services
Reg. 243(1) of Public Procurement Regulation, 2013 requires in case of contracts for non-consultant services or works, a procuring entity to monitor the service provider or contractor's performance against the statement of requirements or schedule of works stated in the contract, by means of daily, weekly or monthly reports from the procuring entity's supervisor responsible for the services or works.

During the year under review, GCLA through framework agreement No. 0037876 with Bremmer and Group procured catering services and effected total payments of TZS 150,590,307 for the supply of food during work days. The amount charged was based on number of plates ordered and supplied per month at a rate of TZS 5,000 for special order and TZS 3,500 per normal plate. However, GCLA had no control in place to ensure monitoring and confirmation of the quantity ordered against the supply made on daily basis contrary to above Regulation.

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

March, 2022

2.0 FINANCIAL STATEMENTS

2.1 STATEMENT BY THE CHAIPERSON OF THE BOARD OF DIRECTORS

On behalf of the Board of Directors of the Government Chemist Laboratory Authority (GCLA) I am pleased to present the GCLA annual report for the financial year ended 30th June, 2021.

The Board of Directors was established in accordance with Section 7(1) of GCLA Act No.8 of 2016 The First Schedule of the Act provides that the Board shall meet as often as there is sufficient business to transact. During the period under review the Board held a total of 6 meetings, whereby 3 were ordinary and 3 were special/extra ordinary meetings. In these meetings the Board deliberated on the performance reports, Audited Financial Statements, Plan and Budget of the Authority, Employee Performance Appraisals and recruitment of employees.

The Authority's functions are stipulated under Section 5 of GCLA Act. Act No 8 of 2016. Generally, The Authority is empowered by the laws to carry out Laboratory Analysis / testing of industrial and natural products, forensic and toxicological samples; manage and control industrial and consumer chemicals in accordance with the Industrial and Consumer Chemicals (Management and Control) Act, Cap 182; manage and regulate human DNA in accordance with the Human DNA (Regulation) Act, Cap 73; serve the public by contributing to the implementation of Public Health Act, Cap 99, Occupational Safety and Health Act, Cap.297; and Environment Management Act, Cap.191; and provide expert opinion as circumstances may require. The first five year Corporate Strategic Plan, (2017/2018 to 2021/2022) was in the fourth year of implementation. The plan has five strategic objectives namely: Strengthen HIV/AIDS awareness to GCLA employees; Implementation of National Anti-corruption Strategy enhanced and sustained; GCLA capacity to implement its core functions and resources improved; and provision of quality laboratory services strengthened and maintained.
The Board played its oversight role by ensuring that the Annual plan for the year ended 30th June 2021 was focused on the implementation of the strategic plan with the view of realizing the Vision of becoming a reputable, world-class analytical laboratory for executing health, social well-being and environmental interventions.
The final annual revenue budget for the year 2020/21 was TZS **30,317,014,502.00**. The revenue recognized as at 30th June 2021 was TZS **31,125,636,216.05**, which were above the Budgeted revenue by TZS **808,621,714.05** equivalent to 3% of the original budget.

During the year, GCLA recorded improvement in various activities, for example the Authority has substantially achieved its objectives in line with its Annual Plan and Budget for the year ended 2020/2021 whereby the Authority managed to receive and analyse a total of 146,060 samples out of 154,952 received which is 94% performance. Permit issued during the year were 49,234 which is 144% of the planned target of 34,190 permit; Construction of its office in Dodoma City expected to cost **TZS 7.8 Billion** aiming to expand its laboratory operations and Reducing Morbidity and Mortality caused by poison incidences by introducing antidotes in three out of its six zones.
Furthermore, for the past three years the Authority's revenue collection has recorded an average of consecutive increase of 11.67%, as a result the development budget also increased from **TZS 5,859,789,867** to **TZS 6,131,320,555.00** for the past year.

Prof. Esther Hellen Lugwisha
CHAIRPERSON OF THE BOARD

2.2 CHIEF GOVERNMENT CHEMIST'S STATEMENT

Dr. Fidelice M. S. Mafumiko

The Government Chemist Laboratory Authority (GCLA) is pleased to report on its performance in this 5th issue of Annual Report and Audited Accounts for the financial year ended on 30th June, 2021. This task is in line with Section 39 of the Government Chemist Laboratory Authority Act, No.8 of 2016 and Public Finance Act, Cap 348 [R.E 2020], which requires the Authority to keep proper books of accounts and prepare financial statements of the Authority for each financial year, as at the end of each financial period in order to portray a true and fair view of the state of affairs of the Authority for each particular financial year.

That being the case, the Management accepts responsibility for keeping proper accounting records, which disclose with reasonable accuracy at any time the Financial Position of the Authority. The report reflects on implementation of various regulatory and laboratory activities of the Authority.

The management is also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. Procurement of goods, works, consultancy, and non-consultancy services in accordance with the Public Procurement laws of Tanzania as reflected in these financial statements.

During this financial year the Authority undertook a number of strategic efforts aimed at enhancing Authority's capacity to effectively and efficiently discharge its regulatory responsibilities and provision of laboratory services; the initiatives include enhancing financial sustainability of the Authority, enhancing Board effectiveness, improving internal controls, systems and processes, human resource capacity and working environment.

In ensuring implementation of ICCA, HDNA and GCLA legislations, during the year under review, the Authority managed to receive and analyse various samples as follows; Chemicals 146.17%, HDNA 110.77%, Forensic Biology 90%, Forensic Chemistry 100.74%, Environmental 105.54%, Foods and Drugs 136.13%, Microbiology 115.2%, Post mortem 101.21% and Toxicology 100.17% . These performance, all together, indicate a clear picture of good work done during the year 2020/2021, which also has been the resultants of the continuing Authority's efforts in investing in various human resources training, professional manpower, specialized equipment and machines to better analysis results. In a move to improve different stakeholders' understanding on regulatory framework and regulations, GCLA has started an exercise of translating its regulations in Kiswahili language.

The Authority approved budget for the year 2020/2021 was **TZS 30,317,014,502** from which development budget was **TZS 6,131,320,555** and **TZS 24,185,693,947** were for recurrent expenditure. However, during the year under review, *2020/21*, the total revenue earned amounted to **TZS 31,126,776,216.05** from which a total of **TZS 4,567,668,092.58** obtained from Accounts receivable. The revenue of **TZS 4,824,475,967.03** equivalent to 60.77% of the plans was received from Government for Personal Emolument, and **TZS 26,301,160,249.02** which included **TZS 4,567,668,091.58** amount owed to receivable was collected from GCLA own sources. The total expenditure for the year *2020/2021* was **TZS 24,634,059,264.46**, from which **TZS 4,821,345,115.38** was used to pay Government subvention for GCLA staff, while **TZS 2,730,275,270** was spent on development activities and **TZS 15,148,005,985.45** for various activities. The unspent balance of **TZS 4,506,385,937** includes **TZS 2,591,097,219** carried from *2019/2020* and **TZS 1,915,288,718.00** for *2020/21*.

Dr. Fidelice M.S. Mafumiko
CHIEF GOVERNMENT CHEMIST

3.0 Statement and Governance Report by the Board of Directors for the Year Ended 30th June 2021

3.1 Introduction

The Government Chemist Laboratory Authority has the pleasure to present the Governance Annual Report on the Financial Statement of the Authority, GCLA for the year ended 30th June 2021. Financial has been prepared in accordance with the requirement of Public Finance Act Cap 348 and presented based on International Public Sector Accounting Standard (IPSAS) accrual basis. Additional information are also made available to increase user understanding, and this has been made in compliance with the requirement of Tanzania Financial Reporting Standard number 1 (TFRS1) issued by National Board of Accountant and Auditors (NBAA).

3.2 Establishment

The Government Chemist Laboratory Authority is the Authority under the Ministry of Health, Community Development, Gender, Elderly, and Children established under Government Chemist Laboratory Authority Act No. 8 of 2016. In addition to other functions, the GCLA Act establishes the Authority as the supreme and referral laboratory on all matters related to forensic science and DNA services, product quality and chemicals management. The Laboratory is one of the oldest departments / organisation of the Government institution of Tanzania, being operational since 1895. It has gone through several transformations from being a Department in the Ministry, an Agency of the government 1999 - 2017, and an Authority from April, 2017 to date. Historically, it started as a Centre for conducting researches in tropical diseases to a National Laboratory in 1895 during German colony. In the early time of its establishment, the Laboratory was within the Chief Secretary office, and there after transferred to the Ministry of Health after the First World War in 1947. The laboratory was then transferred to Ministry of Agriculture and Natural Resources i.e. 1947 - 1957, and from 1958 to date the laboratory is within the Ministry responsible for Health. The GCLA being an Authority has enhanced smooth operations of its functions, realization of its objectives, and attainment of its vision and hence, complement to the Government efforts in improving the wellbeing of its people and the environment.

3.3 Location of the Office

The GCLA Head Office is located at 05 Barrack Obama Drive in Dar es Salaam, and operates in twenty-six (26) regions in Tanzania Mainland through Six (6) operational zonal offices country- wide namely Eastern Zone office, Northern Zone office, Lake Zone office, Southern Highland Zone office, Southern Zone office and Central Zone office.

3.4 Vision Statement

To become a reputable, world-class analytical laboratory, for executing health, social well-being and environmental interventions.

3.5 Mission Statement

To provide quality and cost-effective laboratory and regulatory services to the Government, Institutions, Private Sector and the general public for the purpose of safeguarding human health, the environment and for execution of justice.

3.6 Core Values

In pursuit of provision of quality services GCLA will pursue its vision and mission guided by eight core values as stipulated in 2016 Clients Service Charter under section 3. The values are:-

a) Quality Service Delivery
b) Professionalism
c) Accountability
d) Team Spirit
e) Diversity
f) Transparency
g) Loyalty to Government

3.7 GCLA Quality Policy

The GCLA quality provides commitment on provision of quality Laboratory services and Regulatory services to the Government, institutions and the general public for safeguarding human health, environment and social well-being with utmost professionalism. GCLA is committed to comply with requirements of the ISO 9001:2015 standard and continually improve effectiveness of the quality Management system.

3.8 Principal Functions of the Authority

As stated in its establishing Act, The Authority shall be the referral laboratory and its analytical results shall be final and conclusive on the matters related to laboratory analysis. The functions of the Authority are stipulated in Section 5 of GCLA Act No. 8 of 2016 and in particular include:

a. Carry out laboratory testing of industrial and natural products samples, forensic and toxicological samples.
b. Manage and control industrial and consumer chemicals in accordance with the Industrial and Consumer Chemicals (Management and Control) Act, Cap 182.
c. Manage and regulate human DNA in accordance with the Human DNA (Regulation) Act, Cap 73.
d. Serve the public by contributing to the implementation of Public Health Act, Cap 99, Occupational Safety and Health Act, Cap.297; and Environment Management Act, Cap.191.
e. Implement programs and multilateral environmental agreements on chemicals management at national level.
f. Carry out testing of forensic and toxicology samples and specimens and provide scientific evidence and opinion.
g. Provide expert opinion as circumstances may require.

h. Establish and be the custodian of forensic and any other related DNA database and provide information using databases as stipulated in Human DNA (Regulation) Act. Cap 73.

i. Provide training and consultancy services on subjects related to the functions of the Authority.

j. Participate, carry out, promote or assist in research within or outside the country on any subject related to the functions of the Authority.

k. Perform such other functions as the Minister may assign the Authority or as are incidental or conducive to the exercise by the Authority of all or any of the preceding functions.

Objectives and Strategies

3.9 Objectives

As per the Authority's' Five Years Corporate Strategic Plan (2017/2018 - 2021/2022) the following are the strategic objectives:

i. Strengthen HIV/AIDS awareness to GCLA employees,
ii. Implementation of National Anti-corruption strategy enhanced and sustained,
iii. GCLA capacity to implement its core functions and resources improved,
iv. Provision of quality laboratory services strengthened and maintained
v. Implementation of ICCA, HDNA and GCLA legislations
vi. Morbidity and mortality caused by poison incidences reduced,
vii. Effective monitoring and evaluation system.

3.10 Strategies

The strategies to achieve the objective are as follows:

i. Implement National HIV/AIDS interventions programs at GCLA
ii. Promote integrity, accountability, transparency and ethical conduct.
iii. Enhance compliance to laws, policies, guidelines and procedures.
iv. Improve risk management systems
v. Strengthen Human Resources Management.
vi. Improve financial management.
vii. Improve internal audit functions.
viii. Strengthen monitoring and evaluation
ix. Improve infrastructure and usage of ICT in provision of laboratory services.
x. Increase public awareness on services provided by the Authority.
xi. Improve efficiency in provision of laboratory services.
xii. Timely provide analytical results and expert options.
xiii. Promote stakeholders' compliance
xiv. Stakeholders' awareness
xv. Disseminate information to the public on poisoning

xvi. Ensure availability of antidotes and poisoning information
xvii. Strengthen management information systems.
xviii. Promote compliance to quality management systems.

3.11 Key Performance Indicators (KPIs)

The key performance indicators, both financial and, where appropriate, non- financial, used by the Authority to assess progress against their stated objectives.

a) Budgeting ratio

This is the ratio of the operating cost to its revenue. This ratio compares these two amounts. The Authority use the ratio to track its efficiency. A lower cost revenue ratio means more revenue can be produced using fewer costs. Low ratio can also be considered as a positive sign of efficiency. Over time, the Authority aim to lower this ratio by managing costs or increasing its revenue collection.

b) Total number of audit findings

This KPI is the count of reported issues in audits. As other public entities the Authority are also subjected to independent reviews of her operations. The purpose of these audits is to not only scrutinize the Authority on its shortcomings but to bring attention to opportunities for improvement. Total number of audit findings holds the organization accountable for the promises that were made to its stakeholders.

c) Employee retention rate

This KPI is a measure of the Authority ability to retain its employees. A high retention rate is indicative of a healthy and thriving workplace, whereas a low retention rate points to a need for management attention. This metric is calculated by dividing the number of employees who have left the workforce by the total number of staff.

d) Turnaround time

This is the number of days to complete analysis of samples from its receipt up to the collection of analysis result by the customer and this has been improved over time. The lower the number the more effective the Authority is.

3.12 Authority Operating Model and Value Creation

The Authority value creation is made through the organization's purpose, strategy, and business model taking into account all resources and relationships in an integrated way referred to as 'the capitals. The capitals are increased, decreased, or transformed through the activities and outputs of our organization in that they are enhanced, consumed or otherwise affected by the activities.
These capitals are: financial, manufactured, intellectual, human, social & relationship, and natural.

a) Financial capital

These are generated from the laboratory services, supervisory services and grant from the Government and are used in running the organization and provision of services.
The capital is enhanced when the Authority achieves surplus over the period.

b) Manufactured capital
Includes Buildings, motor vehicles, laboratory and other machineries purchased by authority, for its own use.

c) Intellectual capital
Organizational, knowledge-based intangibles, including systems, procedures and protocols.
The Customer Chemical Management Portal (CCMP), developed by the Authority and billing system (GEPG) developed and maintained by The Ministry of Finance are main systems used by Authority in serving its stakeholders. Also, the Authority are in final stage of developing the Laboratory information system (LIMS) and is at initial stage of Developing National HDNA data Base.

d) Human capital
The Authority staff are competent, experienced, and are well motivated to innovate, to support for an organization's and implement an organization's strategy by improving processes and services, including their ability to lead, manage and collaborate. Employee capital is increased when employee becomes better trained to accomplish their assigned duties.

e) Social and relationship capital
The authority has developed CCMP where it interacts with its stakeholders in services provision. The relation with our stakeholders improves information sharing and trust and willingness to engage with each other.
The core of our business model, draws on various capitals as inputs and, through its activities as process (laboratory analysis, Registration activities and monitoring activities including permit issues, inspections and consultancy), converts them to outputs/services. The organization's activities and its outputs lead to outcomes in terms of effects on the capitals. The outcome may positive or negative. Positive outcome may result in net increase in the resources and thereby creating value. Some of the positive outcome may include improved employee morale, improved services to stakeholders, entity reputation, revenue and cash flows, increase in infrastructure including machinery and laboratory equipment, customer satisfaction and social and environmental effects. Negative outcome may result in decrease in the resources and thereby diminish value. Some of negative outcome may include number of staff leaving the organization, reduction in revenue collection, outdated laboratory machines, security issues and deteriorating working environment. The output can be measured by surplus, number of training days to staff, cost/income ratio and the amount of PE paid to employees.

3.13 Principal Risks, Uncertainties and Opportunities

Risks are considered by the Board as part of strategy setting and consideration of new opportunities. The Authority are faced by both internal and external risk which are described as follows:

3.14 Internal

These are risks over which the organisation has some control, for example risks that can be managed through internal controls and, where necessary, additional mitigating actions. This often involves traditional risk management, such as risk registers, controls and assurance.

3.15 External Risk

This focuses on big external events/perils and then considers how to make the organisation more resilient to such events, in part because of difficulties on assessing likelihood. They include Economic downturn, Terrorist attack and Cyber attacks

The discussion of some of the risk facing the Authority, opportunity, impact and mitigation during the period are described in table 1.

Table 1: Risk Management

S/N	Risk Type	Risk Description	Risk Opportunity	Impact on Strategy	Key Mitigating measures
1	Financial	The inability to obtain sufficient revenue collection which impacts the achievement of our strategic objective and maintain a strong capital structure.	Utilize financial strength to deliver our strategy	inability to fund operations at the relevant time	We conduct our operation within approved financial operating guidelines
					Monitoring of the transactional and control the timing and number of new acquisitions to reduce cash outflows if needed.
					access to accurate, complete, and timely information through monthly and quarterly report

S/N	Risk Type	Risk Description	Risk Opportunity	Impact on Strategy	Key Mitigating measures
2	People	Failure to attract, retain and develop our people to ensure we have the right skills in the right place at the right time for our strategy	Capacity building and expertise within Authority to execute goal	Reduced ability to achieve planned activities	training and development program for staff
				failure to innovate and evolve to maintain customer satisfaction	performance reviews and appraisals of staff (OPRAS)
				damage to reputation	succession plans and retention strategies for key staff
3	Operational	The risk of loss arising from inadequate or failed procedures, systems or policies, employee errors, system failure, fraud, or other criminal activity that disrupt our operations	Maintain a high level of compliance and services to our stakeholders and exceed expectation	Loss of operational efficiency and competitiveness	Use of our existing technology platform and payment methods to maintain customer contact and collection activity
				Reputational Damage	Policies and procedures covering operational activities that is subject to regular review and revision
				Increased operational costs	Disaster recovery tests are performed periodically on critical systems
4	Cyber and Information Security	The breach of confidential data or technology disruption due to an internal or	Ensure that we are a trustworthy and secure landlord for	Financial loss, reputational damage, operational	Employ an experienced IT team and work with trusted suppliers

S/N	Risk Type	Risk Description	Risk Opportunity	Impact on Strategy	Key Mitigating measures
		external attack on our information systems and data or by internal security control failure.	our stakeholders' data.	and business disruption, loss of employees, and inability to serve our stakeholders	New technology platforms and related processes that have 'data security by design' Staff training and awareness of our IT policies and commitment to data protection
5	Regulatory	Failure to meet current or increased regulatory obligations or anticipate and respond to changes in regulation. This also includes the risk that new regulation(s) or changes to the interpretation or implementation of existing regulation(s) may affect the Authority operations.	Enhance the reputation and the long-term sustainability of the Authority	Fines, penalties and sanctions; damage to reputation; loss of operational efficiency and competitiveness; increased costs; impact on ability to finance opportunities; reduced ability to generate revenue	staff training Continuous communication with key external stakeholders and professional contacts to keep our information updated Gap analysis is undertaken when any rules or regulatory guidance changes.

3.16 Corporate Governance

The Board has ultimate accountability for the performance and affairs of the Authority and for ensuring that the organization adheres to high standards of ethical behaviours. Committees assist in the execution of the Board's duties and responsibilities, with each committee comprising suitably skilled member. Each committee has written terms of reference that are mapped to applicable legislation, regulation and governance practices to ensure relevance and compliance. The Board monitors these responsibilities to ensure effective coverage of, and control over, the operations of the Authority. Occasionally, the Board requests that particular committee undertake specific duties, typically as a Board sub-committee, to provide additional focus. The Board is aware that there is sometimes delayed correlation between the governance performance and the financial performance outcomes of the Authority, and also there may be disconnect between the governance outcomes and stakeholders' likely expectations. The Board always ensures her objectives are relevant, to reflect the performance.

In line with best-practice governance, the focus is on the following governance outcomes

i. Good performance

The Board is accountable for the performance of the Authority, considering the possible positive and negative outcomes of the Authority activities and outputs on the economy, society and the environment in which we operate. Taking these factors into account, the Board approves the strategy and any changes thereto. The Board also monitors the execution of the strategic objectives.

i. Ethical leadership

The Board sets the tone and leads the Authority ethically, effectively and responsibly. In decision-making, individual Board members act with independence but on a consensus basis, with competence, commerciality and challenge, and with the necessary awareness, insight and information. The Board ensures that the Authority plays a key role in society as a trusted regulator, Laboratory analyst, employer, buyer of goods and services, contributor to the local community, taxpayer and skills provider.

ii. Effective control

The Board provides guidance to, and oversight of, the management of compliance risk, remuneration, the enterprise-wide risk management, and the related lines of defence that support good governance practices. The Board actively monitors the control environment and adjusts risk appetite and growth objectives.

iii. Trust and legitimacy

Authority is grounded in the communities we serve. The Board takes a stakeholder inclusive approach, recognizing the need for transparent disclosure and open channels of communication.

iv. Composition of the Board

The GCLA Board of Director is composed of chairman who is appointed by the President of the United Republic of Tanzania, under Section 7(1) of the Government Chemist Laboratory Authority Act, Act No. 8 of 2016, and 8 other members being appointed by Ministry of Health, Community Development, Gender, Elderly and Children and the Chief Government Chemist who serves as Secretary to the Board. The board served for only nine months for the year under review as their appointment expired on March 2021, and the Authority remain under the management team until the new appointment made by relevant Authority in August 2021.

Table 2: Board Members

S/N	Name	Position	Qualification	Tittle	Date of Appointment
1	Prof. Esther Hellen Jason	Chairperson	PhD (Chemistry)	Associate Professor in Chemistry- UDSM	30/01/2018
2	Dr. Eliud Saria Eliakimu	Member	PhD (Medicine (MD),	Assistant Director-Health Services Inspectorate and Quality Assurance - MOHCGEC	30/01/2018
3	Dr. Samwel Gwamaka Mafwenga	Member	PhD (Engineering Management)	Lecturer in Department of Chemical and Mining Engineering-UDSM	30/01/2018
4	Mr. Hussein Nassoro Laisseri	Member	(LLM)-International Criminal Law	Deputy Commissioner-(DCP) - Ministry of Home Affairs	30/01/2018
5	Ms. Irene Lesulie	Member	Masters of Science (Revenue Law and Administration)	Senior State Attorney General's Chambers	30/01/2018
6	Mr. Pius Martin Mponzi	Member	B A. Econ. MBA	Assistant Commissioner-Ministry of Finance and Planning	30/01/2018
7	Prof. Eliangiringa Amos Kaale	Member	PhD (Pharmacy)	Head of Department Medical Chemistry and Pharm R&D Lab Manager	28/09/2018
8	Dr.Francis Machumi	Member	PhD (Chemistry)	Research Fellow	28/09/2018
9	Dr. Fidelice M.S. Mafumiko	Secretary	PhD (Science Education)	Chief Government Chemist	3/4/2018

During the year ended 30th June, 2021 the Board has 6 general meetings out of which three meetings were ordinary and extra ordinary were three. In these meetings the Board performed the following activities;

1. Make guidelines, rules and orders to facilitate implementation of GCLA Act.
2. Exempt payment of any fees for service rendered by the authority
3. Approve the Authorities budget, annual Financial Statements and Accounts

4. Approve and advise the Minister on strategic policy matters for implementation by authority

During the financial year 2020/2021 the Board had six Meetings and the attendance of each board member is indicated in table 3.

Table 3: Attendance of the Board Meeting Members

S/N	Name	Meeting Attendance					
		30/07/2020	23/09/2020	22-23/10/2020	31/10/2020	14/11/2020	29/01/2021
1	Prof. Esther Hellen Jason	P	P	P	P	P	P
2	Dr. Eliud Saria Eliakimu	P	P	A	A	P	A
3	Dr. Samwel Gwamaka Mafwenga	P	P	P	P	P	A
4	Mr. Hussein Nassoro Laisseri	A	A	A	A	A	A
5	Ms. Irene Lesulie	P	P	P	P	P	P
6	Mr. Pius Martin Mponzi	P	A	P	A	P	P
7	Prof. Eliangiringa Amos Kaale	P	P	A	A	A	P
8	Dr. Francis Machumi	P	P	P	P	P	P
9	Dr. Fidelice M.S. Mafumiko	P	P	P	P	P	P

KEY: P - Present A - Absent with Apology

3.17 Board Committees

Committees assist in the execution of the Board's duties and responsibilities, with each committee comprising suitably skilled member. Each committee has written terms of reference that are mapped to applicable legislation, regulation and governance practices to ensure relevance and compliance. The Board comprised of four Committees which report to the full Board. The board committees are:

a. Chemical and Forensic Science & HDNA Laboratory Management
b. Finance Planning and Administration
c. Chemicals Management Committee
d. Internal Audit & Risk Management

I. Chemical and Forensic Science & HDNA Laboratory Management
The composition of the Chemical and Forensic Science & HDNA Laboratory Management committee during the year is indicated in Table 4:

Table 4: Chemical Forensic & HDNA Laboratory Management Committee Members

S/N	Name	Position	Qualification	Tittle	Date of Appointment
1	Dr. Eliud Saria Eliakimu	Chairman	PhD (Medicine (MD),	Assistant Director-Health Services Inspectorate and Quality Assurance - MOHCGEC	30/01/2018
2	Dr. Samwel Gwamaka Mafwenga	Member	PhD (Engineering Management)	Lecturer in Department of Chemical and Mining Engineering-UDSM	30/01/2018
3	Ms. Irene Lesulie	Member	Masters of Science (Revenue Law and Administration)	Senior State Attorney General's Chambers	30/01/2018
4	Dr.Francis Machumi	Member	PhD (Chemistry)	Research Fellow	28/09/2018

During the year ended 30th June, 2021 the Chemical and Forensic Science & HDNA Laboratory Management has no meeting conducted.

II. Finance, Planning and Administration

The composition of the Finance planning and Administration committee during the year is indicated in Table 5:

Table 5: Finance Planning and Administration Committee

S/N	Name	Position	Qualification	Tittle	Date of Appointment
1	Mr. Pius Martin Mponzi	Chairman	B A. Econ. MBA	Assistant Commissioner-Ministry of Finance and Planning	30/01/2018
2	Mr. Hussein Nassoro Laisseri	Member	(LLM)-International Criminal Law	Deputy Commissioner-(DCP) - Ministry of Home Affairs	30/01/2018
3	Ms. Irene Lesulie	Member	Masters of Science (Revenue Law and Administration)	Senior State Attorney General's Chambers	30/01/2018
4	Prof. Eliangiringa Amos Kaale	Member	PhD (Pharmacy)	Head of Department Medical Chemistry and Pharm R&D Lab Manager	28/09/2018
5	Ms. Evaclotida Kapinga	Secretary	Masters of Entrepreneurship and Enterprise Development	Director of Corporate Services	01/01/2020

During the year ended 30th June, 2021 the Finance Planning and Administration committee performed 3 meetings which performed the following activities.

Table 6: Activity and Implementation of Finance planning and Administration committee

S/N	Activity/function Planned	Implementation/Achievement
1	To oversee authorities implementation, and performance reports in the areas of technical, Finance, Procurement, contract management, and any other related issues.	Review of Authorities quarterly performance on the areas of Technical, Finance, Procurement, Contract and improvement of service delivery
2	Review and approval for the authorities budget	Review and approval of GCLA Financial statement for the year 2019/2020
3	Review and approve Financial Statement of the authority	Review and Approve of the authorities Annual budget for the year 2020/2021
4	Any other issues of technical in the areas of Finance and Administration	Approval of Draft staff incentives and Salary budget for TRO submission

During the financial year 2020/2021 the Finance planning and Administration committee attendance of each board member is indicated in table 7.

Table 7: Attendance of the Finance planning and Administration committee

S/N	Name	Meeting Attendance		
		10/07/2020	23/09/2020	20/01/2021
1	Mr. Hussein Nassoro Laisseri	A	A	A
2	Ms. Irene Lesulie	A	P	P
3	Mr. Pius Martin Mponzi	P	A	P
4	Prof. Eliangiringa Amos Kaale	P	P	P
5	Ms. Evaclotida Kapinga	P	A	P

KEY: P - Present A - Absent with Apology

III. Chemicals Management Committee

The composition of the Chemicals Management Committee during the year is indicated in Table 8

Table 8: Chemicals Management Committee

S/N	Name	Position	Qualification	Tittle	Date of Appointment
1	Dr. Samwel Gwamaka Mafwenga	Chairman	PhD (Engineering Management)	Lecturer in Department of Chemical and Mining Engineering-UDSM	30/01/2018
2	DCP. Hussein N. Laisseri	Member	(LLM)-International Criminal Law	Deputy Commissioner-(DCP) - Ministry of Home Affairs	30/01/2018

S/N	Name	Position	Qualification	Tittle	Date of Appointment
3	Dr. Eliud Saria Eliakimu	Member	PhD (Medicine (MD),	Assistant Director-Health Services Inspectorate and Quality Assurance -MoHCGEC	30/01/2018
4	Ms. Irene Lesulie	Member	Masters of Science (Revenue Law and Administration)	Senior State Attorney General's Chambers	30/01/2018
5	Dr.Francis Machumi	Member	PhD (Chemistry)	Research Fellow	28/09/2018
6	Mr. Daniel W. Ndiyo	Secretary	MSc. Food Science		

During the year ended 30th June, 2021 the Chemicals Management Committee has four general meeting which performed the following activities.

Table 9: Activity and Implementation of Chemicals Management Committee

S/N	Activity/function Planned	Implementation/Achievement
1	Deliberate on applications for registration of chemical dealers	Verify application and inspection documents and recommend to the Board registration of Companies and Chemical dealers
2	Advise the Board on proposed list of Chemical inspectors for gazetting	Deliberated on the report of claims from under estimated import fees collection from Oryx Tanzania Limited of TZS 239,689,832
3	Advise the Board on general implementation of the Industrial and Consumers Chemical (Management and Control) Act, Cap. 182	Deliberate on request for permit from 4 companies for Chemical Disposal
4	Deliberate on applications for registration of chemical dealers	Proposal for preparation of ethanol for Covid 19 prevention

Table 10: Attendance of the Chemicals Management Committee

S/N	Name	Meeting Attendance				
		13/07/2020	15/09/2020	24/10/2020	17/12/2020	19/01/2021
1	Dr. Samwel Gwamaka Mafwenga	A	A	A	A	A
2	DCP. Hussein N. Laisseri	P	A	A	A	A
3	Dr. Eliud Saria Eliakimu	A	A	A	A	P
4	Ms. Irene Lesulie	A	A	P	A	A
5	Dr.Francis Machumi	P	P	P	P	P
6	Mr. Daniel W. Ndiyo	P	P	P	P	P

KEY: P - Present A - Absent with Apology

IV. Internal Audit & Risk Management

The composition of the Internal Audit & Risk Management Committee during the year is indicated in Table 11.

Table 11: Internal Audit & Risk Management Committee

S/N	Name	Position	Qualification	Tittle	Date of Appointment
1	DCP. Hussein N. Laisseri	Chairperson	(LLM)-International Criminal Law	Deputy Commissioner-(DCP) - Ministry of Home Affairs	30/01/2018
2	Dr. Eliud Saria Eliakimu	Member	PhD (Medicine (MD),	Assistant Director-Health Services Inspectorate and Quality Assurance -MoHCGEC	30/01/2018
2	Mr. Pius Martin Mponzi	Member	B A. Econ. MBA	Assistant Commissioner-Ministry of Finance and Planning	30/01/2018
4	Prof. Eliangiringa Amos Kaale	Member	PhD (Pharmacy)	Head of Department Medical Chemistry and Pharm R&D Lab Manager	28/09/2018
5	Ms. Irene Lesulie	Member	Masters of Science (Revenue Law and Administration)	Senior State Attorney General's Chambers	30/01/2018
6	CPA Aloyce A. Mollel	Secretary	Certified Public Accountant (CPA) (T), MSc Finance and Investment	Tanzania	

Table 12: Activity and Implementation of Internal Audit & Risk Management Committee

S/N	Activity/function Planned	Implementation/Achievement
1	To advise the Board Financial report	Approve The Audit Committee's Charter; Review the Financial Statement for GCLA
2	To advise the Board on Risk Management	Review the CAG's Report for the year 2019/2020.

3	To advise the Board on Internal Control system	To review the quarterly internal audit report for the year 2019/2020
4	To Review and Advise the Board on the Internal and External Audit Activities	To review the fourth quarter report for the year 2018/2019

During the financial year 2020/2021 the Audit Committee has 3 meetings. The attendance of each board member is indicated in table 13.

Table 13: Attendance of the of Internal Audit & Risk Management Committee

S/N	Name	Meeting Attendance		
		8/7/2020	24/09/2020	18/01/2021
1	DCP. Hussein N. Laisseri	P	A	A
2	Dr. Eliud Saria Eliakimu	A	P	P
3	Mr. Pius Martin Mponzi	P	A	P
4	Prof. Eliangiringa Amos Kaale	P	P	P
5	Ms. Irene Lesulie	A	P	A
6	CPA Aloyce Mollel	P	P	P

KEY: P - Present A - Absent with Apology

3.18 Management of the Authority

The overall Management of GCLA is vested in the Board of Directors as of the governing board under the supervision of the Minister responsible for Health, Community Development, Gender, elderly and Children. The Chief Government Chemist is responsible for day-to-day operations of the Authority. The Management which is under the supervision of the Chief Government Chemist is organized into four Directorates and Eight (8) units as follows:

Directorates:

a. Regulatory Services Directorate (RSD);
b. Product and Environmental Analysis Directorate (PEAD);
c. Forensic Sciences Directorate (FSD);
d. Corporate Service Directorate (CSD).

Zonal Office:

a. Eastern Zone;
b. Northern Zone;
c. Lake Zone;
d. Southern Highland Zone;
e. Southern Zone;
f. Central Zone.

Units:

a. Procurement Management Unit;
b. Information, Communication Technology Unit;
c. Legal Services Unit;
d. Internal Audit Unit;
e. Quality Assurance and Risk Management Unit.
f. Technical Services Unit
g. Communication and Public Relations
h. National Poison Control Centre (NPCC)

Table 14: Management Team Composition

S/No	Name	Position
1.	Dr. Fidelice M.S. Mafumiko	Chief Government Chemist
2.	Ms. Evaclotida M. Kapinga	Director - Corporate Services.
3.	Mr. David Luhende Elias	Director - Forensic Sciences Services.
4.	Mr. Daniel William Ndiyo	Director - Regulatory Services
5.	Mr. Sabanitho Laurent Mtega	Director -Product and Environmental Analysis.
6.	CPA. Aloyce Abraham Mollel	Head of Internal Audit Unit
7.	Mr. Benny Mathew Maliya	Head of Quality Assurance and Risk Management Unit
8.	Mr. Bahati Jonas Machaka	Ag. Head of Procurement Management Unit
9.	Mr.Omari Hussein Lugendo	Ag. Head of Information, Communication Technology and Statistics Unit
10	Mr.Gilbert Ezekiel Ndeoruo	Ag. Head of Legal Services Unit
11	Mr. Dastan Mkapa	Manager, Lake zone Office
12	Mr.Gaspar Gerald Mushi	Ag. Manager, Southern Highlands Zone Office
13	Mr.Christopher Augustine Anyango	Manager, Northern Zone Office
14	Mr. Eliamini Ismail Mkenga	Ag. Manager, Southern Zone Office
15	Mr.Musa Ngunila Kuzumila	Ag. Manager, Central Zone Office
16	Mr.Danstan Mkapa	Ag. Manager, Eastern Zone Office
17	CPA. Matrida David Lugenge	Manager, Finance and Accounts
18	Mr. Msarika Magati Kaneja	Manager - Planning, Monitoring and Evaluation
19	Ms. Nancy Osmund Nombo	Manager - Human Resource and administration

4.0 Performance for the Year

4.1 Plan Implementation and Budget

The Authorities approved budget for the year ended 30th June 2021 was **TZS 30,317,014,502.00** out of which development budget was **TZS 6,163,020,557** and **TZS 24,153,993,945** were budgeted for recurrent expenditure. The Recurrent expenditure budget included the budget for Personal Emolument of **TZS 7,008,732,270** while the other charges was **TZS 17,145,261,675.**

During the year under review, 2020/21, the total revenue earned was **TZS 31,125,636,216.05**. Out of the total revenue earned for the year under review, **TZS 4,567,668,091.58** was owed from debtors which are 107% of the planed budget. The revenue of **TZS 4,824,475,967.03** equivalent to 60.77% of the plans were received from Government for Personal Emolument and **TZS 26,301,160,249.02** (including **TZS 4,567,668,091.58** amount owed to debtors) were collected from GCLA own source which is 128.40 % Of the planned amount of **TZS 23,308,282,232.**

The total expenditure for the year 2020/2021 was **TZS 22,700,306,370.83** out of which **TZS 4,821,345,115.38** was used to pay salaries for GCLA staff; **TZS 2,730,275,270** was paid for development and **TZS 15,148,005,985.45** was spent for various activities. The unspent balance of **TZS 4,506,385,937.00** (**TZS 2,591,097,219.00** carried from 2019/2020 and **TZS 1,915,288,718.00** for 2020/21) was carried forward to the next year 2021/2022.

4.2 Achievement

The Authority has substantially achieved its objectives in line with its annual plan and budget for the year ended 2020/21. Some of the major achievement for the Authority is:

4.2.1 Regulatory Services

a) Sample Analysis

In ensuring implementation of ICCA, HDNA and GCLA legislations during the year the Authority managed to receive and analyze the sample as indicated in table 15.

Table 15: Sample Distribution 2020/21

Sample Type	Target	Actual Analysed	Percentage. %
Chemical	1,200	**1,754**	**146.17**
HDNA	3,760	4,165	110.77
Forensic Biology	**140**	**126**	**90.00**
Forensic Chemistry	218,402	220,014	100.74
Environmental	3,320	3,504	105.54
Food And Drugs	**1,600**	**2,178**	136.13
Microbiology	**500**	**576**	**115.20**

Postmortem	165	167	101.21
Toxicology	56,030	56,126	100.17
Total	**285,117**	**288,610**	**101.23**

Source: GCLA

These results in reduction of risk associated with the use of chemicals, increased compliance to stakeholders which all in contributed to improve revenue generation during the period.

b) Permit issued

Permit issued during the year ended 2020/21 were 49,234 which is 102% of the planned permit of 48,215. (Eastern Zone issued 37,191, Northern 6,354, Lake Zone 3,953, Southern Highland 969, Southern Zone 462 and Central Zone 305).

c) Inspection Conducted

In ensuring compliance with legal requirements the Authority conducted inspection on 2,101 premises which is 125.81 % of the plan of 1,670 inspections.

d) Stakeholders Training

During the year under review, a total of 1,196 Stakeholders were provided with training on chemicals management which is 105% of the targeted 1,140 stakeholders. This result in reduction of risk associated with the use of chemicals, increased compliance to stakeholders which all in turn in improvement of revenue generation during the period.

e) Expansion of Laboratory Services Facilities

During the year under review the Authority started construction of its office in Dodoma Region and is expected to be completed within one year. The Office will cost TZS 7.8 Billion to completion. The Authority also managed to buy a plot in Mwanza city for its Lake Zone office. The plot cost Shillings 625 Million and the plan for its development is in progress. All these intend to bring GCLA services closer to stakeholders.

f) Reducing Morbidity and mortality caused by poison incidences

Mapping of antidotes, Poison Emergency facilities in Southern Highland Zone Laboratory, Northern Zone Laboratory and Control Zone Laboratory and facilitation of medical consultation services were conducted in June 2021. Five (05) hospitals and one (01) Snake Park in NZO, Also, during the year under review the Authority established a call centre and the process of equipping with necessary tool are in progress.

4.3 Challenges

The following challenges were encountered during the year 2020/21

a. Limited office & laboratory spaces.
b. Lack of Gazetted analysts at toxicology section to sign analytical report and to attend court as expert witness.

4.4 Future Plan

The Authority will continue to improve and modernize its regulatory and Laboratory services to the satisfaction of its stakeholders/customers. It will also provision of public awareness programs and collaboration with stakeholders to reduce Chemical accident, which has impact to Human Health and the environment. Further, the Authority will speed up the establishment of Human DNA data base and provide information using database as may be required, equip with adequate resources to National Poison Control Centre (NPCC) so as to improve its capacity to serve the community. The Authority will also continue to equip its laboratory with modern equipment to enhance testing of forensic and toxicology samples and specimens and provide scientific evidence and opinion for execution of justice.

The Laboratory will continue the construction of Laboratory Building in Dodoma and start plan for the construction of laboratory building in Mwanza. In this effort the Authority will strengthen Revenue collections from its internal sources to finance operating activities.

4.5 Solvency

The Authority confirms that applicable accounting standards (IPSAS, TFRS1 Public Finance Act CAP 348 and other governing legislature) have been complied with and that the financial statement have been prepared on going concern basis. The board has reasonable expectation that nothing has come to the attention of Management that will jeopardize its operations.

4.6 Employees Welfare

4.7 Management and Employee Relationship

The Authority believes that its employees should find working for the Authority an inspiring and personally elevating experience, and consequently accepts co-responsibility for the development of each employee to his/her full potential. Career progress is based on the individual initiative towards the fulfilment of their responsibilities complemented by the Authority. This encompasses individual commitment towards innovative thinking and professional expertise resulting to reward. During the year under review management and employee was favourable as there was no any serious issues remain outstanding.

4.8 Training to Staff

The Authority has its training plan where, the organization needs, financial resources and career development for individual employee are taken into account. During the year Fifteen (15) employees were facilitated long training courses (including PHD, Master's Degree and first degree) within and outside the country; Thirteen (13) within the country and two (2) abroad. Also 81 employees were facilitated to attend short courses on ISO 17025; 2017 Requirement and Implementation, Transportation of Nuclear Radioactive Materials and Public Ethics, forty-seven (47) participated in professional bodies meeting locally.

4.9 Medical Assistance

All Authority employees together with their spouse and children up to four were availed with medical insurance where contributions are paid to the National Health Insurance Fund (NHIF), both the employer and employee contributes 3% of gross salary.

4.10 Financial Assistance

Currently the Authority is facilitating the employee self-revolving fund by deducting the monthly contribution and loan instalment where employee contribute **TZS 20,000** and are entitled to a loan of up to **TZS 2,000,000** for period not exceeding one year with interest rate of 10% on gross amount uncompounded. The Authority is in plan to assist its employee financial by creating Mkemia SACCOS where the fund currently available in employee revolving fund and the contribution by the employer will form capital for Mkemia SACCOS.

4.11 Employee Benefit

Employees are members of pension scheme known as Public Service Social Security Fund (PSSSF). The Authority contributes 15% of basic salary of each employee to this pension fund on behalf of all employees. The Authority also operates an insured (health benefit) plan where contributions are paid to the National Health Insurance Fund (NHIF), both the employer and employee contributes 3% of gross salary. Further, the Authority contributes 0.5% of gross salary to Workers Compensation Fund (WFC).

4.12 Disabled Persons and Gender Balance.

The Authority ensures that its workplaces is inclusive of people with disabilities and accommodates the disability-related needs. GCLA has 5 employees with disabilities which is 1.7% of total employee. No employee with disability was sent for short- and long-term training during the year under review.

The Authority also provides equal opportunities and a workplace that is representative of all gender. Authority remains committed to work towards equal opportunities for all genders. The following table illustrates gender distribution of our workforce.

Table 16: Gender Distribution

S/N	Narration	Number	Percentage
1	Male	198	69.23
2	Female	88	30.77
Total		286	100.00

The Authority is an equal gender employer and efforts being taken to maintain gender balance.

4.13 Prejudicial Issues

No issues beyond management control during the year which has affected the achievement of objective.

4.14 Related Part transaction

All related part transactions are disclosed in the financial statement.

4.15 Political and Charitable Donations

No political donation was made during the year.

4.16 Impact of COVID-19

As soon as the gravity of the pandemic became apparent, the Authority ensures that it is well positioned for possible disruption, devastation and uncertainty that were to come. Some of the measure taken includes;

a) Protecting the safety and health of its employees and other stakeholders by instituting new, robust hygiene and related protocols at all our premises and facilities.

b) Continuing in operating and providing essential services to our stakeholders through digital solutions (CCMP, EGA, GEPG, E-Office Management System).

Personal contact has naturally remained important, but has been incorporated within a safer context.

The epidemic had a little negative impact on our income (Import permit fee and export permit fee) as some importations were originating from countries where lockdown was the practice. Also, delivery of some laboratory machine was delayed due to lockdown from the country of origin. Cost for sanitizers, face mask and postures were incurred the cost of which would have otherwise directed to other important activities.

4.17 Cross Cutting Issues

The Authority has program to educate employee on Anti-corruption, HIV/AIDs, COVID-19 pandemic and other chronic decease. Also, the Authority encourage and finances the examination of employee health through various recognized heath facilities on regularly in order to enable them take appropriate action in case for the need to do so.

4.18 Auditors

The Controller and Auditor General (CAG) is the statutory auditor for the Authority pursuant to the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 and the Public Audit Act, Cap 418 [R.E 2021].

Prof. Esther Hellen Lugwisha
CHAIRPERSON OF THE BOARD

5.0 COMMENTARY TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5.1 Introduction

The Financial Statements for the financial year 2020/2021 provide a record of the Government Chemist Laboratory Authority financial performance, Financial Position, Cash flows, change in net Asset/Equity, comparison of budget and actuals and Notes to the Financial Statements for the year ended 30th June 2021.

5.2 Financial and Operational Overview

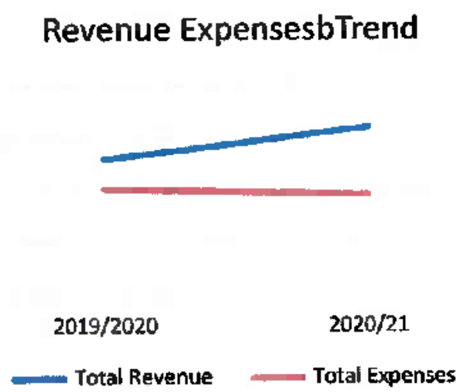
The Authority's approved budget for the year 2020/21 was **TZS 30,317,014,502** which is less by **TZS 112,913,910** compared to previous year's budget of **Shillings 30,429,928,412.** The under budget between the two years resulted from reduction of Personal Emolument Budget from **TZS 7.1216 Billion** of 2019/2020 to **TZS 7.0087 Billion** in 2020/2021 which was a result of retirement of Six (6) employees without replacement and transfer of some of the employees.

Table 17: Actual Financial Performance

Narration	2019/2020	2020/21
Current Assets	15,695,207,643.35	20,180,223,853.74
Current Liabilities	1,353,862,212.12	518,295,128.00
Net Asset/Equity	25,147,895,514.15	33,574,365,359.37
Total Revenue	26,059,314,505.97	31,126,776,216.05
Total Expenses	20,396,793,709.21	22,700,306,370.83
Surplus for the year	5,662,520,796.76	8,426,469,845.22

Total revenue for 2020/2021 amounted to **TZS 31,126,776,216.05** which is 23.68% as compared to that of 2019/2020 which stood at TZS **26,059,314,505.97.** The increase in revenue was contributed by single window system where our entire customer has to make their permit application through the system. Also increased compliance of our stakeholders contributed to the increase as training and awareness sensitization were made during. Other contributors include committed and ethical staff, and also the use of technology in providing services to our customer. The expenditure was below as compared to previous year due to better financial management.

Figure 1: Revenue Expenses Trend



Currency	30 June 2021	30 June 2020
United States Dollar (USD)	2,310.37	2,307.94

5.3 BUDGET

The approved Budget Covers the Fiscal year from July 01, 2020 to June 30th 2021 and it includes all activities within the Authority. During the year under review the Government approved **TZS 30,317,014,502.00** as the Budget for the Authority to implement different activities during the period. The budget approved for the year 2019/2020 was less by **TZS 112,913,910.00** compared to that of 2020/2021 Financial year.

5.4 FINANCIAL POSITION

a. Property, Plant and Equipment (PPE)

During the year ended 30th June, 2021 the Authority total Property, Plant and Equipment (PPE) were **TZS 13,905,599,731.11** while in financial year 2019/2020 was **TZS 10,806,550,082.92.** The increase is due to the decision of the Board of Directors that emphasized in procurement of Laboratory Equipment which were aimed at improving Laboratory analyses, acquisition of Motor Vehicles, office facilities including furniture/computers/printers and rehabilitation of library building.

b. Receivables and prepayments

Receivables and prepayment for the period under review amounted to **TZS 15,150,755,008.61**, out of that, receivable from Authority's customer stood at **TZS 14,620,396,059.61** and the remaining balance is prepayments which are equal **TZS 530,358,949.00.** This amount was paid in advance for the purpose of acquiring assets for the Authority (Laboratory Equipment) receivable in the year 2021/2022. The Prepayments for the year 2020/2021 relates to Purchase of motor vehicles amounted to **TZS 320,831,329.30** and Supply and installation of Microwave Digester **TZS 209,527,620.**

c. Cash and cash equivalents

Cash and cash equivalent for the financial year 2020/2021 was **TZS 4,506,385,936.61** while for financial year 2019/2020 was **TZS 2,591,097,219.** The changes in Cash and its equivalent of the Authority resulted from sum of the development project activities crossing the year.

d. Payables and Employee Accruals

Payables and accruals stood at **TZS 518,295,128** of which the whole were internal claim from employee Accruals, while in financial year 2019/2020 payables and accrual was **TZS 1,353,862,212.12.**

e. Inventories

The inventories for the year under review, 2020/2021 stood at **TZS 523,082,908.52** the major components of inventories were Chemical Reagents, Glassware, General items and Stationary, while in financial year 2019/2020 the value of the stock was **TZS 585,166,883.86.** The inventory recorded a decrease of 7%. The reduction reflects decrease of fund tied up in inventory.

f. Net Assets

Net Assets increased from **TZS 25,147,895,514.15** in 2019/2020 to **TZS 33,567,528,456.85** in the financial year under review of 2020/2021. The increase was contributed by investment in PPE which includes the purchase of Scientific Laboratory equipment, purchase of office equipment and additional ICT equipment's acquired during the year.

5.5 FINANCIAL PERFORMANCE

a. Revenue

The Authority earned a total of **TZS 31,126,776,216.05** during the financial year 2020/21, this includes the Authority's revenue from Exchange Transactions of **TZS 6,924,067,350.76**, and revenue from Non Exchange Transactions made up from GLCA operating activities amounted to **TZS 19,378,232,898.26** and Government grants for salaries to employee (PE) was **TZS 4,824,475,967.03**

The actual revenue of **TZS 31,126,776,216.05** during the financial year 2020/2021 has increased by **19.44%** against **TZS 26,059,314,505.97** of the year before. The increase in revenue was attributed to application of ICT solutions in revenue collection, enforcement of the ICCA Act, and other Authority's revenue center.

b. Expenditure

The actual expenditure for the Authority during the financial year of 2020/2021 amounted to TZS 24,634,059,264.46, of which TZS 4,821,345,115.38 was for the salary for GCLA staff, other recurrent cost amounted to TZS 17,089,275,781.35 while the Development Expenditure for the year amounted to TZS 2,723,438,367.73.
The Development Expenditure during the year was used to purchase Land, property and equipment which includes, purchase of Land in Mwanza (Lake zone), Laboratory Equipment and Motor Vehicle

Generally, the financial performance for the year under review indicates that the Authority's existing sources of revenue can sustain its operations. However, the Authority will continue to monitor closely its current sources of revenue and explore other sources to enable it to sustain the expansion of its operations to the public.

5.6 STATEMENT OF MANAGEMENT RESPONSIBILITIES

Subject to Section 39 of Government Chemist Laboratory Authority Act no 8 of 2016 and Section 30 of the Public Finance Act, Cap 348, require the Authority to keep proper books of accounts and prepare financial statements of the Authority for each financial year, as at the end of the financial period, which gives a true and fair view of the state of affairs of the Authority for that period.

The Management accepts responsibility for keeping proper accounting records, which disclose with reasonable accuracy at any time the Financial Position of the Authority. The management is also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances. Procurement of goods, works, consultancy, and non-consultancy services in accordance with the Public Procurement laws of Tanzania as reflected in these financial statements.

The Management confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgment and estimates have been made in the preparation of the financial statements for the year ended 30 June 2021. The Management also confirms that this report has been prepared in accordance with the requirement of Public Finance Act Cap 348 and presented using International Public Sector Accounting Standard (IPSAS) based on accrual basis.

Additional information also made available to increase user understand ability, and this has been made in compliance with the requirement of Tanzania Financial Reporting Standard number 1 (TFRS1) issued by National Board of Accountant and Auditors (NBAA). Nothing has come to the attention of the Management that GCLA will not remain a going concern for at least the next twelve months from the date of the statement.

....

Dr. Fidelice M.S. Mafumiko
CHIEF GOVERNMENT CHEMIST

Date 24th March 2022

6.0 DECLARATIONS OF THE HEAD OF FINANCE/ACCOUNTING UNIT

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

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

I, CPA Matrida D. Lugenge being the Head of Finance/Accounting of Government Chemist Laboratory Authority here by acknowledge my responsibility of ensuring that financial statements for the year ended 30th June 2021 have been prepared in compliance with applicable accounting standards and statutory requirements.

I, thus confirm that the Financial Statements give a true and fair view position of Government Chemist Laboratory Authority as on that date and that they have been prepared based on properly maintained financial records.

Signed by: CPA: MATRIDA DAVID LUGENGE

Position: Manager Finance and Accounts

NBAA Membership No.: GA 3331

Date: 24th March 2022

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE 2021

ASSETS	NOTE	2020/21	2019/20
Current assets		TZS	TZS
Cash and Cash Equivalent	21	4,506,385,936.61	2,591,097,219.00
Receivables	22	14,620,396,059.61	10,052,727,967.03
Prepayment	23	530,358,949.00	2,466,215,573.46
Inventories	24	523,082,908.52	585,166,883.86
Sub total		**20,180,223,853.74**	**15,695,207,643.35**
Non-current assets			
Land	25	3,254,489,358.20	2,629,489,358.20
Building	26	1,441,694,622.42	1,479,146,134.42
Work in Progress (WIP)	31	203,279,532.25	0.00
Plant and Equipment	27	9,006,226,218.24	6,697,914,590.30
Sub total		**13,905,689,731.11**	**10,806,550,082.92**
TOTAL ASSETS		**34,085,913,584.85**	**26,501,757,726.27**
LIABILITIES			
Current Liabilities			
Payables	36	0.00	838,508,019.12
Employee Accruals	29	518,295,128.00	515,354,193.00
TOTAL LIABILITIES		**518,295,128.00**	**1,353,862,212.12**
NET ASSET		**33,567,618,456.85**	**25,147,895,514.15**
NET ASSETS/EQUITY			
Taxpayer's Fund	32	5,710,550,611.97	5,710,550,611.97
Accumulated surplus/(deficit)	33	27,857,067,846.27	19,437,344,902.18
TOTAL NET ASSETS		**33,567,618,458.24**	**25,147,895,514.15**

Dr. Fidelice M.S Mafumiko Signature:............ Date: 24th March 2022

Accounting Officer

Matrida D. Lugenge Signature: .... Date: 24th March 2022

Manager Finance and Accounts

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

	NOTE	2020/21	2019/20
Revenue		**TZS**	**TZS**
Government Grant - PE	13	4,824,475,967.03	4,719,647,864.02
Revenue From Exchange Transaction	14A	6,924,067,350.76	4,161,854,789.38
Revenue From Non Exchange Transaction	15	19,378,232,898.26	17,177,811,852.57
Total Revenue		**31,126,776,216.05**	**26,059,314,505.97**
Expenses			
Wages Salaries and Employees Benefit	17A	14,776,856,761.69	14,213,361,585.65
Supplies and Consumable Used	18A	5,573,689,180.96	4,369,389,949.21
Depreciation of Property, Plant and Equipment	20	1,560,155,342.61	1,114,490,891.70
Maintanance Expenses	30	412,091,845.30	327,660,530.94
Contribution to Consolidated Fund -15% Gross Reven	35A	374,500,000.00	350,000,000.00
(Gain)/ Loss on foreign exchange transactions	16	9,760,141.40	21,890,751.71
Total Expenses		**22,707,053,271.96**	**20,396,793,709.21**
Surplus/(Deficit) for the Year		**8,419,722,944.09**	**5,662,520,796.76**

Dr. Fidelice M.S Mafumiko Signature:............ Date: 24th March 2022

Accounting Officer

Matrida D. Lugenge Signature: .... Date: 24th March 2022

Manager Finance and Accounts

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30TH JUNE 2021

	Taxpayer's Fund	Total Acummulated Surplus	Total
	TZS	TZS	TZS
At 01 July 2020	5,710,550,611.97	19,437,344,902.18	25,147,895,514.15
Surplus/ Deficit for the Year	0	8,419,722,944.09	8,419,722,944.09
At 30 June 2021	**5,710,550,611.97**	**27,857,067,846.27**	**33,567,618,458.24**
At 01 July 2019	5,710,550,612	13,774,824,105	19,485,374,717
Surplus/ Deficit for the Year	0	5,662,520,797	5,662,520,797
At 30 June 2020	**5,710,550,612**	**19,437,344,902**	**25,147,895,514**

Dr. Fidelice M.S Mafumiko Signature: .... Date: 24Th March 2022

Accounting Officer

Matrida D. Lugenge Signature: .... Date: 24th March 2022

Manager Finance and Accounts

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30TH JUNE 2021

Cash flows from operating activities		2020/21	2019/20
Receipts	**NOTE**	**TZS**	**TZS**
Government Grant - PE	13	4,824,475,967.03	4,719,647,864.02
Revenue From Exchange Transaction	14 B	2,356,399,258.18	1,051,340,993.39
Revenue From Non Exchange Transaction	15	19,378,232,898.26	17,177,811,852.57
		26,559,108,123.47	**22,948,800,709.98**
Payment			
Wages Salaries and Employees Benefit	17 B	14,773,915,826.69	14,479,474,822.57
Supplies and Consumable Used	18 B	6,350,113,224.74	4,243,209,528.33
Maintanance Expenses	30	412,091,845.30	327,660,530.94
Contribution to Consolidated Fund -15% Gross Reven	35 B	374,500,000.00	700,000,000.00
Total payments		21,910,620,896.73	19,750,344,881.84
Net cash flows from operating activities		**4,648,487,226.74**	**3,198,455,828.14**
Cash flows from investing activities			
Acquisition of Property, Plant and Equipment	12	(2,723,438,367.73)	(4,634,311,292.91)
Net cash flows from investing activities		**(2,723,438,367.73)**	**(4,634,311,292.91)**
Net change in cash and cash equivalents		1,925,048,859.01	(1,435,855,464.77)
Cash & its Equivalent at beginning of period		2,591,097,219.00	4,048,843,435.48
(Gain)/ Loss on foreign exchange transactions	16	(9,760,141.40)	(21,890,751.71)
Cash & its Equivalent at end of period		**4,506,385,936.61**	**2,591,097,219.00**

Dr. Fidelice M.S Mafumiko **Signature:** .... **Date:** 24th March 2022

Accounting Officer

Matrida D. Lugenge **Signature:** .... **Date:** 24th March 2022

Manager Finance and Accounts

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

	ORIGINAL BUDGET	ADJUSTMENT	FINAL BUDGET	ACTUAL ON COMPARABLE BASIS	PERFORMANCE DIFFERENCE
	TZS	TZS	TZS	TZS	TZS
RECEIPT					
Government Grant - PE	7,008,732,270.00	0	7,008,732,270.00	4,824,475,967	2,184,256,303
Revenue From Non Exchange Transaction	21,379,352,041.00	0	21,379,352,041.00	19,378,232,898	2,001,119,143
Revenue From Exchange Transaction	1,928,930,192.00	0	1,928,930,192.00	2,356,399,258	-427,469,066
Total RECEIPTS	**30,317,014,503.00**	**0**	**30,317,014,503.00**	**26,559,108,123.47**	**3,757,906,380**
PAYMENTS					
Wages Salaries and Employees Benefit	17,149,667,626	4,668,032,030	21,818,237,556.00	14,773,915,827	7,044,321,729
Supplies and Consumable Used	6,766,061,016	4,657,824,336	11,428,485,352.00	6,350,113,225	5,078,372,127
Maintanance Expenses	622,190,900	176,481,620	799,022,520.00	412,091,845	386,930,675
Contribution to Consolidated Fund -15% Gross Reven	374,500,000	0	374,500,000.00	374,500,000	0
Purchase of Plant Property and Equipment	4,889,144,960	2,515,488,000	7,410,820,860.00	2,723,438,368	4,687,382,492
Total PAYMENTS	**29,801,564,502**	**12,017,825,986**	**41,831,066,288.00**	**24,634,059,264**	**17,197,007,024**
Surplus/(Deficit) for the Year	**515,450,001**	**12,017,825,986**	**-11,514,051,785**	**1,925,048,859**	**13,439,100,644**

Dr. Fidelice M.S Mafumiko Signature: .... Date: 24th March 2022

Accounting Officer

Matrida D. Lugenge Signature: .... Date: 24th March 2022

Manager Finance and Accounts

6.0 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2021

1. GENERAL INFORMATION

The table below presents contacts and address of the Authority and its key Business stakeholders

PRINCIPAL PLACE OF BUSINESS 05 Barrack Obama Drive P.O. Box 164, Dar es Salaam Tel: +255 22 2113383/4; Website: www.gcla.go.tz	LAWYERS Attorney Generals P.O. Box 630 ,Dodoma, Tanzania Tel: + 255-26-2332161 FAX: +255 - 26 - 23218661 HOTLINE: + 255-22-2118178 E-Mail: info@agctz.go.tz website: www.agctz.go.tz
BANKERS BANK OF TANZANIA 02 MIRAMBO STREET P.O.BOX 2939, 11884 DAR ES SALAAM - TANZANIA. National Microfinance Bank PLC NMB Bank House Samora Avenue P.O. Box 9213 Dar es Salaam NBC Ltd. Head Office Sokoine Drive & Azikiwe Street P.O. Box 1863, Dar es Salaam.	AUDITORS The Controller and Auditor General, National Audit Office, 04 Auditors Road, P.O.Box 950, Tambukareli, 41104 Dodoma. Tel: +255 (026) 2161200 Fax: +255 (026) 2321245 E - Mail ocag@nao.go.tz, Website: www.nao.go.tz,

2. Establishment

The Government Chemist Laboratory Authority (GCLA) is the Authority under the Ministry of Health, Community Development, Gender, Elderly, and Children. The Laboratory was one of the oldest departments of the Government of Tanzania, being operational by 1895. It was officially launched as a Government Authority after the parliament to enact Government Chemist Laboratory Authority Act No.8 of 2016.The Authority is led by Dr. Fidelice M.S. Mafumiko as the Chief Government Chemist since April, 2018 to date.

The current address of the Head office of the Authority is:
The GCLA Head Office is located 05 Barack Obama Drive in Dar es Salaam, and operates in twenty-five (25) regions in Tanzania Mainland through 6 operational zonal offices country wise namely Eastern Zone Laboratory, Northern Zone Laboratory, Lake Zone Laboratory, Southern Highland Zone Laboratory, Southern Zone Laboratory and Central Zone Laboratory.

3. Principal Activities

The principal activities of the Authority is to perform analysis of samples/exhibits related to Forensic Sciences in order to facilitate forensic investigations and hence assurance of justice and rule of law, samples related to agricultural and industrial produce to ascertain safety and quality, samples related to paternity or sex identification in order to address society concerns and samples related to environmental and occupational health for the protection of health and the environment. The Authority also manages the Industrial and Consumer Chemicals no 3 of 2003.

4. Basis of Preparation

The financial statements have been prepared on the basis of historical cost, unless stated otherwise in the accounting policies below.
The statement of cash flows is prepared using the *direct method*. The financial statements are prepared on an accrual basis.

5. Statement of Compliance

The Authority's financial statements have been prepared in accordance with and comply with International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB).
The financial statements are presented in Tanzanian Shillings (TZS), which is the functional and reporting currency of the Authority.

6. Changes in accounting policies and estimates

The Authority recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

7. Summary of significant accounting policies

The significant accounting policies outlined below have been consistently applied to all the years presented.

8. Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. They are translated into Tanzanian Shillings at the exchange rate ruling at the dates of the transactions. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date.

Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

9. REVENUE RECOGNITION

a. Revenue from non-exchange transactions

The Authority recognizes revenues from fees for importation, exportation, transportation, permits, registration to Chemical dealers and fees from maintenance of certificate when the recognition criteria are met. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

b. Transfers from other government

Revenue from non-exchange transactions with the government is measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions, and it is probable that the economic benefits or service potential related to the asset will flow to the Authority and can be measured reliably. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, a grant liability is recognized instead of revenue.

c. Revenue from exchange transactions

Revenue from exchange transaction is recognized when the services are rendered. GCLA exchange transactions come from Consultancy services, Laboratory analysis of samples and exhibits.

d. Accounts payable

Accounts payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not they are presented as non-current liabilities. Trade payables are recognized initially at fair value.

e. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost includes expenditure that is directly attributable to the acquisition of the items that bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

The group derecognizes items of property, plant and equipment or any significant part of an asset upon disposal, or when no future economic benefits or service potential is expected from its continuing use.
Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life. Effective 01 July 2019 the management changed its depreciation rate for some of its assets to comply with the government policy as illustrated in table below;

S/N	ASSET GROUP	USEFUL LIFE (YRS)	DEPRECIATION RATE
1	LAND	NA	NA
2	BUILDING	50	2%
3	MOTOR VEHCLES	5	20%
4	COMPUTER EQUIPMENT	4	25%
5	LABORATORY EQUIPMENT	15	6.667%
6	FURNITURE AND FITTINGS	5	20%

The change implies a change in accounting estimate and has to be applied prospectively. The net book value of assets acquired prior to 30 June 2019 with useful lives remaining will be depreciated using the straight-line method prospectively. The change is considered preferable because it provide greater consistency with the depreciation methods used by other Government Entities

vi. Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realized later than 12 months after the balance sheet date which are presented as noncurrent assets.

vii. Foreign Currency Transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. They are translated into Tanzanian Shillings at the exchange rate ruling at the dates of the transactions. Trade creditors or debtors denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date.

Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

viii. Inventories

Inventories consist of stationery and other consumables; Inventory is measured at cost upon initial recognition. After initial recognition, inventories are measured at replacement cost

After initial recognition, inventory is measured at the lower of cost and net realizable value. However, to the extent that a class of inventory is distributed or deployed at no charge or for a nominal charge, that class of inventory is measured at the lower of cost and current replacement cost.

Provision for obsolete inventories is made on specific inventory items considered obsolete. Current replacement cost is the cost the entity would incur to acquire the asset on the reporting date.

ix. Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions. Bank overdrafts are presented as current borrowings on the balance sheet.

10. FINANCIAL RISK MANAGEMENT

i.Financial risk factors

The Authority's activities potentially expose it to a variety of financial risks, including credit risk and the effects of the changes in foreign currency exchange rates. The Authority's overall risk management Programme takes account of the unpredictability of foreign exchange rate trends and seeks to minimize potential adverse effects on its financial performance.

ii. Foreign exchange risk

The Authority has some exposure to foreign currencies as had some monetary items balances in US Dollars, while significant operating expenditure are incurred principally in local currency. However, this exposure does not result in a significant risk as foreign currency assets and liabilities are normally settled within a fairly short time.

iii. Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents. Management monitors rolling forecasts of the Authority's liquidity reserve on the basis of expected cash flows.

11. RELATED PARTIES

The Authority regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Authority, or vice versa. Members of key management are regarded as related parties and comprise the Board Members and Management employees.

Remuneration of key management personnel

Group	No of people	Total remuneration P.A. TZS
Board Members	9	55,500,000.00
Management	13	587,520,000.00

12. FINANCIAL INSTRUMENTS

i. Financial assets

Financial assets within the scope of Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Authority determines the classification of its financial assets at initial recognition. The Authority's financial assets include cash, trade and other receivables.

	2020/2021	2019/2020
	TZS	TZS
12 - Acquisition of Property, Plant and Equipment		
Acquisition of land	(625,000,000.00)	-
Air Conditioner	(44,687,000.00)	-
Camera and Video	(20,247,000.00)	(31,646,416.00)
Computers and Photocopiers	(11,488,800.00)	(4,990,000.00)
Motor Vehicle	(320,831,329.30)	(587,108,244.20)
Office buildings and structures	(203,279,532.25)	(86,806,078.72)
Printers and Scanners	-	(105,359,924.00)
Scientific Equipment	(1,139,645,823.45)	(1,826,487,222.44)
Scientific Instrument	(176,612,766.65)	(1,975,632,077.55)
Tables, Chairs, Shelves and Cabinets	(30,943,422.08)	(12,846,330.00)
Telecommunications infrastructure, networks and eq	(132,667,990.00)	-
TV and Radios	(18,034,704.00)	(3,435,000.00)
Total	**(2,723,438,367.73)**	**(4,634,311,292.91)**

	2020/2021	2019/2020
13 - Government Grant - PE		
Government Grant - PE	4,824,475,967.03	4,719,647,864.02
Total	4,824,475,967.03	4,719,647,864.02

	2020/2021	2019/2020
14 A- Revenue From Exchange Transaction		
Express Samples- Income	47,080,542.00	3,774,266.00
Gain on Disposal	-	-
Income- Cert Registraon	26,073,500.00	3,960,000.00
Income From Consultancy	67,425,050.00	49,210,000.00
Income from DNA analysis	656,582,322.00	685,411,340.00
Income From Drugs	684,706,375.28	32,595,045.20
Income From Environment	213,914,349.57	232,970,429.72
Income From Foods	188,635,686.97	83,163,309.86
Income From Forensic Biology	-	1,600,000.00
Income From Forensic Chemistry	2,825,288,026.23	2,257,340,893.56
Income From Industrial	-	1,426,000.00
Income from Inspection Fees	420,116,775.13	263,286,536.87
Income From Instrument	51,373,525.04	88,805,884.00
Income from Sampling	209,816,790.64	8,588,977.69
Income From Toxicology	353,681,976.90	274,088,907.44
Income from Training	438,508,151.00	171,091,006.00
Receipt from misceleneous Fee	26,470,000.00	117,140.00
Sundry Income	714,394,280.00	4,425,053.04
Total	6,924,067,350.76	4,161,854,789.38

	2020/2021	2019/2020
14 B- Revenue From Exchange Transaction		
Express Samples- Income	47,080,542.00	3,774,266.00
Gain on Disposal	-	-
Income- Cert Registraon	26,073,500.00	3,960,000.00

Income From Consultancy	67,425,050.00	49,210,000.00
Income from DNA analysis	656,582,322.00	685,411,340.00
Income From Drugs	684,706,375.28	32,595,045.20
Income From Environment	213,914,349.57	232,970,429.72
Income From Foods	188,635,686.97	83,163,309.86
External Debtors	-4,567,668,092.58	-3,110,513,795.99
Income From Forensic Biology	-	1,600,000.00
Income From Forensic Chemistry	2,825,288,026.23	2,257,340,893.56
Income From Industrial	-	1,426,000.00
Income from Inspection Fees	420,116,775.13	263,286,536.87
Income From Instrument	51,373,525.04	88,805,884.00
Income from Sampling	209,816,790.64	8,588,977.69
Income From Toxicology	353,681,976.90	274,088,907.44
Income from Training	438,508,151.00	171,091,006.00
Receipt from misceleneous Fee	26,470,000.00	117,140.00
Sundry Income	714,394,280.00	4,425,053.04
Total	**2,356,399,258.18**	**1,051,340,993.39**

15 - Revenue From Non Exchange Transaction

Income - Certificate Prov. Fee (Export)	15,117,660.00	35,327,247.85
Income - Certificate Prov. Fee (Import)	286,241,544.21	187,862,294.67
Income - Export (FOB)	900,260,056.04	1,207,961,678.54
Income - Import (FOB)	12,087,794,352.99	11,339,871,266.45
Income - Registration of premises	203,959,891.78	165,147,800.01
Income from Maintenance Fee	477,307,331.30	282,214,959.27
Income from chemical transportation	4,709,490,446.22	3,327,615,571.16
Income from On transit goods fees	145,591,723.15	32,829,981.00
Income from Registration chemical	552,469,892.57	598,509,419.43
Income frome tender document	-	471,634.19
	19,378,232,898.26	**17,177,811,852.57**

16 - (Gain)/ Loss on foreign exchange transactions

Currency Exchange (Gain)/Loss Account	9,760,141.40	21,890,751.71
Exchange Rate Equalisation	-	-
Total	**9,760,141.40**	**21,890,751.71**

17 A - Wages Salaries and Employees Benefit

Acting Allowance	900,000.00	1,762,000.00
Burial Expenses	44,956,200.00	10,621,200.00
Entertainment Allowance	9,900,000.00	20,600,000.00
Extra Duty	688,589,310.00	1,127,626,632.52
Food and Refreshments	240,384,241.00	225,584,095.69
Gifts and Prizes	87,275,000.00	55,470,000.00
Ground travel (bus, railway taxi, etc)	-	-

Ground travel (bus, railway, taxi, etc)	1,067,942,515.01	922,196,250.02
Health Insurance	1,697,139.20	155,000.00
Honoraria	225,416,000.00	307,959,722.00
Honorariums (expert opinion)	11,580,000.00	73,890,000.00
Housing Allowance	690,822,428.32	826,205,106.00
Leave Travel	146,444,308.86	122,408,363.00
Moving Expenses	77,561,800.00	156,411,260.00
Outfit Allowance	-	2,788,627.50
Per Diems-Domestic	3,906,053,643.00	2,720,770,991.66
Perdiem - Foreign	8,149,538.88	86,737,109.40
Post Mortem allowance	48,800,000.00	73,510,000.00
Remuneration of Instructors	33,035,000.00	38,360,000.00
Rent - Housing	120,888,323.00	71,761,663.01
Risk Allowance	2,016,609,000.70	2,033,930,521.00
Salary Civil Cervants Contract	64,703,503.38	130,479,667.92
Salary Civil Servant	4,821,345,115.38	4,719,647,864.02
Sitting allowance	342,214,000.00	323,265,600.00
Special allowance	-	-
Special Foods (diet food)	-	-
Special Uniforms and Clothing	1,400,000.00	1,000,000.00
Staff debts	-	53,810,604.65
Sundry Expenses	5,270,000.00	2,398,806.00
Training Allowance	71,660,000.00	48,624,283.50
Tuition fees	-	8,550,000.00
Uniforms and Ceremonial Dresses	41,471,000.00	44,872,149.76
Visa Application Fees	1,788,694.96	184,068.00
Witness Expenses	-	1,780,000.00
Total	**14,776,856,761.69**	**14,213,361,585.65**

17 B- Wages Salaries and Employees Benefit

Acting Allowance	900,000.00	1,762,000.00
Burial Expenses	44,956,200.00	10,621,200.00
Civil Servants Salary	4,821,345,115.38	4,719,647,864.02
Employee Accrual Adjustment	(2,940,935.00)	266,113,236.92
Entertainment Allowance	9,900,000.00	20,600,000.00
Extra Duty	688,589,310.00	1,127,626,632.52
Food and Refreshments	240,384,241.00	225,584,095.69
Gifts and Prizes	87,275,000.00	55,470,000.00
Ground travel (bus, railway taxi, etc)	-	-
Ground travel (bus, railway, taxi, etc)	1,067,942,515.01	922,196,250.02
Health Insurance	1,697,139.20	155,000.00
Honoraria	225,416,000.00	307,959,722.00
Honorariums (expert opinion)	11,580,000.00	73,890,000.00
Housing Allowance	690,822,428.32	826,205,106.00
Leave Travel	146,444,308.86	122,408,363.00
Moving Expenses	77,561,800.00	156,411,260.00
Outfit Allowance	-	2,788,627.50
Per Diems-Domestic	3,906,053,643.00	2,720,770,991.66

Perdiem - Foreign	8,149,538.88	86,737,109.40
Post Mortem allowance	48,800,000.00	73,510,000.00
Remuneration of Instructors	33,035,000.00	38,360,000.00
Rent - Housing	120,888,323.00	71,761,663.01
Risk Allowance	2,016,609,000.70	2,033,930,521.00
Salary Civil Cervants Contract	64,703,503.38	130,479,667.92
Sitting allowance	342,214,000.00	323,265,600.00
Special allowance	-	-
Special Foods (diet food)	-	-
Special Uniforms and Clothing	1,400,000.00	1,000,000.00
Staff debts	-	53,810,604.65
Sundry Expenses	5,270,000.00	2,398,806.00
Training Allowance	71,660,000.00	48,624,283.50
Tuition fees	-	8,550,000.00
Uniforms and Ceremonial Dresses	41,471,000.00	44,872,149.76
Visa Application Fees	1,788,694.96	184,068.00
Witness Expenses	-	1,780,000.00
Total	**14,773,915,826.69**	**14,479,474,822.57**

18 A - Supplies and Consumable Used

Accommodation	58,143,641.37	57,711,371.55
Advertising and Publications	26,356,900.00	16,687,000.00
Air Travel domestic	272,415,816.00	254,507,180.00
Air Travel tickets	53,364,387.00	84,570,600.00
Application software systems and licenses	1,650,500.00	143,655,796.47
Assets Coding Machine	3,717,000.00	4,956,000.00
Audit fees	70,000,000.00	60,000,000.00
Bank Charges and Commissions	3,378,312.17	30,406,223.22
Books, Reference and Periodicals	-	1,888,000.00
Catering Services	207,589,364.40	135,150,977.83
Communication Network Services	31,995,000.00	59,970,745.10
Conference Facilities	98,839,170.00	101,600,320.00
Consultancy fees	111,911,403.00	156,600,277.09
Contingencies Item	144,473,450.00	84,683,766.00
Diesel	214,352,238.61	179,784,121.67
Educational Radio and TV broadcasting programming	7,660,000.00	3,000,000.00
Electrical and Other Cabling Materials	-	14,354,227.00
Electricity	224,794,392.74	227,619,251.60
Filing Cabinets	-	20,939,100.00
Fire Fighting Equipment	-	750,000.00
Fright Forwarding and Clearing Charges	57,961,303.11	131,471,418.54
Fumigation	15,384,745.76	16,600,000.00
Furniture	219,567,058.00	63,211,324.00
Ground Travel (Bus, train, Water)	4,839,200.00	1,525,800.00
ICT equipment	29,420,771.98	251,064,612.16
Institutional Appliances (washing machines, dryers	5,066,000.00	-
Internet and Email connections	94,575,931.57	82,864,908.55
Laboratory supplies	433,745,552.30	193,701,410.63
Land Rent	2,734,050.00	2,818,000.00

Laundry Services	-	4,050,000.00
Medical Gases and Chemical	821,870,382.78	254,071,762.56
News Paper and Magazine	3,428,300.00	10,462,020.00
Office consumables and stationaries	305,591,936.51	304,633,474.00
Office equipment	-	8,706,000.00
Other equipment and installations	39,806,588.00	41,500,582.44
Outsource	20,443,934.80	-
Outsource Maintantanance Contract Servicess	-	6,640,038.00
Outsource Maintenance Contract Services Vehicles	148,656,329.44	155,673,862.47
Petrol	100,000.00	-
Posts and Telegrams	20,226,250.01	13,843,550.01
Printing and Photocopying Costs	50,384,115.00	105,304,402.51
Protective clothing, footwear and gears	179,860,400.00	106,948,000.00
Publicity	250,000.00	-
Rent - Office accomodation	27,912,960.00	45,912,960.00
Rent of Tents	2,800,000.00	1,800,000.00
Research and Development	21,998,390.00	28,266,100.00
Security and Cleaning Services	305,874,424.25	264,618,889.82
Security, radio equipment and installations	8,560,000.00	29,171,099.99
Spare Parts	9,643,820.00	-
Spareparts	234,179,879.29	104,589,235.41
Subscription Fees	119,061,926.51	43,415,110.20
Suppliers Debts	572,557,323.39	248,119,576.34
Technical Service Fees	300,000.00	-
Telephone Charges	24,680,679.87	48,166,152.00
Telephone Charges (Land Lines)	14,111,563.90	9,537,143.94
Tents and Camp Equipment	11,384,000.00	9,852,000.00
Training Materials	1,700,000.00	5,395,000.00
Tuition fees	182,831,574.25	92,517,000.00
Tyres and Batteries	10,180,700.00	6,650,000.00
Uniforms	9,855,995.60	800,000.00
Water and Waste disposal	11,913,682.54	25,515,332.05
Water Charges	19,587,836.81	11,138,226.06
Total	**5,573,689,180.96**	**4,369,389,949.21**

18 B- Supplies and Consumable Used CF

Accommodation	58,143,641.37	57,711,371.55
Advertising and Publications	26,356,900.00	16,687,000.00
Air Travel domestic	272,415,816.00	254,507,180.00
Air Travel tickets	53,364,387.00	84,570,600.00
Application software systems and licenses	1,650,500.00	143,655,796.47
Assets Coding Machine	3,717,000.00	4,956,000.00
Audit fees	70,000,000.00	60,000,000.00
Bank Charges and Commissions	3,378,312.17	30,406,223.22
Books, Reference and Periodicals	-	1,888,000.00
Catering Services	207,589,364.40	135,150,977.83
Communication Network Services	31,995,000.00	59,970,745.10
Conference Facilities	98,839,170.00	101,600,320.00
Consultancy fees	111,911,403.00	156,600,277.09

Contingencies Item	144,473,450.00	84,683,766.00
Diesel	214,352,238.61	179,784,121.67
Educational Radio and TV broadcasting programming	7,660,000.00	3,000,000.00
Electrical and Other Cabling Materials	-	14,354,227.00
Electricity	224,794,392.74	227,619,251.60
Filing Cabinets	-	20,939,100.00
Fire Fighting Equipment	-	750,000.00
Fright Forwarding and Clearing Charges	57,961,303.11	131,471,418.54
Fumigation	15,384,745.76	16,600,000.00
Furniture	219,567,058.00	63,211,324.00
Ground Travel (Bus, train, Water)	4,839,200.00	1,525,800.00
ICT equipment	29,420,771.98	251,064,612.16
Institutional Appliances (washing machines, dryers	5,066,000.00	-
Internet and Email connections	94,575,931.57	82,864,908.55
Inventory Adjustment	(62,083,975.34)	(42,772,002.49)
Laboratory supplies	433,745,552.30	193,701,410.63
Land Rent	2,734,050.00	2,818,000.00
Laundry Services	-	4,050,000.00
Medical Gases and Chemical	821,870,382.78	254,071,762.56
News Paper and Magazine	3,428,300.00	10,462,020.00
Office consumables and stationaries	305,591,936.51	304,633,474.00
Office equipment	-	8,706,000.00
Other equipment and installations	39,806,588.00	41,500,582.44
Outsource	20,443,934.80	-
Outsource Maintantanance Contract Servicess	-	6,640,038.00
Outsource Maintenance Contract Services Vehicles	148,656,329.44	155,673,862.47
Payable Adjustment	838,508,019.12	(83,408,418.39)
Petrol	100,000.00	-
Posts and Telegrams	20,226,250.01	13,843,550.01
Printing and Photocopying Costs	50,384,115.00	105,304,402.51
Protective clothing, footwear and gears	179,860,400.00	106,948,000.00
Publicity	250,000.00	-
Rent - Office accomodation	27,912,960.00	45,912,960.00
Rent of Tents	2,800,000.00	1,800,000.00
Research and Development	21,998,390.00	28,266,100.00
Security and Cleaning Services	305,874,424.25	264,618,889.82
Security, radio equipment and installations	8,560,000.00	29,171,099.99
Spare Parts	9,643,820.00	-
Spareparts	234,179,879.29	104,589,235.41
Subscription Fees	119,061,926.51	43,415,110.20
Suppliers Debts	572,557,323.39	248,119,576.34
Technical Service Fees	300,000.00	-
Telephone Charges	24,680,679.87	48,166,152.00
Telephone Charges (Land Lines)	14,111,563.90	9,537,143.94
Tents and Camp Equipment	11,384,000.00	9,852,000.00
Training Materials	1,700,000.00	5,395,000.00
Tuition fees	182,831,574.25	92,517,000.00
Tyres and Batteries	10,180,700.00	6,650,000.00
Uniforms	9,855,995.60	800,000.00
Water and Waste disposal	11,913,682.54	25,515,332.05

Water Charges	19,587,836.81	11,138,226.06
Total	**6,350,113,224.74**	**4,243,209,528.33**

20 - Depreciation of Property, Plant and Equipment		
Depreciation - Buildings	37,451,512.00	31,860,021.09
Depreciation - Computers and Related Equipments	441,031,445.00	149,759,632.23
Depreciation - Furniture & Fittings	132,921,517.00	272,719,802.80
Depreciation - Laboratory Equipment	557,699,332.00	265,976,260.04
Depreciation - Motor Vehicles	391,141,538.00	394,175,175.54
Total	**1,560,245,344.00**	**1,114,490,891.70**

21 - Cash and Cash Equivalent		
BOT TSH GCLA Account	2,666,934,428.50	1,044,714,908.84
BOT USD GCLA Account	1,091,711,945.59	487,891,008.61
Expenditure Bank Account EZL	740,071.79	1,374,655.45
GCLA CZL Expenditure Account TZS -	7,530,132.44	6,485,333.32
NBC Forex GCLA Account	569,322.84	1,170,306.62
NBC TSH GCLA Account	341,400.00	3,011,150.00
NMB Expenditure Account Lake Zone	7,057,481.21	8,180,502.13
NMB Expenditure Bank Account - NZL	25,735,875.02	25,672,460.62
NMB TSH GCLA EXPENDITURE ACCOUNT	327,525,937.24	354,776,914.78
NMB TSH GCLA Grant Account	52,829,406.00	52,829,406.00
NMB TSH GCLA Revenue Account	229,578,084.69	51,467,640.00
NMB TZS SHZL Expenditure Account	29,813,877.05	27,274,363.55
NMB TZS SZLO EXPENDITURE	33,195,124.82	32,801,782.32
NMB USD Exoenditure Bank Account	24,668,947.71	490,140,119.64
NMB USD GCLA Revenue Account	7,366,401.71	2,519,167.12
REVENUE BANK ACCOUNT ARUSHA	787,500.00	787,500.00
Total	**4,506,385,936.61**	**2,591,097,219.00**

22 - Receivables		
Director Of Criminal Investigation	14,474,406,064.61	10,038,424,983.03
Drug Control and Enforcement Authority	145,989,995.00	14,302,984.00
Total	**14,620,396,059.61**	**10,052,727,967.03**

23: PREPAYMENTS		
Infrared Hot Plate		16,702,900.00
Quickchem series		424,198,476.00
Toyota hallux		277,040,739.48
Autoclave		29,232,834.71
Fluor meter		18,468,654.84
AAS		80,707,019.30
XRD		155,838,431.00
G/ lab equipment		208,001,880.00
G/ lab Equipment		656,620,539.35

AAS		321,859,654.00
HPLC		208,001,880.00
HPLC		69,542,564.78
GIPSA - M/V	320,831,329.30	
Microwave digester	209,527,620.00	
Total	**530,358,949.30**	**2,466,215,573.46**

24 - Inventories		
General Item Stock	3,934,852.00	15,936,500.00
Glassware Stock	213,421,759.80	270,869,986.59
Solid Acid Stock	31,699,692.80	38,605,996.50
Solid Base Stock	225,369,532.92	197,550,652.82
Stationery Stock	48,657,071.00	62,203,747.95
Total	**523,082,908.52**	**585,166,883.86**

26 - Building		
Buildings	1,441,694,622.42	1,479,146,134.42
Total	**1,441,694,622.42**	**1,479,146,134.42**

27 - Plant and Equipment		
Computers & Related Equip.	987,225,858.68	1,201,131,809.70
Furniture & Fittings	400,579,517.48	502,557,612.60
Laboratory Equipment	6,707,176,478.23	3,968,880,004.72
Motor Vehicles	911,244,363.85	1,025,345,163.28
Total	**9,006,226,218.24**	**6,697,914,590.30**

29 - Employee Accruals		
Acting Allowances	375,161,000.00	375,161,000.00
Salary Arrears	143,134,128.78	140,193,193.78
Total	**518,295,128.78**	**515,354,193.78**

30 - Maintenance Expenses		
Civil Works	158,082,416.61	101,415,426.55
Computers Softwares Licences	-	75,123,214.00
Lubricants	9,500.00	-
Outsource maintenance contract services	253,999,928.69	151,121,890.39
Total	**412,091,845.30**	**327,660,530.94**

31 - Work in Progress (WIP)

Dodoma Building Consultancy and drawings	203,279,532.25	-
Total	**203,279,532.25**	**-**

32 - Taxpayer's Fund

Taxpayer's Fund	5,710,550,611.97	5,710,550,611.97
Total	**5,710,550,611.97**	**5,710,550,611.97**

33 - Accumulated surplus/(deficit)

Opening Balance	19,437,344,902.18	13,774,824,105.42
Surplus/Deficit for the Year	8,419,632,942.70	5,662,520,796.76
Total	**27,856,977,844.88**	**19,437,344,902.18**

35 - Contribution to Consolidated Fund -15% Gross Reven IS

Contribution to Consolidated Fund -15% Gross Reven	374,500,000.00	350,000,000.00
Total	**374,500,000.00**	**350,000,000.00**

35 B - CONTRIBUTION TO CONSOLIDATED FUNDS CF

Contribution to Consolidated Fund (15 on Gross Rev	374,500,000.00	700,000,000.00
Total	**374,500,000.00**	**700,000,000.00**

36 - Payables

Creditors - Goods and Services	0	838,508,019.12
	0	**838,508,019.12**

NOTE 25: PROPERTY, PLANT AND EQUIPMENT									
	Leasehold Land	Buildings	Motor Vehicles	Computers & Related Equip.	Furniture & Fittings	Laboratory Equipment	TOTAL	Work in Progress	Total
	TZS	TZS	TZS	TZS	TZS	TZS			TZS
Cost/Revaluation									
At 01 July 2020	2,629,489,358.20	1,872,575,619.74	2,325,163,174.08	1,674,089,666.92	912,359,414.51	5,381,934,400.54	14,795,611,633.99	-	14,795,611,633.99
Additions (monetary)	625,000,000.00		277,040,739.48	227,125,494.00	30,943,422.08	3,295,905,804.08	4,456,015,459.64	203,279,532.25	4,659,294,991.89
At 30 June 2021	3,254,489,358.20	1,872,575,619.74	2,602,203,913.56	1,901,215,160.92	943,302,836.59	8,677,840,204.62	19,251,627,093.63	203,279,532.25	19,454,906,625.88
Accumulated Depreciation and Impairment									
At 01 July 2020	-	393,429,484.23	1,299,818,011.71	472,957,857.24	409,801,802.11	1,413,054,395.78	3,989,061,551.07	-	3,989,061,551.07
Charge during the year - Depreciation	-	37,451,512.00	391,141,538.00	441,031,445.00	132,921,517.00	557,609,330.61	1,560,155,342.61	-	1,560,155,342.61
At 30 June 2021	-	430,880,996.23	1,690,959,549.71	913,989,302.24	542,723,319.11	1,970,663,726.39	5,549,216,893.68	-	5,549,216,893.68
Carryng Value - 30 June 2021	3,254,489,358.20	1,441,694,623.51	911,244,363.85	987,225,858.68	400,579,517.48	6,707,176,478.23	13,702,410,199.95	203,279,532.25	13,905,689,732.20
Cost/Revaluation									
At 01 July 2019	2,629,489,358.20	1,785,769,541.02	1,477,779,014.08	1,143,737,212.92	560,630,750.49	3,438,842,247.21	11,036,248,123.92	-	11,036,248,123.92
Additions (monetary)		86,806,078.72	847,384,160.00	530,352,454.00	351,728,664.02	1,943,092,153.33	3,759,363,510.07	-	3,759,363,510.07

Disposal	-	-	-	-	-	-	-	-	-
At 30 June 2020	2,629,489,358.20	1,872,575,619.74	2,325,163,174.08	1,674,089,666.92	912,359,414.51	5,381,934,400.54	14,795,611,633.99	-	14,795,611,633.99
Accumulated Depreciation and Impairment							-		
At 01 July 2019	-	361,569,464.23	905,642,835.26	323,198,224.99	137,081,999.11	1,147,078,135.78	2,874,570,659.37	-	2,874,570,659.37
Charge during the year - Depreciation	-	31,860,020.00	394,175,176.45	149,759,632.25	272,719,803.00	265,976,260.00	1,114,490,891.70	-	1,114,490,891.70
At 30 June 2020	-	393,429,484.23	1,299,818,011.71	472,957,857.24	409,801,802.11	1,413,054,395.78	3,989,061,551.07	-	3,989,061,551.07
Carryng Value - 30 June 2020	2,629,489,358.20	1,479,146,135.51	1,025,345,162.37	1,201,131,809.68	502,557,612.40	3,968,880,004.76	10,806,550,082.92	-	10,806,550,082.92

Reconciliation Statement Direct and Indirect Method - Cashflow

	2020/2021	2019/2020
	TZS	TZS
Surplus/(Deficit) for the Year	8,419,722,944.09	5,662,520,796.76
Depreciation PPE	1,560,155,342.61	1,114,490,891.70
Change in Payables	(838,508,019.12)	(532,704,818.53)
Internal Payables	2,940,935.00	-
Change in Inventory	62,083,975.34	42,772,002.49
Change in Receivables	(4,567,668,092.58)	(3,110,513,795.99)
Exchange rate gain loss	9,760,141.40	21,890,751.71
Net CF from Operating Activities	**4,648,487,226.74**	**3,198,455,828.14**

NAME	Total	CURRENT	Over 30	Over 60	Over 90	Over 366
Director Of Criminal Investigation	14,474,406,064.61	1,503,223,205.68	582,100,790.90	308,785,385.00	2,041,871,700.00	10,038,424,983.03
Drug Control and Enforcement Authority	145,989,995.00	-	116,658,169.00	-	15,028,842.00	14,302,984.00
TOTAL	**14,620,396,059.61**	**1,503,223,205.68**	**698,758,959.90**	**308,785,385.00**	**2,056,900,542.00**	**10,052,727,967.03**