



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



TANZANIA AGRICULTURAL RESEARCH INSTITUTE (TARI)

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL STATEMENTS AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2022**

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March 2023

AR/CG/TARI/2021/22

About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418.

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, National Audit Office 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 Tanzania Agricultural Research Institute (TARI) 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

ISSAIs	International Standard of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
PAR	Public Audit Regulation
PAC	Public Accounts Committee
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPR	Public Procurement Regulations
TARI	Tanzania Agricultural Research Institute

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board,
Tanzania Agricultural Research Institute,
P.O. Box 1571,
DODOMA, TANZANIA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Agricultural Research Institute (TARI) which comprise the statement of financial position as at 30 June 2022, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Agricultural Research Institute (TARI) as at 30 June 2022, 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

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 section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Tanzania Agricultural Research Institute (TARI) 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. These matters were addressed in the context of my audit of financial statements as a whole and in forming my opinion thereon, and I do not provide a separate opinion on these 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 or any other equivalent report, statement of management responsibility, and Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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.

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, I conclude that there is a material misstatement of this other information, I am required to report that fact. As described below, I have concluded that such a material misstatement of the other information exists.

Responsibilities of Management and those charged with Governance for the Financial Statements

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

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

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

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

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

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

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

1.2.1 Compliance with the Public Procurement laws

Subject matter: Compliance audit on procurement of works, goods and services

I performed a compliance audit on procurement of works, goods and services in Tanzania Agricultural Research Institute (TARI) for the financial year 2021/22 as per the Public Procurement laws.

Conclusion

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

Decision made through circular resolution not reported to the Tender Board for Board adoption

Review of procurement file and Tender Board minutes for both ordinary and extra ordinary meetings for the year ended 30 June 2022 noted that TARI tender Board approved Procurements amounting to TZS 121,765,872 through circular resolution but the decisions made through Circular Resolutions were not submitted in either ordinary

meeting or even extra Ordinary Meeting for tender Board adoption and approval as per requirement of Para No. 11.2 of Guidelines for Tender Board's decision through Circular Resolution issued by Public Procurement Regulatory Authority (PPRA) on May 2020.

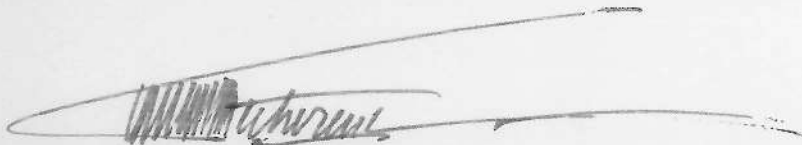
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in Tanzania Agricultural Research Institute (TARI) for the financial year 2021/22 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that, Budget formulation and execution of Tanzania Agricultural Research Institute (TARI) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



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

March 2023



2.0 FINANCIAL STATEMENTS

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

1. INTRODUCTION

The Directors submit their report together with the audited financial statements for the year ended 30th June 2022. The financial statements disclose the state of affairs of Tanzania Agricultural Research Institute (TARI or "the Institute") for the year ended 30th June 2022. The Report provides information on operations, financial position, financial performance, budget information, cash flow position, the governance systems and the structure of the Institute.

2.0 ESTABLISHMENT

The Tanzania Agricultural Research Institute was established in 2016 under Section 3 of the Tanzania Agricultural Research Institute Act, 2016 (Cap 51) as a leading institute responsible for conducting, regulating, promoting and coordinating agricultural research in Tanzania Mainland.

3.0 OWNERSHIP

TARI is wholly owned by the Government of the United Republic of Tanzania.

4.0 VISION, MISSION, CORE VALUES

The Vision, Mission and Principal Activities of TARI are articulated in its Rolling Strategic Plan (2019/20 -2023/24) as follows:

4.1 Vision

To be the Institute of Excellence for Agricultural Research in Tanzania and beyond.

4.2 Mission

To generate and disseminate application of knowledge and agricultural technologies as catalysts of change in achieving agricultural productivity, food and nutrition security, environmental sustainability and economic growth involving stakeholders in the country and the global community.

4.3 Core Values

TARI performs its duties and functions based on the following core values:-

- Integrity: TARI will always strive to be credible and consistent in its actions;
- Transparency: TARI endeavors to convey correct, timely and complete information about its services and products;
- Accountability: TARI will always be accountable to agricultural research activities in order to foster agricultural development;
- Team work: TARI will always work together to achieve its corporate goals;
- Professionalism: TARI will always adhere to ethics and uphold quality and standards in performing its duties;

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- Excellence: Exercise competency through professionalism and ethical conduct
- Equity: Observe equal opportunity and treatment for our internal and external stakeholders without discrimination against gender, religion, race, affiliation and ethnicity

5.0 PRINCIPAL ACTIVITIES OF THE INSTITUTE

The principal activities or core functions of TARI are provided under Section No.4 of the Tanzania Agricultural Research Institute Act, 2016 (Cap 51). TARI is responsible for conducting, regulating and coordinating all agricultural research activities in the mainland Tanzania. The principal activities are summarized as follows:

- a) To conduct, promote and coordinate basic, applied and strategic agricultural research
- b) To advise the Government on the formulation of national policies, laws and regulatory frameworks for promoting and regulating agricultural research
- c) To formulate and oversee the implementation of intellectual property policy of the Institute
- d) To formulate research standards, code of ethics, conduct and practice, and guidelines for delivery of agricultural research services
- e) To set in collaboration with key stakeholders, national agricultural research agenda and priorities of the national agricultural research system and coordinate the implementation of such agenda and priorities
- f) To establish and operate an efficient system of documentation, dissemination and promotion of information on agricultural research
- g) To promote advancement of skills by providing facilities for training research personnel for the Institute and other stakeholders for better carrying out basic, applied and strategic research
- h) To mobilize Institutes for agricultural research and development
- i) To coordinate and promote cooperation and collaboration with other countries, institutions, scientific or professional societies and other agricultural research service providers, with regard to agricultural research, development and technology transfer in the agricultural sector
- j) To provide, undertake and promote consultancy services in research, training and dissemination of information in agriculture and allied sciences
- k) To register and maintain a register of agricultural research service providers and their research projects in the public and private sectors
- l) To promote seed deployment and multiplication
- m) To establish and maintain gene bank for purposes of characterizing, evaluating and conserving plant genetic resources.

6.0 ORGANIZATION STRUCTURE AND MANAGEMENT OF THE INSTITUTE

The Institute is under the overall supervision of the Board of Directors and the day-to-day management is entrusted to the Director General. The Director General is assisted by the Management Team at Head Office which comprises of Directors, Heads of Units and Managers specified below: -

- Director of Research and Innovation,
- Director of Technology Transfer and Partnerships,
- Director of Administration and Human Resources Management,
- Chief Accountant,
- Chief Internal Auditor,
- Manager - Planning Monitoring and Evaluation,
- Manager - Procurement Management Unit,
- Head of ICT and Statistics Unit, and
- Head of Legal Unit.

Directorate of Research and Innovation

The Directorate is headed by a director reporting to the Director General and is responsible for the core functions of the Institute, research and innovation.

Directorate of Technology Transfer and Partnerships

The Directorate is headed by a director reporting to the Director General and is responsible for technology dissemination and collaborations with stakeholders.

Directorate of Administration and Human Resources Management

The Directorate is headed by a director reporting to the Director General and is responsible for human resources management as well administrative matters.

Finance Unit

The Unit is headed by Chief Accountant reporting to the Director General and is responsible for collection of funds, disbursements, maintenance of accounting records and preparation of financial statements.

Internal Audit Unit

The Unit which is fully fledged and independent is headed by Chief Internal Auditor reporting administratively to the Director General and functionally to the Board Audit and Risk Committee and is responsible for internal audit services to the Institute.

The Unit conducts internal audit assignments basing on approved annual internal Audit plan. The Unit adopts the International Professional Practices Framework (IPPF) and the

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TARI's Internal Audit Manual and Procedures to evaluate the quality assurance and acceptability of the related accounting policies, practices and financial reporting compliance.

Planning Monitoring and Evaluation Unit

The Unit is headed by a manager reporting to the Director General and is responsible for planning, budget, monitoring and evaluation of various projects.

Information Communication Technology and Statistics Unit

The Unit is headed by ICT Head reporting to the Director General. The unit maintains network infrastructure and computers, manages mail servers, proxy servers and extension of LAN to connect more computers to the Internet. Also, the Unit is responsible to give technical support on ICTS matters.

Legal Services Unit

The Unit is headed by Head of Legal Services reporting to the Director General and is responsible for providing legal service and expertise.

Procurement Management Unit (PMU)

The unit is headed by Procurement Management Manager reporting to the Director General and is responsible for providing expertise and services in handling procurement matters as per the requirement of the Public Procurement Act, 2011 and its amendments of 2016, Cap 410.

Tender Board

The Institute has an operating Tender Board, which oversees all procurement processes and procedures and ensures compliance with the Public Procurement Act, 2011. TARI Tender Board as at 30 June, 2022 was composed of the following members as shown in the table 1 below.

Table 1: Composition of TARI Tender Board members as at 30 June, 2022

S/N	Name	Status	Designation
1	Dr. Zephania R. Mshanga	Chairman	Director of Administration & Human Resource Management
2	CSP Erick S. Kaswaka	Secretary	Manager-Procurement Management Unit
3	Dr. Deogratius N. Lwezaura	Member	Manager- Planning, Monitoring and Evaluation
4	Dr. Furaha P. Mroso	Member	Manager- Crop Research and Postharvest Management
5	CPA. Mohamed Mwandege	Member	Principal Accountant
6	Dr. Richard Y. Kasuga	Member	Manager- Knowledge Management and Communication
7	Mr. Mshaghuley M. Ishika	Member	Senior Research Officer I

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In addition, TARI has seventeen (17) Research Centres throughout Tanzania Mainland and these are headed by TARI Centre Directors or Centre Managers reporting to the Director General.

Whereas the Head Office is mainly responsible for coordination and management of the Institute with the various support functions, the research and innovation as well as technology transfer agenda which is the core function of the Institute is executed through the TARI Research Centres. The geographical distribution and the core research mandate for each research centre is provided under table 2 below: -

Table 2: TARI research Centers and their Mandate

SN.	Name of the Research Centre	Location	Research Mandate
1	TARI - Hombolo	Dododma	Sorghum and Millets
2	TARI - Ifakara	Morogoro	Rice
3	TARI - Dakawa	Morogoro	Rice
4	TARI - Ilonga	Morogoro	Maize, Grain Legumes, Sunflower, Post-harvest Management
5	TARI - Kibaha	Coastal	Sugar cane
6	TARI - Kifyulilo	Iringa	Beans, Maize, Irish Potato
7	TARI - Kihinga	Kigoma	Palm Oil
8	TARI - Makutupora	Dodoma	Grapes
9	TARI - Maruku	Kagera	Banana
10	TARI - Mikocheni	Dar es Salaam	Coconuts and Biotechnology
11	TARI - Mlingano	Tanga	Soils, sisal, coconut, biotechnology
12	TARI - Naliendele	Mtwara	Cashew and Oil Seeds
13	TARI - Selian	Arusha	Wheat, Barley and Maize
14	TARI - Tengeru	Arusha	Vegetables, Spices and Fruits
15	TARI - Tumbi	Tabora	Agro-forestry
16	TARI - Ukiriguru	Mwanza	Cotton, Roots, Tubers
17	TARI - Uyole	Mbeya	Beans, Maize, Irish Potato, Pyrethrum, Agro-mechanization

Workers Council

The Institute has in place a Master Workers Council which is a participatory organ constituted by Members of the Management and employees' representatives from both Head Office and all the Research Centres. The Master Council meets regularly as per the Master Workers Council Charter.

OPERATING MODEL

TARI is mandated to conduct, regulate and coordinate agricultural research in Mainland Tanzania. Priority research areas are identified and included in the TARI Medium Term Strategic Plan, which is implemented through the annual planning and budgeting process. The priority areas can be directed by the Government through the Ministry of Agriculture based on national priorities. Research areas can also be recommended by TARI scientists who usually prepares research proposals on the relevant research agenda.

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The Government of the United Republic of Tanzania is the main financier of the Institute in terms of personnel emoluments, development funds (for research and infrastructure) as well as other charges. Research proposals from TARI Scientists are usually tabled for donor financing, hence the Institute has a number of research projects which are financed by development partners on areas of national interest.

Usually, research projects are undertaken through Project Teams with a Lead Researcher and such projects are implemented in the TARI Research Centres. Some research projects are collaborative with other research and academic institutions in the country and other with regional and international partners. Several research projects are usually undertaken by TARI in each year by different project teams or different research centres. The duration of the research project varies depending on the complexity, nature, weather conditions and other factors. Once, the research results are certified e.g. discovery of improved crop varieties with high yields, discovery of drought resistant seeds, improved planting and harvest technologies etc, the next step is dissemination of the research outcomes to the stakeholders, which is usually undertaken through different communication channels.

7.0 PHYSICAL PERFORMANCE AND ACHIEVEMENTS

7.1 Plan and Budget

In line with the principal functions of the Institute, the plan and budget priority areas for 2021/2022 financial year were to: -

- a) Strengthen crop research activities;
- b) Plan, undertake aid, promote and co-ordinate research and its application in crops production and allied sciences;
- c) Provide guidelines, guidance and ensure delivery of quality crop research by crop research service providers;
- d) Plan and evaluate the human resources requirements in crop research and extension;
- e) Develop appropriate training programmes and collaborate with other organizations and institutions of higher learning for purposes of attaining high level scientific manpower in crop production sciences;
- f) Promote the use of biotechnology and bio-safety measures to improve crop production;

7.2 Physical Performance Achievements

During the year ended 30 June, 2022 the Institute's key achievements in physical terms were as follows: -

7.2.1 Development of technologies and innovations

- a) A total of 5 crop varieties were released and registered for farmers' use. Among them two (2) are for moonbeam, two (2) are wheat and one for rice. These varieties are high yielding, with good quality parameters and adaptable to the environment. For example, the released wheat varieties have high gluten content of 38.9%, requisite quality for industry compared to the current varieties which have about 25%. Also the varieties have are high yielding of between 4 to 4.6 t/ha as compared

to the current commercial varieties which yield between 2 to 3 t/ha. The yield of the released rice variety is between 7.3 to 7.9t/ha and it has local qualities (aroma) required by most of the customers.

- b) TARI Developed and fabricated a simple cotton planting machine that will help reduce cost on farmers due to reduced number of hours used for planting an acre as well as number of laborers used. The planter is capable of planting one acre for 1 to 3 hours compared to hand hole which uses more than 11 hours. The machine has demonstrated to reduce seed waste, now using 5 seeds per hole (hill) as compared 15 seeds for the current farmers practices.
- c) New planting space of 60 centimeter from one line to the other and 30 centimeters from one cotton seedling to the other have been developed. The new planting space increases the harvest from 710 kilogram to 1,422 kilogram per acre. In addition, soil analysis for two regions (Dodoma and Singida) have been done and two maps have been produced and distributed to the Regional Administration for decision making.
- d) A total of 36,970 germplasm materials of different crops including banana (310), legumes (53), rice (439), sugarcane (391), lettuce (5), okra (2), pepper (3), cocoa (17), wheat (600), pyrethrum (206), cotton (742), grapes (25), cashew (30,000), oil palm (3), cassava (514), maize (812), beans (1078), soya beans (44), sweet potato (159), groundnuts (400), sesame (11), sorghum (410) and finger millet (343), pearl millet (40), Irish potato (17), fruits tree (24), flowers (16), spices (5) and sunflower (301) were continued to be maintained at different research centres for research purposes

7.2.2 Seed production and multiplication

In ensuring availability of improved seeds to farmers, 1,225.872 MT of different classes of seed were produced (19.665 MT breeder, 221.077 MT pre-basic, 158.125 MT basic and 827.005 MT certified seed). In addition, 7,998,784 cuttings/seedlings of vegetative propagated crop planting materials were produced and distributed to farmers.

In addition, a total of 302 of seed samples were imported from outside the country by private Institute and were tested for GMO organisms. The results have shown to be negative.

7.2.3 Technology Transfer

Up to June, 2022, 1,065 technologies were disseminated to 99,729 farmers using different dissemination pathways such as 21 farmer field days, establishment of 222 demonstration plots, one agricultural show, one agribusiness expo, one Saba Saba trade show and one trade and seed fairs.

Technologies were also disseminated through mass media whereby 211 TVs, 50 radio, 98 media stories and 195 social media stories, documentaries and feature articles were produced, broadcasted and published. 15,805 copies of posters, signboards, fliers,

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brochures, banners, wheel covers, keys and leaflets covering different subjects of technologies were produced and disseminated with the aim of providing good agricultural practices and products for commercialization to farmers and other end users.

In order to increase efficiency in technology transfer 4 Agricultural Technology Hub (AgricTECH Hub) were launched. The Hubs are Nyakabindi, Fatma Mwasu, Nzuguni, Mwalimu Nyerere AgricTECH. The centres are mainly for technology dissemination activities throughout the year. A total of 398 Demoplots have been prepared for agricultural stakeholder training where 312 technologies have been disseminated to 3,563 farmers (Male=2,195 and female=1,367) through the Hubs

7.2.4 Strengthening partnerships and collaboration

A total of 44 contracts/memorandum of understandings (MoUs) were signed to strengthen partnerships with national, regional and international organisation in an effort to achieve institutional goals. In this regard, for the FY 2021/2022, TARI implemented 69 collaborative research projects, their progress is at various stages. In addition, TARI researchers increased capacity to undertake scientific research and competence, where by fifty-one (51) publication were made in various peer reviewed journals.

7.2.5 Physical Infrastructure Development

During the year 2021/2022, the institute planned and executed the following projects:

- a) Construction of TARI Headquarters at Njedengwa Investment Area, Dodoma Municipal. The construction process is on progress.
- b) Construction of TARI Kihinga at Kigoma, The construction process is on progress.
- c) Construction and rehabilitation of irrigation schemes at TARI Selian, TARI Ilunga, TARI Uyole and TARI Makutupora in order to increase seed production for wheat, cotton, sunflower, maize, avocado and grapes
- d) Purchase of laboratory chemicals and reagents for TARI Mlingano and TARI Mikocheni.
- e) Rehabilitation of TARI Tengeru tissue culture laboratory has been completed under the sponsorship of COSTECH

8.0 ANALYSIS OF FINANCIAL PERFORMANCE AND POSITION

8.1 Analysis of the Statement of Financial Performance

Revenue for the year increased from TZS 29,528,876,904 recorded in the financial 2020/21 to TZS 38,428,993,054 attained in the financial year 2021/22 equivalent to an increase of 30.14%. The main reason for the increase is increase in revenue grants for development projects and personnel emoluments from the Government.

Table 3: Distribution of Revenue Sources

	2021/2022	2020/2021		
	TZS	%	TZS	%
Other Revenue	13,002,949,569	34%	11,835,987,164	40%

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	2021/2022		2020/2021	
	TZS	%	TZS	%
Revenue from Exchange Transactions	3,165,764,114	8%	2,007,857,314	7%
Revenue Grants	22,260,279,370	58%	15,685,032,426	53%
Total Revenue	38,428,993,054	100%	29,528,876,904	100%

As seen from the table above, the Government is the main financier of the Institution in terms of funding personnel emoluments as well funding of development grants and other charges, which in total accounted for 58% of the total revenue followed by grants from development partners at 34% while internally generated revenue i.e. sales of seeds and farm produce accounts for 8%.

Expenses for the year also increased from TZS 31,450,705,405 in 2020/21 to TZS 41,089,768,622 in 2021/22 equivalent to an increase of 30.65%. The main rationale for the increase is the increase of personnel emoluments due implementation of the new schemes of service from 1st November 2021 which contained improved salary structure coupled with slight increase in the number of staff from 688 at 30th June 2021 to 734 at 30th June 2022. As a result of this social security contributions also increased. Another main reason for the increase is growing cost of casual labourers and non-civil service contract staff used to support the functioning of the Institute especially in the execution of research projects. Use of goods and services expenses has also grown due to increase in travel costs attributable to the ongoing research activities coupled with increase in fuel costs.

Table 4: Distribution of Major Expenses

	2021/2022		2020/2021	
	TZS	%	TZS	%
Depreciation and Impairment	3,313,370,776	8%	3,552,327,344	11%
Maintenance and Other Expenses	1,611,796,302	4%	1,242,133,814	4%
Use of Goods and Service	11,283,041,280	27%	8,735,502,688	28%
Wages, Salaries and Employee Benefits	24,910,383,929	61%	17,920,741,559	57%
Total Expenses	41,118,592,288	100%	31,450,705,405	100%

As seen in the table above, major expenses of the Institute are wages, salaries and employee benefits accounting for 61% and use of goods and services, which includes both administrative and research expenses, accounting for 27%,

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As expenses for the year were higher than the revenue, the Institute recorded a deficit of TZS 2,720,964,234 (2020/21: Deficit of TZS 1,941,828,501) noting that included in expenses are non-cash items such as depreciation and impairment.

8.2 Analysis of the Statement of Financial Position

The total assets of the Institute stood at TZS 145,012,070,430 at 30 June 2022 compared to TZS 149,105,224,147 at 30th June 2021 representing a 2.75% decline. The decline is accounted for by depreciation charges on property, Plant and equipment and decrease in closing bank balances as carried over funds from prior year were used to finance research activities during the current year. It should be noted that the assets of the Institute are mainly in two areas, property, plant and equipment TZS 124,003,886,153 (86%) and biological assets TZS 15,161,820,361 (10%). Property, plant and equipment include mainly land, buildings, motor vehicles and machinery.

Table 5: Asset Distribution

	201/2022		2020/2021	
	TZS	%	TZS	%
Current Asset				
Cash and Cash Equivalents	2,846,263,052	2%	5,599,469,286	4%
Inventories	580,696,168	0%	762,076,679	1%
Prepayments	1,373,181,483	1%	110,413,596	0%
Receivables	60,082,379	0%	30,977,000	0%
Total Current Asset	4,860,223,082	3%	6,502,936,561	4%
Non-Current Asset				
Biological Assets	15,161,820,361	10%	15,161,820,361	10%
Property, Plant and Equipment	124,003,886,153	86%	127,043,557,319	85%
Work In Progress	986,140,835	1%	396,909,906	0%
Total Non-Current Asset	140,151,847,349	97%	142,602,287,586	96%
Total Assets	145,040,894,096	100%	149,105,224,147	100%

The total liabilities amounted to TZS 1,769,251,155 at 30th June 2021 declining from TZS 3,141,440,638 at 30th June 2021 a decrease of 43.68%. The main reason for the decline is utilization of development deferred income of TZS 1,792,268,301 at 30th June 2021 which reduced to TZS 110,355,475 at 30th June 2022.

In view of the above, the net assets of the Institute stood at TZS 143,242,819,275 (30 June 2021: TZS 145,963,783,509) declining by 1.86% from prior year due to the deficit recorded during the year.

8.3 Analysis of the Statement of Cash Flows

Total receipts of the Institute for the year amounted to TZS 37,181,165,966 (2020/21: TZS 28,256,293,206) representing an increase of 31.59%. The main sources of funds for

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the institute are government grants, grants from development partners and internally generated revenue for sale of seeds and farm produce. All these areas have recorded noticeable increase during the year. Receipts from government increasing by 22.52% from TZS 17,016,200,787 to TZS 20,848,479,617 due increase in development funds and personnel emoluments. Receipts from development partners for the year increased by 41.99% from TZS 9,157,745,381 to TZS 13,002,949,569 and sale of seeds and farm produce increased by 52.03% from 2,082,347,038 to TZS 3,165,764,114.

Total payments for the year totaled TZS 37,710,010,178 Increasing by 31.36% from prior year amount of TZS 28,707,278,994. Major expenditure areas are wages, salaries and employments benefits TZS 24,988,633,807 (2020/21: TZS 13,821,626,300) which has increased by 80.79%. The other major area of expenditure is the use of goods and services which includes both administrative and research expenses. This area consumed TZS 10,946,823,918 (2020/21: TZS 13,591,213,890) representing a decrease of 19.46%.

As the total payments from operations exceed total receipts, the net cash flows from operating activities is a deficit of TZS 528,844,212. However, the prior year brought forward funds TZS 5,599,469,285 bridged the financing gap that cash and cash equivalents at year end amounted to TZS 2,846,263,051 after considering investing and financing activities.

8.4 Analysis of the Statement of Budget Comparison

The budgeted receipts for the year amounted to TZS 41,822,443,085 whereas the actual receipts amounted to TZS 37,181,165,966 which implies a negative variance of 11.10%. Two main factors have contributed to non-attainment of the budget, one is the revenue grants from the government which were budgeted at TZS 23,103,867,766 but actual receipts were TZS 20,848,479,617 (negative variance of 9.76%). The second factor is receipts from internal revenues from sales of seeds and farm produce, which were budget at TZS 5,553,575,319 but actual collections amounted to TZS 3,165,764,114 (negative variance of 43.0%). Sale of farm produce and seeds is dependent on favourable weather conditions.

Total budgeted payments for the year were TZS 41,822,443,086 implying a balanced budget. However, total actual payments amounted to TZS 39,934,372,200; a 5% decline based on available funds i.e., actual collections and brought forward funds from prior year. Hence, the excess expenditure of TZS 2,753,206,234 was financed by the prior year funds TZS 5,599,469,285, hence the Institute cash and cash equivalents closing balances reduced to TZS 2,846,263,051

8.5 Analysis of the Statement of Changes in Net Assets and Equity

As reported in the Statement of Financial Performance, the Institute recorded a deficit of TZS 2,692,140,569 during the year. This has reduced the net assets from TZS 145,963,783,509 at 30th June 2021 to TZS 143,242,819,275 as at 30th June 2022.

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8.6 Key Performance Indicators

The Key Performance Indicators (KPIs) are indicated in the Table No.6 below.

Table No. 6: Key Performance Indicators

Performance indicator/ratio	Definition and formula	Purpose	22-Jun	21-Jun
Income ratios	Total Income/Total Assets	Income generating activities	26%	20%
	Total Income from TARI sources/Total Income	Own source income generation	11%	9%
Expenditure Ratios	Total Expenses/Total Income	Relationship between expenses and income	107%	107%
	Total Expenses less Depreciation/Total Income	Relationship between expenses and income excluding non cash expenses	98%	96%
Liquidity Ratio	Current Assets/Current Liabilities	Ability of the institute to settle current obligation	1:1	1:1

9.0 STAKEHOLDERS ANALYSIS

TARI is deeply connected and committed to the environment we operate in and the societies we serve. Our ability to deliver value is dependent on our relationships and the contributions and activities of our stakeholders. We engage in dialogue with our stakeholders to understand their needs and seek to meet their expectations to create value for them and for the Institute.

Table No.7: Stakeholder Analysis

S / N	Stakeholder / Client	Expectations	Service offered by TARI	Potential Impact
A	Direct Stakeholder			
1	Ministry of Agriculture	<ul style="list-style-type: none"> Contribute to improved agricultural production, productivity and livelihoods of rural people Alignment with ASDP II priorities 	<ul style="list-style-type: none"> Develop and transfer modern agricultural technologies 	<ul style="list-style-type: none"> Increase in crop yield Increase in farm area under improved technologies Reduced labour drudgery

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S / N	Stakeholder / Client	Expectations	Service offered by TARI	Potential Impact
2	Farmers and Farmers' Organizations	<ul style="list-style-type: none"> Timely and quality technological packages Enhanced capacity building in production, post-harvest management and markets (Timely advisory services, Awareness on agricultural intervention options, Access and use of factual information and Training) Gender consideration in the development of technology and provision of services 	<ul style="list-style-type: none"> Development and deployment of appropriately packaged improved technologies Provision of tailored training to farmers and related information, education and communication (IEC) materials 	<ul style="list-style-type: none"> Improved livelihoods, food security and income
3	Traders	<ul style="list-style-type: none"> Quality products Timely and reliable market information. Appropriate post harvest technologies 	<ul style="list-style-type: none"> Development and deployment of cost-effective post harvest technologies Compile and disseminate market information Development and deployment of products with quality standards 	<ul style="list-style-type: none"> Reduced costs for undertaking business
4	Processors	<ul style="list-style-type: none"> Timely and reliable information on quality and quantity of agricultural products Timely and reliable market information. Enhanced capacity building of SMEs in processing value addition, post 	<ul style="list-style-type: none"> Packaging reliable information on quality, quantity and market opportunity of agricultural products Provision of tailored training to SMEs and related information, education and communication (IEC) materials 	<ul style="list-style-type: none"> Increased efficiency Increased benefits

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S / N	Stakeholder / Client	Expectations	Service offered by TARI	Potential Impact
		harvest handling, post-harvest management and markets		
5	Local Government Authorities	<ul style="list-style-type: none"> ▪ Innovativeness in agricultural technologies ▪ Well researched and applicable technical advice ▪ Timely and effective delivery of services ▪ Establishment of strong linkage between research and local government extension system 	<ul style="list-style-type: none"> ▪ Develop and deploy demand driven technologies and services ▪ Effective and timely delivery of agricultural research services ▪ Participatory generation and dissemination of agricultural technologies 	<ul style="list-style-type: none"> ▪ Availability of improved technologies
6	Consumers of agricultural produce	<ul style="list-style-type: none"> ▪ Quality products of affordable prices <p>Responses to consumer preferences</p>	<ul style="list-style-type: none"> ▪ Development of technologies, innovations and policies that will enhance productivity and labour saving ▪ Inclusiveness of all stakeholders in the generation of agricultural technologies 	<ul style="list-style-type: none"> ▪ Increased quality and prices of products
7	Development Partners	<ul style="list-style-type: none"> ▪ Conducive policies, legal and regulatory framework ▪ Efficient and effective management of resources ▪ Commitment and accountability. ▪ Effective management information system and timely reporting. 	<ul style="list-style-type: none"> ▪ Conducive policies, legal and regulatory framework ▪ Adhere to agreed commitments ▪ Demonstrate good governance, efficient and effective management of resources 	<ul style="list-style-type: none"> ▪ Enhanced partnerships

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S / N	Stakeholder / Client	Expectations	Service offered by TARI	Potential Impact
		<ul style="list-style-type: none"> Good governance and Transparency Effective collaboration and cooperation 		
8	Service Providers	<ul style="list-style-type: none"> Timely and reliable data on recommended technological packages according to agro-ecologies Marketable agricultural technologies by farmers Technical support 	<ul style="list-style-type: none"> Packaging reliable data on recommended technologies Provision of tailor-made training Package and disseminate improved technologies 	<ul style="list-style-type: none"> Availability of high quality raw materials
9	Agricultural research institutions (e.g CG Centres, ASARECA, NARO, TALIRI, TAFORI)	<ul style="list-style-type: none"> Conduct collaborative research Sharing of agricultural information Streamlined coordination in agricultural research Conduct on-job training Sharing of resources 	<ul style="list-style-type: none"> Develop collaborative research and adhere to agreements Sharing of research findings Operationalize national agricultural research forum Develop and implement national research agenda 	<ul style="list-style-type: none"> Enhance collaboration, networking and sharing of information
10	Treasury Registrar	<ul style="list-style-type: none"> Increased efficiency and effectiveness of the Institute Improved mechanisms for resource mobilization 	<ul style="list-style-type: none"> Writing winning research grant projects Well streamlined coordination and operationalization of TARI activities 	<ul style="list-style-type: none"> Funded research grant projects complementing to government budget Resource use efficiency
B	Indirect Stakeholders			
11	Politicians	<ul style="list-style-type: none"> Professional, non-partisan agricultural services Significant contribution to economic growth, poverty 	<ul style="list-style-type: none"> Adhere to scientific principles, rules and regulations to deliver services professionally Contribute to national economic growth, poverty 	<ul style="list-style-type: none"> Increased contribution to livelihoods of rural people particularly in the respective constituents

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S / N	Stakeholder / Client	Expectations	Service offered by TARI	Potential Impact
		reduction and livelihood improvement <ul style="list-style-type: none"> ▪ Efficient and cost-effective service delivery ▪ transparency and accountability ▪ Enforcement of laws and relevant regulations 	reduction and livelihood improvement <ul style="list-style-type: none"> ▪ Adherence to TARI Client Service Charter 	
12	Policy makers	<ul style="list-style-type: none"> ▪ Transparency and accountability. ▪ Enforcement of laws and regulations ▪ Good agricultural research management and coordination ▪ Advice for policy change ▪ Significant contribution to economic growth, poverty reduction and livelihood improvement 	<ul style="list-style-type: none"> ▪ Adhere to guidelines and procedures ▪ Provision of technical advice and policy briefs ▪ Contribute to national economy and reduction of poverty through development and deployment of demand driven technologies and services 	<ul style="list-style-type: none"> ▪ Increased contribution to GDP ▪ Increased agricultural growth ▪ Increased food security, nutrition and sustainable agriculture
13	Central government	<ul style="list-style-type: none"> ▪ Increasing contribution of agricultural sector to the national economy ▪ Efficient and timely delivery of quality agricultural technologies and services ▪ Contribution to sustainable agriculture and food security 	<ul style="list-style-type: none"> ▪ Strategize in contributing to national economy, food security and poverty reduction ▪ Deliver cost effective agricultural technologies and services 	<ul style="list-style-type: none"> ▪ Efficient resource use ▪ Increased contribution to GDP
14	Civil Society Organizations and NGOs	<ul style="list-style-type: none"> ▪ Conducive legal and regulatory framework ▪ Good governance and transparency 	<ul style="list-style-type: none"> ▪ Provision of conducive legal and regulatory framework ▪ Provision of agricultural 	<ul style="list-style-type: none"> ▪ Enhanced networking and collaboration ▪ Sharing of information

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S / N	Stakeholder / Client	Expectations	Service offered by TARI	Potential Impact
		<ul style="list-style-type: none"> Timely and streamlined approval procedures Knowledge and information sharing in agricultural development 	<ul style="list-style-type: none"> research information and technical advice Create awareness of prevailing agricultural research standards 	
15	Financial institutions	<ul style="list-style-type: none"> Adoption of marketable agricultural technologies by farmers Sufficient and timely utilization of resources. Timely accounting and reporting Availability of collateral at the institute 	<ul style="list-style-type: none"> Generate and disseminate marketable agricultural technologies Compliance to financial commitments and regulations 	<ul style="list-style-type: none"> Meet financial commitments and compliance Increased use of financial services
16	Academic Institutions	<ul style="list-style-type: none"> Conduct collaborative research Sharing of agricultural information Appropriate research findings for teaching and curriculum improvement Utilization of education opportunities Training and supervision of students 	<ul style="list-style-type: none"> Packaging and sharing of research findings Develop collaboration agreements 	<ul style="list-style-type: none"> Sharing of training programs Networking and collaboration Trained scientists
17	Media	<ul style="list-style-type: none"> Timely, simple to understand and reliable research information Collaboration in preparation of articles for public awareness Technical backstopping in agricultural technologies 	<ul style="list-style-type: none"> Package research information Collaborate in developing programs/articles for broadcast and publication 	<ul style="list-style-type: none"> Sharing of information Increased awareness and knowledge on available technologies by clients

10. CURRENT AND FUTURE DEVELOPMENT PLANS

In the financial year 2022/23, TARI intends to address the following areas:

- i) Developing 35 demand-driven and climate resilient research technologies and innovations;
- ii) Enhancing availability of improved seed, access and use by farmers through Purification and Production of 1,453.1 MT of Early Generation Seeds of improved crop varieties/cultivars and at least 33,500,000 seedlings of vegetative propagative crops
- iii) Enhancing generation of 10 socio-economic, policy and marketing options in agriculture and food systems;
- iv) Improving information and knowledge management system;
- v) Strengthening and promoting technology dissemination and uptake pathways;
- vi) Strengthening resource mobilization strategies;
- vii) Enhancing National, Regional and International collaboration and networking.
- viii) Strengthening capacity of research centres through
 - a. Construction and rehabilitation of irrigation infrastructure of 854 ha in 15 centres,
 - b. Seed farms expansion of about 914 ha,
 - c. Construction of 5 storage facilities at TARI Kifyulilo, TARI Dakawa, TARI Makutupora, TARI Selian, TARI Hombolo; and rehabilitation of 5 storage facilities at TARI Uyole (3) and TARI Ilonga (2)
 - d. Construction of one (1) tissue culture laboratory at TARI Mlingano; Accreditation of one soil laboratory at TARI Mlingano and refurbishment of GMO laboratory at TARI Mikocheni; and Rehabilitation of three (3) tissue culture laboratories at TARI Tengeru, TARI Uyole and TARI Mikocheni.
 - e. Construction of two (2) screen houses and two (2) cold rooms at TARI Selian and TARI Ilonga
 - f. Purchase of 10 tractors and associated implements, 5 seed processing machines, 35 motor vehicles and other research facilities.
 - g. Strengthening capacity of human resource through
 - ✓ Long and tailor-made training
 - ✓ Provision of staff benefits
 - ✓ Facilitate conducive working environment

11. ACCOUNTING POLICIES AND SYSTEMS

The financial statements of the Institute have been prepared in accordance with International Public Sector Accounting Standards (IPSAS), under the historical cost convention consistent with prior year. The specific accounting policies used in the preparation of the Financial Statements have been disclosed in Note 1 to the Financial Statements. These policies are all considered to be critical to understanding of the performance and financial position of the Institute.

The financial statements have been prepared for the first time by using the Tanzanian Government Accounting System (*Mfumo wa Uhasibu Serikalini - MUSE*) departing from the old manual accounting system. The new system necessitated to change the old accounting codes to Government Financial Statistics Codes (GFS CODES). These changes necessitated re-grouping and re-classification of the items and amounts relating to the previous financial year (2020/2021) for comparability purposes. The specific items and amounts involved in the regrouping and re- classifications are shown in Table 12 to 17 of the financial statements. Additional notes have been introduced in the financial

statements as deemed necessary to ensure compliance to disclosure requirements as well as the completeness of the financial statements.

12. SOLVENCY EVALUATION

Mobilization of sufficient financial resources to meet current and future research obligations is a primary responsibility of the Directors. The Directors have reviewed the current financial position of the Institute and confirms that applicable accounting standards have been followed and that the Financial Statements have been prepared on a going concern basis.

The state of affairs of the Institute as at 30th June 2022 is set out on page 42 of the financial statements. The Directors consider the Institute to be solvent.

13. RESPONSIBLE BEHAVIORS TOWARDS STAKEHOLDERS

The Directors believe that effective practical and scientific research is the primary reason for the existence of the Institute. A number of measures have been taken to institute a responsible behavior towards stakeholders. This includes establishment of the Institutes website, radio and TV programs and participation in agricultural fairs and exhibitions at national, regional and district levels in order to communicate positive research outcomes to the stakeholders and receive their feedback.

14. ADMINISTRATIVE EFFICIENCY

The Directors consider administrative efficiency as the key to superior service delivery. The Institute is currently using a range of e-based government systems that translate its requirements into tools facilitating a number of administrative activities. This has significantly improved administrative functions including accounting, stores and procurement management and human resources management.

The Institute has not borrowed funds and consequently no interest charges have accrued against the Institute. All statutory payments such as Pay As You Earn (PAYE), pension contributions and other statutory deductions effected from staff salaries were made and submitted to the relevant authorities in time.

The existing internal control systems are invariably complied with. This has resulted in smooth operations of the Institute. TARI had 734 employees as at 30 June 2022, out of them, 491 are male and 243 are female (2021: 688 employees, 457 male, 231 female).

15. GOVERNING BOARD AND ITS COMPOSITION

15.1 Powers and Functions of the Board

Pursuant to Section 6 of TARI Act, "management oversight, governance and control of the Institute shall be vested to the Board". Key roles and responsibilities of the TARI Board of Directors are to:

- a) provide oversight, direction and guidance to affairs of the Institute and ensure that adequate funds and resources are made available to the Institute to carry out its national mandate of agricultural research, development and promotion;

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- b) review and approve, strategic plans, work plans and budgets of the Institute;
- c) review performance reports and approve plans for career development and promotion of research scientists, technicians and other staff;
- d) recommend to the appointing Authority through the Minister for disciplinary action against the Director General (DG);
- e) act as disciplinary authority over employees in the management of the Institute;
- f) act as the appellate disciplinary authority for other subordinate staff of the Institute who are not at the managerial level;
- g) advise the Minister on the establishment of centres as may be necessary for the better performance of the functions of the Institute;
- h) oversee the administration and accountability of funds and other assets of the Institute; and
- i) do all acts and things as may be, in the opinion of the Board, necessary or expedient for the proper discharge of its functions under this Act.

15.2 Composition

Pursuant to Section 5(1) and (2) of the Tanzania Agricultural Research Institute, Cap 51 the Board shall consist of the following: - (a) The Chairman of the Board who is appointed by the President of the United Republic of Tanzania and ten (10) other Members appointed by the Minister responsible for agricultural from the following:- (i) a member from the Ministry of Agriculture, (ii) A Vice Chancellor appointed from one of a leading agricultural university, (iii) a Chief Executive Officer representing private agricultural research institutes, (iv) The Director of Local Government Authority, (v) The Director General of Tanzania Commission for Science and Technology (COSTECH) and (vi) The Director General of Tanzania Livestock Research Institute (TALIRI). Others are (vii) A Law Officer from the Attorney General's Chambers, (viii) Two Members with experience in agriculture representing farmers' organizations and (ix) one member with experience in agriculture representing Agri-Business Organizations as shown in Table 4. The Director General of TARI is the Secretary to the Board of Directors.

The Institute operated without the Board during the 2021/22 financial year and the oversight, direction and guidance on the affairs of the Institute was provided directly by the Parent Ministry as TARI's Board of Directors completed its tenure of service on May 2021. New members of the Board were appointed subsequent to year end on 22nd March 2022 and the Board Chairperson was appointed on 24th August 2022. The composition of the new board is presented in the table below.

Table No. 8: Composition of those Charged with Governance

S/N	Name	Position & Qualifications	Age	Institution	Nationality	Appointment Date
1	Dr. Tausi M. Kida	Chairperson Ph.D in Development Economics	50	Executive Director, Economic and Social Research Foundation (ESRF)	Tanzanian	24August 2022

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S/N	Name	Position & Qualifications	Age	Institution	Nationality	Appointment Date
2	Dr. Jacqueline D. Mkindi	Member Dr. Business Administration and Enterprises	46	Chief Executive Officer of Tanzania Horticultural Association (TAHA)	Tanzanian	22 March 2022
3	Dr. Prof. Erick V.Komba	Member Associate Prof. PhD in Veterinary Medicine	45	Associate Professor, Sokoine University of Agricultural (SUA)	Tanzanian	22 March 2022
4	Ms. Felister Lelo	Member, Master of Law in Taxation	36	Principal Legal Officer- Office of the Attorney General (AG)	Tanzanian	22 March 2022
5	Mr. Arnold Oosterhuis	Member BSc International Agricultural Trade	46	General Manager, PropVriend Tanzania, Farmers' Representative	Dutch	22 March 2022
6	Dr. Amos M. Nungu	Member, PhD in Telecommunication Systems	47	Director General of Tanzania Commission for Science and Technology (COSTECH)	Tanzanian	22 March 2022
7	Ms. Vumilia L. Zikankuba	Member Masters of Food Science and Technology	43	Head of Agricultural Sector Development Programme (ASDP II) - Ministry of Agriculture (MoA)	Tanzanian	22 March 2022
8	Mr. Sixtus Mapunda	Member Masters of Public Administration	45	Farmers Representative	Tanzanian	22 March 2022
9	Dr. Rogers Shamuelekwa	Member PhD in Education Research	45	Director Education Service, Kibaha Education Centre, Representative President's	Tanzanian	22 March 2022

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S/N	Name	Position & Qualifications	Age	Institution	Nationality	Appointment Date
				Office Regional Administration and Local Government (PO-RALG)		
10	Dr. Rugalema Rwegarulila	Member PhD Development Studies	60	Regional Director for Eastern and Southern Africa at the World Vegetable Centre	Tanzanian	22 March 2022
11	Prof. Emmanuel J. Luoga	Member PhD in Ecological Economics.	60	Vice Chancellor of Nelson Mandela African Institute of Science and Technology (NM-AIST)	Tanzanian	22 March 2022
12	Prof. Sylvia S. Temu	Co-opted Member Professor in Business Management	64	Professor in Business Management, University of Dar es Salaam	Tanzanian	5 th November 2022

Dr. Geoffrey S. Mkamilo is the Director General of TARI and the Secretary to the Board of Directors.

15.3 Board Committees

Roles of the Committees is to make in depth analysis of various matters presented by the management and advise the Board on appropriate action. The Board has three Committees formed after year end on 5th November 2022 as follows: -

1. Audit, and Monitoring and Evaluation Committee (AMEC).
2. Research, Technology Transfer and Resource Mobilization (RTRM).
3. Finance, Administration and Human Resources Management (FAHRM).

15.3.1 Audit, and Monitoring and Evaluation Committee

The Committee is responsible for: -

- Oversee audit and accountability of funds and other assets of the Institute
- Receive and deliberate on internal audit reports
- Receive and deliberate external audit reports
- Oversee planning, monitoring and evaluation.

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The Board's Audit, and Monitoring and Evaluation Committee is composed of the following members.

Table No. 9: Board's Audit, and Monitoring and Evaluation Committee members

S/N	Name	Profession/Qualification	Age	Status
1.	Dr. Amos M. Nungu	PhD (Communications Systems) - Director General, COSTECH	47	Chairman
2.	Ms. Vumilia Zikankuba	MSc (Food Science and Technology) - Head of Agricultural Sector Development Programme (ASDP II) - Ministry of Agriculture (MoA) Ministry of Agriculture	43	Member
3.	Dr. Jacqueline D. Mkindi	Dr. Business Administration and Enterprises	46	Member
4.	Prof. Sylvia S. Temu	Professor in Business Management	64	Member
5.	Dr. Geoffrey S. Mkamilo	PhD in Production Ecology and Resource Conservation, Director General.	58	Secretary

15.3.2 Research, Technology Transfer and Resource Mobilization (RTRM)

The Committee is charged with the following functions: -

- Oversee research, innovation and technology dissemination activities
- Oversee fostering partnerships between TARI and stakeholders
- Ensure that adequate funds and resources are made available
- Oversee that resources are used efficiently and effectively in research operations

The Board's Research, Technology Transfer and Resource Mobilization (RTRM) Committee is composed of the following members.

Table No. 10: TARI Board's Research, Technology Transfer and Resource Mobilization (RTRM) Committee members

S/N	Name	Profession/Qualification	Age	Status
1.	Prof. Emmanuel J. Luoga	PhD in Ecological Economics	60	Chairman
2.	Prof. Erik Vitus Komba	Associate Prof. PhD in Veterinary Medicine	45	Member
3.	Dr. Helson Gabriel Rugalema	PhD Development Studies	60	Member
4.	Mr. Anorlde Oosterhuis	BSc International Agricultural Trade	46	Member
5.	Dr. Geoffrey S. Mkamilo	PhD in Production Ecology and Resource Conservation, Director General.	58	Secretary

15.3.3 TARI Board's Finance, Administration and Human Resources Management Committee (FAHRMC)

The Committee is charged with the following functions: -

- Management oversight for staff performance
- Oversee career development and promotion of staff
- Oversee issues related to disciplinary actions
- Oversee Staff recruitment
- Oversee Promotion and motivation
- Oversee financial performance
- Oversee planning and budget

The Board's Finance, Administration and Human Resources Management Committee (FAHRMC) is composed of the following members.

Table No.11: Board's Finance, Administration and Human Resources Management Committee

S/N	Name	Profession/Qualification	Age	Status
1.	Ms. Felister S. Lelo	Master of Law in Taxation	36	Chairperson
2.	Mr. Sixtus Mapunda	Masters of Public Administration	45	Member
3.	Dr Rogers J. Shemwelekwa	PhD in Education Research	45	Member
4.	Prof. Erik Vitus Komba	Associate Prof. PhD in Veterinary Medicine	45	Member
5.	Dr. Geoffrey S. Mkamilo	PhD in Production Ecology and Resource Conservation, Director General.	58	Secretary

15.4 Board and Committee Meetings

During the year ended 30th June, 2022, there were no board or committee meetings as the Board was appointed subsequent to year end.

15.5 Independence of Directors and Ethical Behavior

All the Directors are considered by the Board to be independent both in character, judgement and free of relationships or circumstances, which could affect their judgement. All the Directors are considered to behave and act ethically in the discharge of their fiduciary responsibilities.

16. DIRECTORS' INTEREST

The Institute is a public body established by the TARI Act, Cap 51 It is under the supervision and control of the Board of Directors. The Directors Report supplements the information provided in the Financial Statements of the Institute. As the Board did not operate during the year, no Director had conflict of interest in the affairs of the Institute.

17. DIRECTORS' REMUNERATION

All the Directors are non-executive. The Directors' remuneration is as approved by the Treasury Registrar and the President's Office - Public Service Management and Good Governance. During the year, there were no Director's fees and allowances paid due to non-existence of the Board.

18. CORPORATE GOVERNANCE

TARI's Board of Directors is responsible for oversight, direction and guidance on the affairs of the Institute and ensure that adequate Institutes and resources are made available to the Institute to carry out its national mandate of agricultural research, development and promotion.

The Directors consider corporate governance as key to good performance of the Institute. The Board is responsible for overseeing the Institute's performance and internal controls. The Directors confirm that:

- (a) All the Directors are non-executive and retains full and effective control of the Institute and monitor the executive management;
- (b) They accept and exercise responsibility for strategic and policy decisions, approval of budgets and monitoring of performance;
- (c) They continued to strengthen good governance systems by overseeing the implementation of various policies and guidelines in the areas of financial management, operations, investments, internal audit, human resources and ICT; and
- (d) They acted and behaved ethically in discharge of their responsibilities.

19 RISK MANAGEMENT AND INTERNAL CONTROL

The Directors accept full responsibility for risk management and internal control system of the Institute. The management ensures that adequate financial and operational control systems are maintained on an ongoing basis. The objective is to provide reasonable assurance on the following:

- (a) Safeguarding the Institute's assets;
- (b) Effectiveness and efficiency of operations;
- (c) Compliance with applicable laws and regulations;
- (d) Reliability of accounting records and financial information;
- (e) Sustainability of the Institute's operations under normal and adverse conditions; and
- (f) Responsive behavior towards stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the Institute's system is designed to provide the Directors with reasonable assurance that procedures in place are operating effectively. The Directors have assessed the internal control system and are generally satisfied as explained herein.

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The Institute has a risk management framework and various policies/regulations through which it manages its risks. On the other hand, the Institute has an internal audit function which reports to the Board Audit, Monitoring and Evaluation Committee through which the Board monitors and directs corrective measures on the internal control environment.

20 PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

The most important type of risks are operational risks, reputation risk, legal risk, liquidity risk and market risk (foreign exchange risk and price risk).

The notes below provide detailed information on financial and non-financial risks faced by the Institute and the Institute's general policies for managing the same.

Operational Risks

Operational risks result from inadequate systems, management failures, ineffective internal control processes, fraud, theft and human errors. The Institute addresses this risk through sound internal control system. Main instruments of the internal control system include operational and procedural manuals, regulations and policies and guidelines, and independent internal audit function.

Managing operational risks in the Institute is an integral part of day-to-day operations by the Management. The Management, Internal Audit Function, Audit and Risk Committee and the Board of Directors are actively involved in monitoring process and guidelines and independent internal audit function.

Legal Risk

This risk arises from possible litigations instituted by or against the Institute and uncertainty of enforceability of contracts. In mitigating this risk, the Institute operates a fully-fledged Legal Services Unit and for each contract entered into by the Institute, there is a Contract Manager responsible for managing the implementation of specific contract entered by the Institute.

Reputational Risk

The Institute has an obligation to ensure that it performs its functions and maintains its reputation as a reputable research institution pursuant to TARI Act and other applicable laws and regulations. In this endeavor, the Board of Directors and the Management ensure that they fulfill their fiduciary responsibilities by applying principles of sound corporate governance and adopting best practices in the industry as well as responsible behaviour towards stakeholders.

Foreign Currency Risk

The foreign exchange risk (currency risk) is the risk arising from changes in the value of foreign currencies. The Institute has significant foreign currency transactions in terms of research grants from development partners. In the local environment however, most transactions during research are based on the local currency, exposing the institute to foreign currency risk during the conversion. Where necessary, the Institute will negotiate forward contracts in order to settle major future transactions denominated in foreign currencies.

Liquidity Risk

Liquidity risk is the risk of failing to meet obligations when they fall due. Liquidity risk may also arise from inability to sell products or services at close to its fair value. The Institute is exposed to daily calls to meet research obligations and other administrative expenses. The Institute manages liquidity risk by cash flow forecasts. The Institute carries out weekly cash flow projection which is discussed by Management. Main sources of Institutes include government grants, grants from development partners and sale of seeds and farm produce.

Compliance risks

Compliance risk is the risk of legal or regulatory sanctions, financial loss or damage to the reputation that the Institute may suffer as a result of its failure to comply with laws, regulations, codes of conduct and standard of good practice that are applicable to its activities. The Board ensures that Management complies with Regulatory and Internal policies and procedures.

Strategic risks

Strategic risk is the possibility of making losses due to adverse business decision or improper implementation of the decision, poor leadership, or ineffective governance and oversight, as well as external risks associated with changes in the business environment.

21 SAFEGUARDING THE INSTITUTE'S ASSETS

The Directors are responsible for safeguarding the assets of the Institute. The Institute has in place various policies including, but not limited to, financial regulations and internal audit manual in order to strengthen the internal control environment. These are reviewed from time to time to align with the dynamics of the operating environment. The Directors are pleased to report that during the year under review, no material incidents of fraud were encountered.

22 RELIABILITY OF ACCOUNTING RECORDS AND FINANCIAL STATEMENTS

The Institute has a Finance Unit and continues to strengthen its capacity through recruitment of additional staff especially for the Research Centres. During the year, the Institute has started to use a computerized government accounting system (MUSE). Accordingly, proper books of accounts have been maintained and the Financial Statements are prepared in accordance with International Public Sector Accounting Standards (IPSAS).

23 RELATED PARTY TRANSACTIONS

All related party transactions and balances are disclosed under Note 38 to these Financial Statements.

During the financial year ended 30 June, 2022 members of the Management were paid salary and other entitlements in respect of 2021/22 financial year as disclosed in Note 38 to the Financial Statements.

24 VESTED INTEREST

Board Members of Tanzania Agricultural Research Institute have no vested interest on different projects/businesses within the Institute.

25 STAFFING AND GENDER BALANCE

The Institute is an equal opportunity employer, as it has no discriminatory policies or practices. As at 30th June 2022, the Institute had 734 employees with the following distribution by gender, category and location.

Table No.12: Staff Composition by Gender and Category as at 30 June 2022

Staff Category	Male	Female	Total
Researchers	258	107	365
Field Officers/Technicians	136	61	197
Administrative Staff	97	75	172
TOTAL STAFF	491	243	734

Table No.13: Staff Distribution by Research Centres

No	Centre	30 th June, 2022		
		Male	Female	Total
1.	TARI - Headquarters	41	21	62
2.	TARI - Dakawa	20	11	31
3.	TARI - Hombolo	13	6	19
4.	TARI - Ifakara	20	7	27
5.	TARI - Ilonga	36	11	47
6.	TARI - Kibaha	30	26	56
7.	TARI - Kifyutilo	17	2	19
8.	TARI - Kihinga	15	4	19
9.	TARI - Makutupora	12	13	25
10.	TARI - Maruku	20	4	24
11.	TARI - Mikocheni	22	25	47
12.	TARI - Mlingano	32	12	44
13.	TARI - Naliendele	32	13	45
14.	TARI - Selian	31	23	54
15.	TARI - Tengeru	17	13	30
16.	TARI - Tumbi	25	3	28
17.	TARI - Ukiriguru	37	22	59
18.	TARI - Uyole	71	27	98
Total		491	243	734

As noted above, out of the 734 employees, 243 employees (33%) are females. The Institute will continue to improve gender balance when filling vacancies, female candidates who are able to fill in vacancies will be given priority and given equal opportunity for career development including short and long-term training.

In terms of staffing strength, TARI has continued to have critical mass of scientists specialized in various discipline who have continued to undertake research leading to technology discoveries. As at 30th June 2022, TARI had 62 PhD holders, 202 Masters holders, 176 Bachelor degree holders and the rest 294 are with Diploma, Certificates and Standard Seven making up a total of the 734 staff. However, the current number of staff is low compared to the actual demand of more than a 1000 staff. There have been concerted efforts to recruit and request for staff transfer-in/replacement from the

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Permanent Secretary - Public Service Management and Good Governance (PS-PSMGG). During the year under review TARI employed 23 staff and 34 staff were transferred-in from other institutions. On July 2022, TARI has received recruitment permit of 168 staff from PS-PSMGG.

26 POLITICAL DONATIONS AND CHARITABLE DONATIONS

The Institute did not make any political or charitable donations during the period (2021: NIL).

27 CORPORATE SOCIAL RESPONSIBILITY

In fulfilling its corporate social responsibility, the Institute has been distributing seeds to village farmers in various areas for free or at discounted prices in order to promote strategic crops in the country.

28 ENVIRONMENTAL CONTROL

The Directors recognize that environmental protection is a contemporary agenda. The Institute monitors the impact of its operations on the environment, which is mainly through the use of power, water and generation of waste. The Institute minimizes its impact through better use of its premises and facilities to ensure that there is proper waste management.

Environment Research activities being implemented by TARI abide to national policies, laws and guidelines responsible for safeguarding the environment. The National Environment Policy of 1997 and related guidelines whose salient features, among others include prevention and control of land degradation, water, vegetation and air that provide life support systems set are the guiding factors for consideration of the environment.

During designing of research programs, environmental safeguard issues are considered. The Institute executes research projects that safeguard the environment such as establishment and maintenance of indigenous exotic trees for environmental conservation and soil fertility improvement in several areas of the country. Moreover, TARI undertakes research on chemical use in management of pests, diseases and weeds while ensuring environmental protection.

TARI continued to conduct training to farmers, extension staff, policy makers, senior government officials and other relevant stakeholders on environmental and safe guard issues. TARI also build capacity of stakeholders through awareness creation by establishment of demonstration plots of climate smart agriculture.

29 EMPLOYEES' WELFARE

The Institute has the following employees' welfare arrangements:

Training

The Institute offers sponsorship to its employees both in short- and long-term courses within the country on various disciplines depending on the corporate needs and financial resources available. Also, the Institute supports employees' own initiatives for both short and long-term training.

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During the Financial Year 2021/22 eleven (11) staff completed their long-term training programmes and 70 staff are on long-term training in various programmes as shown in Table below.

Table No. 14: Staff on Training as at 30 June 2022

Training Program	Staff on Training		
	Male	Female	Total
PhD Studies	15	6	21
MSc Studies	22	5	27
BSc Studies	13	6	19
Diploma Studies	2	0	2
Certificate Studies	1	0	1
Total	53	17	70

Table No.15: Staff Academic Profile as at 30th June, 2022

Sn	Centre	Doctorate degree	Master's degree	Bachelor Degree	Ordinary Diploma	Certif/ Form IV	Stand. Seven	TOTAL
1	HQ	11	16	11	5	11	8	62
2	Dakawa	2	11	4	5	5	4	31
3	Hombolo	3	4	4	7	0	1	19
4	Ifakara	3	4	8	8	2	2	27
5	Itonga	3	17	13	9	2	3	47
6	Kibaha	5	23	10	15	2	1	56
7	Kifyulilo	1	2	5	3	3	5	19
8	Kihinga	1	1	9	6	1	1	19
9	Makutupora	1	10	5	8	1	0	25
10	Maruku	1	8	9	5	0	1	24
11	Mikocheni	4	13	10	12	5	3	47
12	Mlingano	3	9	7	10	8	7	44
13	Naliendele	6	13	13	10	1	2	45
14	Selian	2	12	19	10	8	3	54
15	Tengeru	2	12	6	8	2	0	30
16	Tumbi	2	4	8	11	2	1	28
17	Ukiriguru	7	19	16	11	4	2	59
18	Uyole	5	24	19	26	22	2	98

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Sn	Centre	Doctorate degree	Master's degree	Bachelor Degree	Ordinary Diploma	Certif/ Form IV	Stand. Seven	TOTAL
Total		62	202	176	169	79	46	734

Medical Facilities

All TARI staff are covered by health insurance services offered by The National Health Insurance Fund (NHIF).

The Institute pays contributions to the National Health Insurance Fund to provide medical insurance scheme to its employees and their immediate family dependents. It also pays premiums to the Workers Compensation Fund to provide compensation to employees who may suffer occupational injuries or contract occupational diseases arising out of work and in the course of their employment.

HIV/AIDS at Work Place

The management continued with the programmes intended to educate employees on HIV /AIDS pandemic. During the year ended 30th June, 2022, TARI continued to provide meals support to staff living with HIV/AIDS. This is in line with National HIV/AIDS Policy of 2001 and Guidelines.

Financial Assistance

The Institute operates a policy to assist in the event of death of an employee or immediate family dependent.

The Institute has entered into agreements as well as signing the Memorandum of Understanding (MoU) with various commercial banks and financial institutions to provide loans to staff. The following financial institutions provide loans to staff: - CRDB bank PLC, DCB, NMB Bank PLC, NBC Bank PLC, BayPort Financial Services, Fanikiwa, Faidika, Platinum Credit and TPB Bank.

Retirement Benefits

The Institute pays contributions to the Public Service Social Security Fund to provide social security benefits on retirement due to age, invalidity or in the event of death.

Relationship between Management and Employees

TARI Management and Staff enjoy a friendly and effective organizational environment accruing from the leadership direction and support of the Management at all levels through process management and providing staff with the necessary resources.

A healthy relationship continues to exist between the Management and employees. Management liaise and communicate with employees, for inputs, on matters relating to the Institute's operations and its employees' welfare. Such matters include, but not limited to, long- and short-term plans, budgetary allocations and operational efficiency. Regular meetings with employees' representatives are held to discuss matters as part of employees' involvement in the Institute's decision-making process.

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These meetings provide important forums form important ingredients into the Management decision making process. During the year ended 30 June, 2022, there were no unresolved grievances or disputes received by the Management from the employees. Specific employees related matters are explained below.

Persons with Disabilities

The Institute gives equal opportunities to persons with disabilities for vacancies they are able to fill and are given equal opportunity in career development.

Health and Safety

The business activities carried out by the Institute is research in nature. The Board ensures that the working environment is safe at all times. The Management ensures also that the working environment is clean and attractive. Fire extinguishers have also been installed in office buildings to ensure that unexpected fire incidents are contained.

30 RELATIONSHIP BETWEEN MANAGEMENT AND OTHER STAKEHOLDERS

The Institute has continued to maintain good relationship with its key stakeholders including The Government and Parent Ministry, Regulators, Authorities, suppliers, contractors, service providers and relevant banks by consistently performing to meet or exceed the expectations of its stakeholders as elaborated in section 7 above.

31 LIQUIDITY AND BORROWING

The Institute is considered to be liquid. The Institute did not borrow from any financial institution, or other third parties to meet its day-to-day liquidity management and funding needs. Sound liquidity of the Institute is expected to continue in future given the Institute's financing arrangements.

32 CRITICAL ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS

The financial performance of the Institute is sensitive to the accounting policies, assumptions, and estimates that underlie the preparation of the financial statements. When preparing the financial statements, it is the Directors' responsibility to select suitable accounting policies and to make judgments and estimates that are reasonable and prudent. The accounting policies that are deemed critical to our performance and financial position, in terms of the materiality of the items to which the policies are applied and the high degree of judgment involved, including the use of assumptions and estimation, are described in Notes 1 to the Financial Statements.

33 COMPLIANCE WITH LAWS AND REGULATIONS

During the period, the Institute observed compliance to all applicable laws and regulations, policies and guidelines which have impact on the Institute's operations. These include The TARI Act, Income Tax Act and The Public Procurement Act, and its regulations. The Directors confirm that the activities and operations of the Institute were conducted in accordance with the TARI Act and other applicable laws and the Directors are not aware of non-compliance that would have material impact on the Institute.

34 CAPITAL COMMITMENTS

As at 30 June 2022, The Institute had the following capital commitments: -

- TZS 104,045,000.85 was for research and seedling production of sunflower and grapes;
- TZS 46,000,000 for consultancy services for design and construction supervision of TARI Kihinga Office; and

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- TZS 501,984,965.03 for procurement of laboratory equipment and chemicals at TARI Mikocheni and TARI Mlingano.

35 SERIOUS PREJUDICIAL MATTERS

During the period ended 30 June, 2022, there were no serious prejudicial matters to report on as required by the Tanzania Financial Reporting Standard No.1.

36 STATEMENT OF COMPLIANCE

The Report by Those Charged with Governance has been prepared in full compliance with the Tanzania Financial Reporting Standard (TFRS) No 1.

The financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSAs) and in accordance with the Tanzanian Government Accounting System (MUSE).

37 EVENTS AFTER THE REPORTING PERIOD

The Directors believe that the Institute will be a going concern for the foreseeable future. The Directors are not aware of other matters or circumstances arising after the reporting period that requires adjustment to or disclosure in the Financial Statements.

38 AUDITORS

The Controller and Auditor General (CAG) is the Statutory Auditor of the Institute by virtue of Article 143 of the Constitution of the United Republic of Tanzania (URT), as amplified by section 32 (4) of the Public Audit Act, Cap. 418.

BY ORDER OF THE BOARD

CHAIRPERSON Tangwede

DATE 17th March 2023

2.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

It is the Board of Directors responsibility to cause and to be kept proper books of accounts and at the end of each financial year to produce financial statements, which reflect a true and fair view of the state of affairs and the results of operations of the Institute.

The Board of Directors confirms that suitable policies have been used and applied consistently and reasonably, and prudent judgments and estimates have been made in the preparation of TARI's financial statements for the year ended 30 June 2022.

The Board of Directors further confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going-concern basis. The Board has reasonable expectations that the Institute has adequate resources to continue in operation for the foreseeable future.

BY ORDER OF THE BOARD

CHAIRPERSON-----

Tangulod

DATE-----

17 March 2023

3.0 DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING OF THE TANZANIA AGRICULTURAL RESEARCH INSTITUTE

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act.No.33 of 1972, as amended by Act No.2 of 1995, requires Financial Statements 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 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 made on an earlier page.

I, CPA John William Kida, being the Head of Finance/Accounting of the Tanzania Agricultural Research Institute hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30th June, 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by:



Name:

John William Kida

Position:

Chief Accountant

NBAA Membership No.

ACPA 1138

Date:

17th March 2023

The United Republic of Tanzania
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4.0 FINANCIAL STATEMENTS

4.1 STATEMENT OF FINANCIAL POSITION FOR THE PERIOD ENDED 30 JUNE, 2022

	Note	TZS 2022	TZS 2021
ASSETS			
Current Asset			
Cash and Cash Equivalents	2	2,846,263,052	5,599,469,286
Inventories	3	580,696,168	762,076,679
Prepayments	4	1,373,181,483	110,413,596
Receivables	5	60,082,379	30,977,000
Total Current Asset		4,860,223,082	6,502,936,561
Non-Current Asset			
Biological Assets	6	15,161,820,361	15,161,820,361
Property, Plant and Equipment	7	124,003,886,153	127,043,557,319
Work In Progress	8	986,140,835	396,909,906
Total Non-Current Asset		140,151,847,349	142,602,287,586
TOTAL ASSETS		145,012,070,430	149,105,224,147
LIABILITIES			
Current Liabilities			
Deferred Income (Revenue)	9	270,113,073	-
Deposits	10	32,581,515	-
Payables and Accruals	11	1,356,201,093	1,349,172,337
Total Current Liabilities		1,658,895,681	1,349,172,337
Non-Current Liabilities			
Deferred Income (Capital)	12	110,355,475	1,792,268,301
Total Non-Current Liabilities		110,355,475	1,792,268,301
TOTAL LIABILITIES		1,769,251,155	3,141,440,638
Net Assets		143,242,819,275	145,963,783,509
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/Share Capital		143,755,615,979	143,755,615,979
Accumulated Surpluses / Deficits		(512,796,704)	2,208,167,530
TOTAL NET ASSETS/EQUITY		143,242,819,275	145,963,783,509

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BOARD CHAIRPERSON

At Mwalimu
DATE


At Mwalimu
DIRECTOR GENERAL


The United Republic of Tanzania
Tanzania Agricultural Research Institute (TARI)

4.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE, 2022

REVENUE	Note	TZS 2022	TZS 2021
Revenue			
Other Revenue	13	13,002,949,569	11,835,987,164
Revenue from Exchange Transactions	14	3,165,764,114	2,007,857,314
Revenue Grants	15	<u>22,260,279,370</u>	<u>15,685,032,426</u>
Total Revenue		<u>38,428,993,054</u>	<u>29,528,876,904</u>
TOTAL REVENUE		<u>38,428,993,054</u>	<u>29,528,876,904</u>
EXPENSES AND TRANSFERS			
Expenses			
Depreciation of Property, Plant and Equipment	16	3,313,370,776	3,251,141,735
Impairment of Property, Plant and Equipment	17	-	301,185,608
Maintenance Expenses	18	1,409,296,373	997,547,581
Other Expenses	19	202,499,929	244,586,234
Use of Goods and Service	20	11,283,041,280	8,735,502,688
Wages, Salaries and Employee Benefits	21	<u>24,910,383,929</u>	<u>17,920,741,559</u>
Total Expenses		<u>41,118,592,288</u>	<u>31,450,705,405</u>
Transfer			
Grants, Subsidies and other Transfer Payments	22	<u>31,365,000</u>	<u>20,000,000</u>
Total Transfer		<u>31,365,000</u>	<u>20,000,000</u>
TOTAL EXPENSES AND TRANSFERS		<u>41,121,133,622</u>	<u>31,470,705,405</u>
Surplus / Deficit		<u>(2,720,964,234)</u>	<u>(1,941,828,501)</u>


BOARD CHAIRPERSON


A March 2023
DATE


DIRECTOR GENERAL

The United Republic of Tanzania
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4.3 STATEMENT OF CHANGES IN NET ASSET AND EQUITY FOR THE PERIOD ENDED 30 JUNE,
2022

	Tax Payer's Fund	Accumulated Surplus/(Deficit)	Total
	TZS	TZS	TZS
Opening Balance as at 01 Jul 2021	143,755,615,979	2,208,167,530	145,963,783,509
Capital Fund	-	-	-
Adjustment	-	-	-
Surplus/ Deficit for the Year	-	(2,720,964,234)	(2,720,964,234)
Closing Balance as at 30 Jun 2022	<u>143,755,615,979</u>	<u>(512,796,704)</u>	<u>143,242,819,275</u>
Opening Balance as at 01 Jul 2020	143,755,615,979	4,149,996,031	147,905,612,010
Capital Fund	-	-	-
Adjustment	-	-	-
Surplus/ Deficit for the Year	-	(1,941,828,501)	(1,941,828,501)
Closing Balance as at 30 Jun 2021	<u>143,755,615,979</u>	<u>2,208,167,530</u>	<u>145,963,783,509</u>

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BOARD CHAIRPERSON

in
17 March 2023

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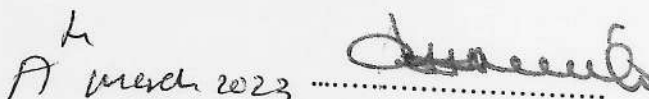
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DIRECTOR GENERAL

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4.4 CASHFLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE, 2022

CASH FLOW FROM OPERATING ACTIVITIES	Note	TZS 2022	TZS 2021
RECEIPTS			
Revenue from Exchange Transactions	23	3,165,764,114	2,082,347,038
Other Revenue	24	13,002,949,569	9,157,745,381
Other Receipts	25	163,972,666	-
Funds Received	26	<u>20,848,479,617</u>	<u>17,016,200,787</u>
Total Receipts		<u>37,181,165,966</u>	<u>28,256,293,206</u>
PAYMENTS			
Wages, Salaries and Employee Benefits	27	24,988,633,807	13,821,626,300
Use of Goods and Service	28	10,946,823,918	13,571,213,890
Other Payments	29	131,391,150	-
Other Expenses	30	202,499,929	296,891,224
Maintenance Expenses	18	1,409,296,373	997,547,581
Grants, Subsidies and other Transfer Payments	22	31,365,000	20,000,000
Total Payments		<u>37,710,010,178</u>	<u>28,707,278,995</u>
NET CASH FLOW FROM OPERATING ACTIVITIES		<u>(528,844,212)</u>	<u>(450,985,789)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Acquisition of Property, Plant and Equipment	31	(2,224,362,022)	(1,887,439,190)
Total Investing Activities		<u>(2,224,362,022)</u>	<u>(1,887,439,190)</u>
NET CASH FLOW FROM INVESTING ACTIVITIES		<u>(2,224,362,022)</u>	<u>(1,887,439,190)</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Financing Activities			
Grants refunded/ transferred		-	-
Borrowing		-	-
Total Financing Activities		-	-
NET CASH FLOW FROM FINANCING ACTIVITIES		-	-
Net Increase		<u>(2,753,206,234)</u>	<u>(2,338,424,979)</u>
Cash and cash equivalent at beginning of period	2	<u>5,599,469,286</u>	<u>7,937,894,265</u>
Cash and cash equivalent at end of period		<u>2,846,263,052</u>	<u>5,599,469,286</u>


BOARD CHAIRPERSON


DIRECTOR GENERAL

DATE

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**4.5 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)
FOR THE PERIOD ENDED 30 JUNE, 2022**

	TZS 2022	TZS 2021
Surplus/ Deficit for the Period	(2,720,964,234)	(1,941,828,501)
Add/ (Less) Non-Cash Item		
Depreciation of Property, Plant and Equipment	3,313,370,776	3,251,141,735
Impairment of Property, Plant and Equipment	-	301,185,608
Rejected Debts	-	(1,349,172,337)
Add/ (Less) Change in Working Capital		
Deferred Income (Capital)	(1,681,912,826)	1,792,268,301
Deferred Income (Revenue)	270,113,073	-
Inventories	181,380,511	(762,076,679)
Other Payments	(131,391,150)	-
Other Receipts	163,972,666	-
Payables and Accruals	7,028,756	(1,601,113,321)
Prepayments	98,663,596	(110,413,596)
Receivables	(29,105,379)	(30,977,000)
Net Cash Flow from Operating Activities	<u>(528,844,212)</u>	<u>(450,985,789)</u>

4.6 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD ENDED 30th JUNE, 2022

	Original Budget	Reallocations/ Adjustment	Final Budget (B)	Actual Amount (A)	Different (B-A)	%
	TZS	TZS	TZS	TZS	TZS	
RECEIPTS						
Funds Received	23,103,867,766	-	23,103,867,766	20,848,479,617	2,255,388,149	10
Other Receipts	165,000,000	-	165,000,000	163,972,666	1,027,334	1
Other Revenue	13,000,000,000	-	13,000,000,000	13,002,949,569	(2,949,569)	(0)
Revenue from Exchange Transactions	5,553,575,319	-	5,553,575,319	3,165,764,114	2,387,811,205	43
Total Receipts	41,822,443,085	-	41,822,443,085	37,181,165,966	4,641,277,120	11
PAYMENTS						
Grants, Subsidies and other Transfer Payments	58,000,000	(26,071,190)	31,928,810	31,365,000	563,810	2
Maintenance Expenses	3,130,147,139	(1,720,063,987)	1,410,083,152	1,409,296,373	786,779	0
Other Expenses	1,301,574,104	(1,100,681,207)	200,892,896	202,499,929	(1,607,033)	(1)
Other Payments	135,000,000	-	135,000,000	131,391,150	3,608,850	3
Use of Goods and Service	10,211,296,554	1,046,478,269	11,257,774,823	10,946,823,918	310,950,905	3
Wages, Salaries and Employee Benefits	20,025,282,842	4,962,556,412	24,987,839,254	24,988,633,807	(794,553)	(0)
Acquisition of Property, Plant and Equipment	6,961,142,447	(3,162,218,297)	3,798,924,150	2,224,362,022	1,574,562,128	41
Total Payment	41,822,443,085	-	41,822,443,086	39,934,372,200	1,888,070,886	5
Surplus/ (Deficit) during the year				(2,753,206,234)	(2,753,206,234)	
Cash at beginning of the Year	-	-	-	5,599,469,285	5,599,469,285	
Cash at End of the of the Year	-	-	-	2,846,263,051	2,846,263,051	

Explanation of significant Variances

1. Government subvention (PE) was not released 100%
2. Revenue from Exchange Transactions (Own sources), mainly sales of farm produce and seeds, was affected by bad weather associated with the climate changes.
3. Acquisition of Property, Plant and Equipment was based on actual expenditure as per available resources

5.0 NOTES TO THE FINANCIAL STATEMENTS

NOTE 1.0 STATUTE AND PRINCIPAL ACTIVITIES

Tanzania Agricultural Research Institute (a government owned Institution) was established under Tanzania Agricultural Research Institute Act 2016 Cap 51 as a leading institute responsible for strategic leadership in agricultural research.

The TARI headquarters is located at Makutupora area about 28 kilometers North of Dodoma City Center with postal address number 1571 Dodoma.

NOTE 1.1 PRINCIPAL ACCOUNTING POLICIES

1.1.1 Basis of Accounting

The financial statements of Tanzania Agricultural Research Institute have been prepared in accordance with International Public Sector Accounting Standards (IPSAS), under the historical cost convention, consistent with prior year.

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

IPSAS issued but not yet effective

International Public Sector Accounting Standard IPSAS 44

The International Public Sector Accounting Standards Board issued International Public Sector Accounting Standard IPSAS 44, Non-current Assets Held for Sale and Discontinued Operations

IPSAS 44 is based on International Financial Reporting Standard (IFRS) 5, *Non-current Assets Held for Sale and Discontinued Operations*. The new IPSAS specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. IPSAS 44 includes additional public sector requirements, in particular, the disclosure of the fair value of assets held for sale that are measured at their carrying amounts, when the carrying amount is materially lower than their fair value.

The standard fills a gap in the IPSAS suite by providing guidance on how to account for public sector assets that are held for sale on commercial terms and guidance on this topic is important from a public interest perspective, as it ensures transparency and accountability when decisions to sell public sector assets have been taken.

IPSAS 44 has an effective date of January 1, 2025. However, earlier application is permitted. TARI will consider the application of this standard in future periods.

Deferral of Effective Dates for Upcoming Standards and Amendments

The International Public Sector Accounting Standards Board (IPSASB) has released the final pronouncement, COVID-19: Deferral of Effective Dates, which delays the effective dates of recently published Standards and Amendments to IPSAS by one year to January 1, 2023. Responding to the global COVID-19 pandemic and the challenges it has created, the purpose of this pronouncement is to provide stakeholders with additional implementation time.

The COVID-19 pandemic has created significant pressures on the staff and other resources that public sector entities might otherwise devote to the implementation of upcoming IPSAS standards and amendments. A one-year deferral of the effective dates of these upcoming standards and amendments will provide much-needed operational relief to public sector entities.

The Standards and Amendments which are impacted include:

- IPSAS 41, Financial Instruments;
- IPSAS 42, Social Benefits;
- Long-term Interests in Associates and Joint Ventures (Amendments to IPSAS 36) and Prepayment Features with Negative Compensation (Amendments to IPSAS 41);
- Collective and Individual Services (Amendments to IPSAS 19); and
- Improvements to IPSAS, 2019.

TARI has not considered the upcoming standards and amendments in the preparation of its financial statements for the year ended 30th June 2022 and will consider such application in the forthcoming financial period with the effective date in force.

1.1.2 Accounting System

The financial statements have been prepared for the first time by using the Tanzanian Government Accounting System (*Mfumo wa Uhasibu Serikalini - MUSE*) departing from the old manual accounting system. The new system necessitated to change the old accounting codes to Government Financial Statistics Codes (GFS CODES). These changes necessitated re-grouping and re-classification of the items and amounts relating to the previous financial year (2020/2021) for comparability purposes. The specific items and amounts involved in the regrouping and re-classifications are shown in Table 12 to 17 of the financial statements. Additional notes have been introduced in the financial statements as deemed necessary to ensure compliance to disclosure requirements as well as the completeness of the financial statements.

1.1.3 Property, Machinery and Equipment

Property, Machinery and Equipment are initially recorded at historical cost which includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the cost of the item can be measured reliably. All other repair and maintenance are charges to the statement of comprehensive income during the financial period in which they are incurred.

Borrowing costs incurred for the construction of any qualifying assets are capitalized during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are expensed to the statement of comprehensive income.

Increases in the carrying amount arising on revaluation of property, machinery and equipment are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged against fair value reserves directly in equity, all other decreases are charged to the statement of comprehensive income.

(a) Depreciation

Land is not depreciated. Depreciation on other assets is calculated on the following basis:

Depreciation is calculated to write off the cost/valuation of fixed assets over their expected useful lives on a straight-line basis. It is the TARI policy to reassess depreciation method and rate(s) annually. The relevant rates of depreciation applied during the period under review are as follows: -

S/No.	Item	Rate %
1.	Buildings	
	Office Buildings	
	Residential Buildings	2%
	Workshop & Warehouse Building	2%
	Industrial & Laboratory Buildings	2%
2.	Motor Vehicles	
	Heavy duty (5 tons and above)	
	Light duty (below 5 tons)	10%
	Motor Cycle	20%
3.	Furniture & Fittings	14%
	Office Furniture & Fittings	
	Residential Furniture & Fittings	20%
4.	Equipment & Machinery	20%
	Office Equipment & Machinery	
	Residential Equipment & Machinery	20%
	Agricultural Equipment & Machinery	20%
	Laboratory Equipment & Machinery	6.70%
5.	Computers & Accessories	20%
		25%

Depreciation is charged when the asset is put to use and stopped when an asset is derecognized.

(b) Major Renovations

Major renovations are depreciated over the remaining useful life of the related asset or to the date of the next major renovation, whichever is sooner.

An Asset's Carrying Amount and Residual Value

An asset's carrying amount is written down immediately to its recoverable amount when there is strong evidence that carrying amount is greater than its estimated recoverable amount.

Likewise, the assets' residual values and useful lives are reviewed only when the conditions to warrant the review exist at the balance sheet date.

(c) Gains and Losses on Disposal

Gains and losses on disposal are determined by comparing proceeds with carrying amount and are recognized through statement of performance.

1.1.4 Biological Assets

A biological asset or agricultural produce shall be measured on initial recognition and at each reporting date at its fair value less costs to sell, except where the fair value cannot be measured reliably.

1.1.5 Inventories Valuation

Inventories are valued at the lower of cost and net realizable value. Cost is determined by using first in first out method of valuation. This method of valuation is consistent with that of previous years.

1.1.6 Impairment of Inventories

When there is objective evidence that the value of inventories is impaired either through damage and or obsolescence, provision is made to that effect through statement of performance.

1.1.7 Deposits, Prepayments and Receivables

Deposits, prepayments and receivables are recognized initially at fair value and subsequently measured at amortized cost net of provision for impairment.

1.1.8 Provision for Impairment of Receivables

Provision for impairment of receivables is established when there is objective evidence that the TARI will not be able to collect all amounts due according to the original terms of the specific receivables. The loss is recognized through statement of performance.

1.1.9 Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand; cash at bank and bank short term deposits whose maturity do not exceed three months.

1.1.10 Bank Fixed Deposits

Bank fixed deposits with maturity of over three months are accounted under short-term investments.

1.1.11 Capital Institute

Capital Institute is made up of the donor, government and own contributed Institutes/assets. The value of properties which appreciates over time such as land and buildings are not amortized.

1.1.12 Grants

Grants received by TARI which represent an inflow of resources from a non-exchange transaction shall be recognized as asset as well as revenue with exception of a liability which has to be recognized in respect of the same inflow.

1.1.13 Payables and Accrued Charges

Payables are recognized at fair value. Other payables are recognized when incurred through either enjoyment of services on credit and/or receiving of goods supplied on credit.

1.1.14 Income and Expenditure Recognition

Income comprises of the fair value of Sales of Seeds, Farm Produce, Government Subvention, Grants and Donations received from Donors, Consultancy as well as Rent and other income.

1.1.15 Revenue is recognized as follows: -

1. Sales of Seed/ Farm Produce

These types of income are recognized in the accounting period in which the related income accrued/ earned in the respective financial year on accrual basis.

2. Subvention Grants and Assistances

Subvention, grants and assistances received from the government and other donors are recognized when received by the TARI and Subvention is accrued when due.

3. Consultancy Income

Consultancy income is recognized on accrual basis and is extended over the period covered to complete the assignment.

4. Other Income

Other income apart from sales of seeds and farm produce is recognized on accrual basis on a time-proportion basis.

5. Rent Income

Rent income is mainly from the rented properties/space for office use and accommodation and farm land to the third party. Rent is recognized on time proportion basis when earned and accounted in the respective accounting period.

1.1.16 Expenditure

Expenditure/expenses are recognized in the financial statements on accrual basis.

1.1.17 Foreign Currency Translations

Functional and Presentation

Items included in the financial statements of TARI are measured using Tanzanian Shilling (TZS), which is the currency of the primary economic environment in which the TARI operates.

Transactions and Balances

Foreign currency transactions are translated into functional currency using average exchange rate and if exchange differ significantly exchange rates prevailing at the date of the transactions is used. Monetary assets and liabilities at the year and expressed in

foreign currencies are translated into functional currency using the exchange rates prevailing at the end of the financial year. Translation losses/ (gains) on loans used to finance capital construction projects are capitalized as part of construction work in progress. All other exchange rates gain and losses are reflected in the Statement of performance.

1.1.18 Financial Risk Management

The overall risk management focuses on the unpredictable operating environment and is aimed at minimizing potential adverse effects on the TARI's financial performance. The role of the TARI's risk management is primarily vested in the Finance Department under guidance of the Board

The specific risk management policies of the TARI are as follows: -

(a) Liquidity Risk

The TARI has a prudent liquidity risk management through maintaining sufficient cash to cover committed credit facilities and working capital requirements as budgeted in each financial year based on the approved Institutes disbursed to the TARI from the Government and other donors as well as own generated Institutes.

(b) Credit Risk Management

The potential credit risk involves short term cash and receivables which are managed as follows: -

Short Term Cash Surpluses

The TARI deposits her Institutes with Bank of Tanzania (BoT) and withdrawal for immediate use.

Receivables

Customers requiring services from TARI are required to pay for the service up front through GePG. Few reputable sponsors are allowed to continue with their projects before disbursement of Institutes as per term of sub grant agreement.

(c) Foreign Currency Risk

Foreign currency risk is managed at operational level and it is monitored by Finance Department. Losses arising from holding of foreign currency denominated liabilities through timely payment of outstanding liabilities are minimized.

(d) Operational Risk

This Risk is associate with physical research infrastructure, quality of research output, environmental, technology, production risk research Instituteing. These types of risks arise from a variety of sources. Therefore, to deal with them effectively, various types of tools that are suitable to deal with either a single specific risk or multiple risk situations are employed to mitigate the risk. Some risks are systemic (e.g. droughts and floods), affecting a large part of a geographic area while some are non-systematic or idiosyncratic. Some risks can be managed with traditional farm management solutions and some can be minimized with government support.

Another type of uncertainty arises from the constant development and adoption of new techniques or methods of production. Technological uncertainty is oftentimes viewed

as a contributor to production risk. New crop varieties, chemicals, feed combinations, models of machines, and the like, are continually being introduced to combat the risk. While the potential benefits of these new developments are proven "in experimental trials and on-farm demonstrations.

1.1.19 Employee Benefits

(i) Pensions Obligations

The TARI has defined contribution plans to cater for pension obligations for her employees by paying on monthly basis agreed contributions to Public Service Social Security Institute (PSSSF). TARI has statutory obligation to contribute to PSSSF in favor of all the employees under permanent and pensionable terms. Employer contributions to PSSSF recognized as an expense in the period employees render the related services.

(ii) Other Entitlements

Other entitlements include monthly salaries, honoraria, allowances, and other fringe benefits as provided in the staff regulations. The expense of these entitlements is recognized during the period in which the employees render the related services.

(iii) Post - Retirement Gratuities

Post-retirement gratuities are paid by the respective Pensions Institute in accordance with its Establishment Act, TARI pays gratuity for staff who are employed on contract basis.

	TZS 2022	TZS 2021
NOTE 2 - Cash and Cash Equivalents		
BoT Own source Collection Account	62,858,224	546,480,463
Deposit General Cash Account	-	-
Development Expenditure Cash Account	1,419,714,780	40,058,931
Own source Collection Account - CRDB	8,641,920	-
Own source Collection Account NMB - USD	124,208,485	-
Own source Recurrent Expenditure GF	89,896,934	949,659,656
Recurrent Expenditure Cash Account	206,619,047	106,620,169
Unapplied Cash Account	32,581,515	-
USD BOT Collection Account	<u>901,742,146</u>	<u>3,956,650,066</u>
	<u>2,846,263,052</u>	<u>5,599,469,286</u>
NOTE 3- Inventories		
Office consumable (Stationaries, etc.)	-	142,462,050
Fuel	11,420,800	28,164,779
Farm Produce Inventory	<u>569,275,368</u>	<u>591,449,850</u>
	<u>580,696,168</u>	<u>762,076,679</u>
NOTE 4 - Prepayments		
Prepayment	11,750,000	110,413,596
Prepayment-Asset	<u>1,361,431,483</u>	-
	<u>1,373,181,483</u>	<u>110,413,596</u>

NOTE 5 - Receivables

Imprest Receivable

60,082,37930,977,00060,082,37930,977,000**NOTE 6 - Biological Assets**

Plants (that yield)

15,161,820,36115,161,820,36115,161,820,36115,161,820,361**NOTE 7 - Property, Plant and Equipment**

Acc Depreciation - Agricultural and machinery	(169,096,166)	-
Acc Depreciation - warehouse	-	(52,801,515)
Acc. Depreciation Laboratory equipment and instruments	(175,220,550)	(59,398,061)
Accumulated Depreciation - Motor Vehicle	(2,923,374,197)	(1,452,224,823)
Accumulated Depreciation - Office Building	(2,386,818,929)	(759,076,334)
Accumulated Depreciation Computer and Photocopies	(121,463,957)	(121,463,957)
Accumulated Depreciation Motor Bikes and Bicycle	(46,198,880)	(23,518,740)
Accumulated Depreciation Office Equipment	(340,398,202)	(341,384,765)
Acquisition of land	74,744,712,945	74,744,712,945
Agricultural equipment and machinery	2,551,749,599	2,372,609,355
Computers and Photocopiers	516,400,140	471,647,000
Industrial Building	1,371,888,092	1,371,888,092
Laboratory equipment and instruments	579,112,444	579,112,444
Lease hold land	132,761,410	-
Motor vehicles,	7,355,746,868	7,355,746,868
Motorbikes and bicycles	162,001,000	162,001,000
Office buildings and structures	17,258,664,718	17,189,664,718
Office Fittings	11,838,760	-
Office furniture	(276,707,743)	(275,721,179)
Office furniture and fittings	1,375,345,137	1,375,345,137
Other Office equipment	1,515,521,000	1,515,521,000
Printers and Scanners	5,646,300	-
Residential Building	18,153,535,882	18,153,535,882
Warehouses	4,708,240,480	4,837,362,250
	<u>124,003,886,153</u>	<u>127,043,557,319</u>

No assets (PPE) of the Institute were pledged as collateral.

NOTE 8 - Work in Progress

Work in Progress

986,140,835396,909,906986,140,835396,909,906**NB: WIP Movement**

Opening balance TZS 396,909,906

Add: Addition TZS 589,230,929

Less: Transfer to PPE TZS 0

Closing balance TZS 986,140,835

NOTE 9- Deferred Income (Revenue)		
Recurrent Deferred Income	<u>270,113,073</u>	-
	<u>270,113,073</u>	-
NOTE 10 - Deposits		
Unapplied Deposit Account	<u>32,581,515</u>	-
	<u>32,581,515</u>	-
NOTE 11- Payables and Accruals		
Supplies and Consumable Goods	1,253,983,218	1,191,685,004
Wages Salaries and Employee Benefit	79,237,455	157,487,333
Withholding tax	<u>22,980,420</u>	-
	<u>1,356,201,093</u>	<u>1,349,172,337</u>
NOTE 12 - Deferred Income (Capital)		
Development Deferred Income	<u>110,355,475</u>	<u>1,792,268,301</u>
	<u>110,355,475</u>	<u>1,792,268,301</u>
NOTE13 - Other Revenue		
Research Grants from Development Partners	<u>13,002,949,569</u>	<u>11,835,987,164</u>
	<u>13,002,949,569</u>	<u>11,835,987,164</u>
NOTE 14 - Revenue from Exchange Transactions		
Agriculture and Farm produce	<u>3,165,764,114</u>	<u>2,007,857,314</u>
	<u>3,165,764,114</u>	<u>2,007,857,314</u>
NOTE 15 - Revenue Grants		
Government Grant Development Local	6,789,576,543	2,680,741,783
Government Grant Other Charges	1,510,134,540	1,987,518,581
Government Grant Personal Emolument	<u>13,960,568,287</u>	<u>11,016,772,062</u>
	<u>22,260,279,370</u>	<u>15,685,032,426</u>
NOTE 16 - Depreciation of Property, Plant and Equipment		
Agricultural equipment and machinery	170,642,273	169,440,243
Computers and Photocopiers	121,583,410	117,535,957
Residential Building (Harbors)	363,070,718	231,691,000
Industrial Building	27,437,762	23,174,664
Laboratory equipment and instruments	115,822,489	59,398,061
Motor vehicles	1,471,149,374	1,452,224,823
Motorbikes and bicycles	22,680,140	23,518,740
Office buildings and structures	343,908,294	527,844,409
Other Office equipment (Office Fittings)	304,090,763	318,830,144
Office Furniture	275,069,027	274,682,180
Printers and Scanners	705,788	-
Warehouses	<u>97,210,738</u>	<u>52,801,515</u>

NOTE 17 - Impairment of Property, Plant and Equipment	<u>3,313,370,776</u>	<u>3,251,141,735</u>
Impairment- Inventory	-	301,185,608
NOTE 18- Maintenance Expenses	-	<u>301,185,608</u>
Computers, printers, scanners, and other computer related equipment	24,725,990	17,445,342
Motor Vehicles and Water Craft	876,827,909	673,719,092
Outsource maintenance contract services	<u>507,742,475</u>	<u>306,383,147</u>
	<u>1,409,296,373</u>	<u>997,547,581</u>
NOTE 19 - Other Expenses		
Agency fees	65,877,410	63,671,506
Audit fees	47,000,000	41,994,250
Audit supervision expenses	28,000,000	28,700,000
Bank Charges and Commissions	2,212,911	2,352,897
Burial Expenses	34,217,600	78,466,800
Consultancy fees	8,200,007	7,263,600
National Expenses	0	7,417,423
Vehicles Insurance	<u>16,992,001</u>	<u>14,719,758</u>
	<u>202,499,929</u>	<u>244,586,234</u>
NOTE 20 - Use of Goods and Service		
Advertising and publication	380,078,286	281,402,552
Agricultural Chemicals	541,133,511	157,262,815
Agricultural Implements	560,324,747	468,706,827
Air Travel Tickets	58,985,124	45,250,214
Cleaning Supplies	240,000	42,316,733
Computer Software	2,000,000	47,058,548
Computer Supplies and Accessories	50,709,640	81,518,950
Conference Facilities	114,286,237	75,887,262
Diesel	1,507,717,012	1,015,511,723
Electricity	139,985,529	169,042,463
Exhibition, Festivals and Celebrations	236,659,375	274,771,766
Fertilizers	100,620,867	95,007,357
Gifts and Prizes	1,000,000	8,695,000
Ground Transport (Bus, Train, Water)	13,881,507	97,118,904
Hiring of Training Facilities	-	22,210,000
Internet and Email connections	39,364,524	85,203,797
Laboratory Supplies	307,530,303	268,249,684
Mapping Surveys	4,392,000	5,567,290
Newspapers and Magazines	-	4,483,140

Office Consumables (papers, pencils, pens and stationaries)	435,599,406	182,725,114
Outsourcing Costs (includes cleaning and security services)	165,458,884	70,177,529
Per Diem - Domestic	6,011,864,908	4,762,976,733
Per Diem - Foreign	4,773,000	-
Posts and Telegraphs	-	5,562,961
Printing and Photocopying Costs	107,633,052	61,101,393
Protective Clothing, footwear and gears	34,962,328	9,231,500
Rent - Office Accommodation	-	660,000
Rent of Vehicles and Crafts	-	4,244,000
Seeds	189,761,956	170,519,621
Subscription Fees	-	43,978,577
Training Materials	136,701,765	97,178,708
Tuition fees	14,232,603	-
Uniforms and Ceremonial Dresses	2,270,000	9,039,617
Water Charges	<u>120,874,717</u>	<u>72,841,913</u>
	<u>11,283,041,280</u>	<u>8,735,502,688</u>
NOTE 21- Wages, Salaries and Employee Benefits		
Casual Laborer	3,885,640,893	2,148,063,744
Civil Servants	13,960,568,287	9,871,757,454
Electricity	165,474,719	111,957,150
Extra-Duty	746,308,187	660,655,359
Food and Refreshment	324,904,787	221,589,206
Furniture	32,000,000	16,000,000
Gratuities	-	1,094,951
Honoraria	2,517,266,661	2,111,713,800
Housing Allowance	152,640,000	35,775,000
Leave Travel	74,593,040	193,180,370
Medical and Dental Refunds	-	2,211,900
Moving Expenses	214,205,154	176,549,894
National Health Insurance Fund (NHIF)	353,746,362	279,802,877
Non-Civil Servant Contracts	451,064,266	-
PSSSF	1,769,756,270	1,435,638,925
Sitting Allowance	117,240,000	524,715,073
Telephone	86,017,576	68,575,256
Workers Compensation Fund	<u>58,957,727</u>	<u>61,460,602</u>
	<u>24,910,383,929</u>	<u>17,920,741,559</u>

**NOTE 22 - Grants, Subsidies and other
Transfer Payments**

Contributions (15% on Gross Revenue and other contributions)	<u>31,365,000</u>	<u>20,000,000</u>
	<u>31,365,000</u>	<u>20,000,000</u>

**NOTE 23 - Revenue from Exchange
Transactions**
Agriculture and Farm produce

	<u>3,165,764,114</u>	2,082,347,038
	<u>3,165,764,114</u>	<u>2,082,347,038</u>

NOTE 24 - Other Revenue
Receipt from Research Fees

	<u>13,002,949,569</u>	<u>9,157,745,381</u>
	<u>13,002,949,569</u>	<u>9,157,745,381</u>

NOTE 25 - Other Receipts
Unapplied Deposit Account

	<u>163,972,666</u>	-
	<u>163,972,666</u>	-

**NOTE 26 - Funds Received from the
Government**
Gross Revenue (Note 15)

	22,260,279,370	15,685,032,426
--	----------------	----------------

Add/Less (Change in Working Capital)
Development Deferred Income
Recurrent Deferred Income

	(1,681,912,826)	1,331,168,361
	<u>270,113,073</u>	-
	<u>20,848,479,617</u>	<u>17,016,200,787</u>

**NOTE 27 - Wages, Salaries and Employee
Benefits**
Expenses (Note 21)
Add/Less (Change in Working Capital)
Wages Salaries and Employee Benefit

	24,910,383,929	17,920,741,559
	<u>78,249,878</u>	<u>(4,099,115,259)</u>
	<u>24,988,633,807</u>	<u>13,821,626,300</u>

**NOTE 28 - Use of Goods and Service
Expenses (Note 20)**

Add/Less (Change in Working Capital)	11,283,041,280	8,735,502,688
Consumables		
Fuel	(142,462,050)	142,462,050
Imprest Receivable	(16,743,979)	28,164,779
Office consumable (Stationaries, etc.)	29,105,379	30,977,000
Prepayment	(22,174,482)	591,449,850
Supplies and Consumable Goods	(98,663,596)	110,413,596
Withholding tax	(62,298,214)	3,932,243,927
	<u>(22,980,420)</u>	-
	<u>10,946,823,918</u>	<u>13,571,213,890</u>

NOTE 29 - Other Payments		
Unapplied Deposit Account	<u>131,391,150</u>	-
	<u>131,391,150</u>	-
NOTE 30 - Other Expenses		
Other expenses	<u>202,499,929</u>	<u>296,891,224</u>
	<u>202,499,929</u>	<u>296,891,224</u>
NOTE 31 - Acquisition of Property, Plant and Equipment		
Acquisition of Property, Plant and Equipment	-	1,490,529,284
Agricultural equipment and machinery	9,700,000	-
Computers and Photocopiers	44,753,140	-
Lease hold land	132,761,410	-
Office buildings and structures	69,000,000	-
Office Fittings	11,838,760	-
Printers and Scanners	5,646,300	-
Work in Progress	589,230,929	396,909,906
Payment	<u>862,930,539</u>	<u>1,887,439,190</u>
Add/Less (Change in Working Capital)	<u>1,361,431,483</u>	-
Prepayment-Asset	<u>2,224,362,022</u>	<u>1,887,439,190</u>

NOTE 32 SOCIAL SECURITY CONTRIBUTION

Tanzania Agricultural Research Institute cover its employees with social security schemes. The TARI and employees both contribute to the schemes, on a monthly basis. The employer's contribution to the pension's scheme, health insurance and workman compensation plan are charged to the statement of comprehensive income when payable. The amounts charged to the income statement during the year in respect of the TARI's contribution to the schemes are shown below:

Public Service Social Security Fund (PSSSF)	1,769,756,270	1,435,638,925
Workman Compensation Fund WCF)	58,957,727	61,460,602
National Health Insurance Fund (NHIF)	<u>353,746,362</u>	<u>279,802,877</u>
	<u>2,182,460,359</u>	<u>1,776,902,404</u>

NOTE 33 - Credit Risk		TZS		TZS		TZS	
30 th June 2022	Up to 1 Month	1-3 Months	3-12 Months	Total			
Receivables & Prepayments	72,006,429	396,629,254	964,628,179	1,433,263,862			
	72,006,429	396,629,254	964,628,179	1,433,263,862			
30 th June 2021	Up to 1 Month	1-3 Months	3-12 Months	Total			
Cash & Cash Equivalent	-	-	-	-			
Receivables & Prepayments	141,390,596	-	-	141,390,596			
	141,390,596	-	-	141,390,596			
NOTE 34 - Liquidity Risk							
30 th June 2022	Up to 1 Month	1-3 Months	3-12 Months	Total			
Payables and Accruals	25,033,397	1,067,852,737	161,097,084	1,253,983,218			
	79,237,455	-	-	79,237,455			
Liquidity Risk	104,270,852	1,067,852,737	161,097,084	1,333,220,673			
30 th June 2021	Up to 1 Month	1-3 Months	3-12 Months	Total			
Payables and Accruals	46,461,378	133,126,541	1,012,097,084	1,191,685,004			
Employees Benefits Obligation	157,487,333	-	-	157,487,333			
	203,948,711	133,126,541	1,012,097,084	1,349,172,337			

NOTE 35 - PROPERTY, PLANT AND EQUIPMENT (PPE) FOR THE YEAR ENDED 30 JUNE 2022

Asset Category	At 01-July-2021	Addition Monetary	30-Jun-2022	01-Jul-2021	Charge during the year - Depreciation	30-Jun-22	Carrying Value
Acquisition of land	74,744,712,945	132,761,410	74,877,474,355	-	-	-	74,877,474,355
Agricultural equipment and machinery	2,542,049,599	9,700,000	2,551,749,599	169,440,243	170,642,273	340,082,517	2,211,667,082
Computers and Photocopiers	471,647,000	44,753,140	516,400,140	121,463,957	121,583,410	243,047,367	273,352,773
Residential Building	18,153,535,882	-	18,153,535,882	231,691,000	363,070,718	594,761,718	17,558,774,164
Industrial Building	1,371,888,092	-	1,371,888,092	23,174,664	27,437,762	50,612,425	1,321,275,667
Laboratory equipment and instruments	579,112,444	-	579,112,444	59,398,061	115,822,489	175,220,549	403,891,895
Motor vehicles,	7,355,746,868	-	7,355,746,868	1,452,224,823	1,471,149,374	2,923,374,196	4,432,372,672
Motorbikes and bicycles	162,001,000	-	162,001,000	23,518,740	22,680,140	46,198,880	115,802,120
Office buildings and structures	17,189,664,718	69,000,000	17,258,664,718	527,385,333	343,908,294	871,293,628	16,387,371,090
Other Office equipment (Office Fittings)	1,515,521,000	11,838,760	1,527,359,760	341,384,765	304,090,763	645,475,529	881,884,231
Office Furniture	1,375,345,137	-	1,375,345,137	275,721,179	275,069,027	550,790,207	824,554,931
Printers and Scanners	-	5,646,300	5,646,300	-	705,788	705,788	4,940,513
Warehouses	4,860,536,914	-	4,860,536,914	52,801,515	97,210,738	150,012,253	4,710,524,661
TOTAL	130,321,761,599	273,699,610	130,595,461,209	3,278,204,280	3,313,370,776	6,591,575,056	124,003,886,153

DESCRIPTION	ITEM DESCRIPTION											TOTAL
	CASHEW	COCONUTS	DIARY CATTLE	CEREAL CROPS	OIL PALM	FRUIT TREES	FOREST TREES	TEA	VINES	CASSAVA	BANANA	
Opening Balance 01/07/2021	5,055	1,414	3	33	45	178	443	7,911	62	9	9	15,162
Fair value gain/loss less cost to sale - physical changes												
Fair value gain/loss less cost to sale -price changes												
Increase in - regeneration												
Increase in purchases												
increase in grant/ Transfer In												
Decrease in sales												
Decrease in harvest												
Decrease in distribution												
Decrease in degeneration												
Exchange difference												
Others changes												
closing balance as at 30/06/2022	5,055	1,414	3	33	45	178	443	7,911	62	9	9	15,162
closing balance as at 30/06/2021	5,055	1,414	3	33	45	178	443	7,911	62	9	9	15,162
Biological Assets at Cost												
Categorized as:-												
Consumables												
Bearer												
Immature												
Mature												
Held for distribution at no charge or nominal charge												
Held for sale												
None of the assets has been pledged as collateral neither impaired												

None of the assets has been pledged as collateral, neither impaired

NOTE 37 DEFERRED TAXES

Tanzania Agricultural Research Institute is exempted from paying tax and therefore computation of potential tax has not been made.

NOTE 38 RELATED PARTY TRANSACTIONS

During the year under review, the TARI had the following transactions in relation to the related parties: -

	30 June 2022	30 June 2021
	TZS	TZS
Key Management Personnel Emoluments	686,739,248	686,739,248
Fees Paid to Board Members		116,750,000
TOTAL	686,739,248	803,489,248

NOTE 39 Government Subvention Received

During the year 2021/2022 the TARI received subvention from the Government as follows: -

Government Subvention - Other Charges	1,510,134,540	1,987,518,581
Government Subvention - Personal Emoluments	13,960,568,287	11,016,772,062
Capital Development	6,789,576,543	2,680,741,783
	22,260,279,370	15,685,032,426

NOTE 40 EVENTS AFTER THE REPORTING DATE

There were no adjusting events that occur after the reporting date which requires an adjustment to be made in the books of Accounts.

NOTE 41 DEPRECIATED ASSETS

During the financial year 2021/2022 there were no fully depreciated assets.

NOTE 42 CONTINGENT LIABILITIES

As at 30 June, 2022 TARI had one contingent liability in respect land dispute at TARI Uyole. Initially, there was a Case No. 75 of (2020) TARI - Uyole (Applicant) VS Nicolaus Solom Mwakihaba (Respondents). The respondent had moved in the area owned by the Institute. TARI prayed before the court for a vacant possession of the piece of land. However, the Government ruled out court that the land belongs to the Institute but the residents involved should be compensated as amicable settlement of the dispute. However, the amount and modalities of the compensation is yet to be concluded by the Government.

NOTE 43 CAPITAL COMMITMENTS

TARI had capital commitments of TZS 652,029,965.88 as at 30 June 2022 in respect of the following projects:

- TZS 104,045,000.85 was for research and seedling production of sunflower and grapes;
- TZS 46,000,000 for consultancy services for design and construction supervision of TARI Kihinga Office; and
- TZS 501,984,965.03 for procurement of laboratory equipment and chemicals at TARI Mikocheni and TARI Mlingano.

NOTE 44 COMPARATIVE FIGURES

Previous year figures have been re-grouped whenever considered necessary to make them comparable with current year's figure as shown in Note 45 below.

NOTE 45 REGROUPING AND RECLASSIFICATIONS

During the year under review (2021/2022) TARI changed the accounting system from manual to new Government Accounting System (Mfumo wa Uhasibu Serikalini (MUSE)). The new system necessitated to change the old accounting codes to Government Financial Statistics Codes (GFS CODES). These changes lead to regrouping and reclassification of certain items and amounts relating to the previous financial year (2020/2021) for comparability purposes. The specific items and amounts involved are shown in Table 12 to 17 of these financial statements.

Table 12: STATEMENT OF FINANCIAL PERFORMANCE RE- CLASSIFICATIONS

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Other Revenue (Note 13)	Revenue from Exchange Transactions (Note 14)	Revenue Grants (Note 15)	Depreciation of PPE (Note16)	Impairment of PPE (Note 17)
NOTE 11	Revenue from non-exchange transactions						
	Donors Gift and Grants	11,835,987,164	11,835,987,164				
	Government Subvention - Other Charges	1,987,518,581			1,987,518,581		
	Government Subvention - Personal Emoluments	11,016,772,063			11,016,772,063		
	Amortized Deferred Capital Grants	2,606,252,059			2,606,252,059		
		27,446,529,867					
	Less: Amortized Deferred Capital Grants	-2,606,252,059					
	Actual receipts	24,840,277,808					
NOTE 12	Revenue from exchange transactions						
	Sales of Certified Seeds	28,300,000		28,300,000			
	Sales of Non-Certified Seeds	1,859,609,394		1,859,609,394			
	Sales of Farm Produce	119,947,920		119,947,920			
	Rent Income	-					
	Sundry Income	74,489,723					
	Total	2,082,347,037				74,489,723	

CLASSIFICATION JUNE 2021		RE-CLASSIFICATION JUNE 2022						
NOTE 21								
	Consumption of Fixed Capital							
	Depreciation							
	Depreciation Expense	3,251,141,735						
	Total	3,251,141,735						3,251,141,735
	Decrease in Biological Assets	119,654,400						119,654,400
	Loss in Fair value of Farm Produce	181,531,208						181,531,208
	TOTAL		11,835,987,164	2,007,857,314	15,685,032,426	3,251,141,735		301,185,608
	NOTES AS PER FS JUNE 2022		Note 13	Note 14	Note 15	Note 16	Note 17	
	FIGURES CLASSIFIED AS PER FS JUNE 2022		11,835,987,164	2,007,857,314	15,685,032,426	3,251,141,735		301,185,608
	DIFFERENCE		-	-	-	-	-	-

Table 13: STATEMENT OF FINANCIAL PERFORMANCE RE- CLASSIFICATIONS

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
NOTE 13	Staff Salaries and Benefits						
	Basic Salary	9,871,757,454				9,871,757,454	
	Gratuity	1,094,951				1,094,951	
	PSSSF Employer Contribution	1,435,638,925				1,435,638,925	
	Workmen's Compensation	61,460,602				61,460,602	
	National Health Insurance Schemes (NHIF)	279,802,877				279,802,877	
	Housing Allowance	35,775,000				35,775,000	
	Furniture Allowance	16,000,000				16,000,000	
	Water & Electricity - Residential (Utility Allowance)	38,140,200				38,140,200	
	Telephone-Mobile (Airtime)	68,575,256				68,575,256	
	Professional Allowances	92,388,991				92,388,991	
	Honoraria	460,163,720				460,163,720	
	Medical Allowance	115,900				115,900	
	Lunch Allowance	15,870,000				15,870,000	
	Extra Duty Allowance	644,785,359				644,785,359	
	Transport Allowance	1,724,000				1,724,000	
	Risk Allowance	2,000,000				2,000,000	
	Leave Cost	193,180,370				193,180,370	
	Recruitment Cost	11,129,600				11,129,600	

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Medical and Dental Expenses	2,096,000				2,096,000	
	Fees & Subscriptions	2,102,200				2,102,200	
	Funeral Expenses	78,466,800		78,466,800			
	Terminal Expenses (Moving)	176,549,894				176,549,894	
	Staff Gift and Prizes	2,125,000				2,125,000	
	Office Refreshments	190,791,506				190,791,506	
	Recreation & General Welfare	800,000				800,000	
		13,682,534,605					
	Add Opening Account Payables	216,952,067					
	Sub Total	13,900,186,672					
	Less Closing Account Payables	157,487,333					
	Actual Expenditure	13,741,999,339					
NOTE 14	Research and Development Expenses						
	Per diems - Research Activities	3,986,360,366			3,080,833,141	905,527,225	
	Direct Casual Laborers - Research Activities	2,073,836,199			0	2,073,836,199	
	Travelling Expenses - Research Activities	95,394,904			95,394,904		
	Project Management	7,427,281			7,427,281		
	Special Uniforms and Clothing	9,039,617			9,039,617		

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Motor Vehicle Maintenance - Research Activities	130,238,909			130,238,909		
	Project Monitoring and Evaluation	5,018,000			5,018,000		
	Hiring of Training Facilities	22,210,000			22,210,000		
	Rent of Vehicles and Crafts	4,244,000			4,244,000		
	Production and Printing of Research Documents	12,800,400			12,800,400		
	Mapping Surveys	5,567,290			5,567,290		
	Materials Testing Services	33,925,400			33,925,400		
	Technical Service Fees & Seeds Certification	29,746,106			29,746,106		
	Consultancy	7,263,600			7,263,600		
	Exhibition, Festivals and Celebrations	271,563,766			271,563,766		
	Protective Clothing, footwear and gears	9,231,500			9,231,500		
	Seeds Production	149,258,521			149,258,521		
	Seeds Marketing and Distribution	21,261,100			21,261,100		
	Agricultural Implements	468,706,827			468,706,827		
	Agricultural Chemicals	157,262,815			157,262,815		
	Fertilizers	95,007,357			95,007,357		
	Fuel - Research Activities	797,943,470			797,943,470		

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTORS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Laboratory Supplies	243,225,734			243,225,734		
	Research Honoraria	1,116,613,812			1,116,613,812		
	Other Research Expenses	440,547,275			440,547,275		
	Institutional Fees and Subscription	41,876,377					
	Hiring of Teaching Venue and Facilities				41,876,377		
		671,000			671,000		
	Public Education & Awareness	41,494,200			41,494,200		
	Advertising and Publication	239,908,352			239,908,352		
	Collaboration expenses	3,208,000			3,208,000		
	On Farm Trials	74,227,546			74,227,546		
	Stakeholders & Agricultural Research Forum	36,790,000			36,790,000		
	Total	10,631,869,725					
NOTE 15	General Administrative Expenses						
	Printing & Stationery	169,924,714			169,924,714		
	Computer Supplies and Accessories	81,518,950					
	Annual Accounts & Report	18,066,362			81,518,950		
	Budget Preparation	1,660,000			18,066,362		
	Staff Training	97,178,708			1,660,000		
					97,178,708		

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Clearing and Forwarding	1,956,323			1,956,323		
	Workshop and Seminars	78,216,262			78,216,262		
	Management Meetings and Conferences						
	Department Meetings	75,528,345				75,528,345	
	General Staff Meetings	71,457,060				71,457,060	
	Donations	44,282,800				44,282,800	
	Cleaning & Sanitation	6,570,000			6,570,000		
	Security Service	42,316,733			42,316,733		
	Website& Internet Services	26,776,080			26,776,080		
	Electricity	63,479,624			63,479,624		
	Water	169,042,463			169,042,463		
	Fuel &Lubricants-Plants& Machinery	72,841,913			72,841,913		
	Hospitality & Entertainments	45,657,490			45,657,490		
	Land Rent & Property Tax	29,997,700			29,997,700		
	Licenses and Fees	1,133,500			1,133,500		
	National Holiday Expenses	18,312,796			18,312,796		
	Newspapers and Magazines	7,417,423		7,417,423			
	Office Rent	4,483,140		325,138	4,158,002		
	Postage & Courier	660,000			660,000		
	Printing & Stationery	5,562,961			5,562,961		
	Telephone & Telefax	61,101,393			61,101,393		
		21,724,173			21,724,173		

CLASSIFICATION JUNE 2021		RE-CLASSIFICATION JUNE 2022					
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Transport & Traveling (In & Outside the Country)	791,045,825				791,045,825	
	Workers Council Meetings	57,050,000				57,050,000	
	Support Services-Applications Software						
	Estate Management	47,058,575		47,058,575			
	Sundry Expenses	30,859,301		30,859,301			
	Tender Board Expenses	21,998,830			21,998,830		
	Contributions to TR	78,628,000				78,628,000	
	Total	2,263,507,445					20,000,000
	Add: Closing Inventories	762,076,679					
	Closing Prepayment	2,993,023					
	Closing Imprest	30,277,000					
	Opening Account Payables	952,794,148					
	Sub-total (A)	4,011,648,295					
	Less Closing Account Payables	1,150,174,204					
	Opening Inventories	61,093,457					
	Opening Account Receivables	-					
	Changes in Farm Produce value transfer	-181,531,208					
	Actual Expenditure (A-B)	2,981,911,842					

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
NOTE 16	Maintenance Expenses						
	Routine maintenance and repair of buildings	187,596,645	187,596,645				
	Routine maintenance , Repair of Water and Electricity Installations	89,606,703	89,606,703				
	Maintenance of Specialized equipment	25,023,950			25,023,950		
	Routine Maintenance and Repair of Machinery, Equipment and Plant	5,031,627	4,359,508		672,119		
	Routine Maintenance and Repair of Office Equipment and Appliances	17,445,342			17,445,342		
	Total	324,704,267					
NOTE 17	Motor Vehicle Running Expenses						
	Routine Maintenance and Repair of Vehicles And Transportation Equipment	284,498,532	284,498,532				
	Tyres and Batteries	99,835,452	99,835,452				
	Insurance Motor Vehicles	7,307,908	7,307,908				
	Oil and Grease	2,574,020	2,574,020				

CLASSIFICATION JUNE 2021		RE-CLASSIFICATION JUNE 2022					
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Spare Parts	151,540,552	151,540,552				
	Motor Vehicle Insurance	7,411,850		7,411,850			
	Fuel Motor Vehicle	170,228,261	170,228,261				
	Total	723,396,573					
NOTE 18	Board Expenses						
	Board Meetings Expenses	145,501,350				145,501,350	
	Board Members' Fees & Allowances	73,816,950				73,816,950	
	Total	219,318,300					
NOTE 19	Financial Expenses						
	Bank Charges and Commissions	2,352,897		2,352,897			
	Total	2,352,897					
NOTE 20	Professional Fees and Charges						
	Audit fees	41,994,250		41,994,250			
	Consultancy fees	-					

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Maintenance Expenses (Note 18)	Other Expenses (Note 19)	Use of Goods and Service (Note 20)	Wages, Salaries and Employee Benefits (Note 21)	Grants, Subsidies and other Transfer Payments (Note 22)
	Audit supervision expenses	28,700,000		28,700,000			
	Total	70,694,250					
	Add: Opening Payable	52,542,600					
	Sub Total	123,236,850					
	Less: Closing Payable	41,994,250					
	Actual Expenditure	81,242,600					
NOTE 21	Consumption of Fixed Capital						
	Depreciation						
	Depreciation Expense	3,251,141,735					
	Total	3,251,141,735					
	Decrease in Biological Assets	119,654,400					
	Loss in Fair value of Farm Produce	181,531,208					
	TOTAL		997,547,581	244,586,234	8,735,502,688	17,920,741,559	20,000,000
	NOTES AS PER FS JUNE 2022		Note 18	Note 19	Note 20	Note 21	Note 22
	FIGURES CLASSIFIED AS PER FS JUNE 2022		997,547,581	244,586,234	8,735,502,688	17,920,741,559	20,000,000
	DIFFERENCE		-	-	-	-	-

Table 14: STATEMENT OF FINANCIAL POSITION RE - CLASSIFICATIONS

NOTES	DESCRIPTIONS	AMOUNT (TZS)	RE-CLASSIFICATION JUNE 2021				RE-CLASSIFICATION JUNE 2022			
			CLASSIFICATION JUNE 2021				Inventories (NOTE 3)	Receivables (NOTE 5)	Prepayments (NOTE 4)	Cash and Cash Equivalents (NOTE 2)
NOTE 2	Stationery, Fuel & Other Inventories									
	Stationery	40,291,770					40,291,770			
	Fuel & Lubricants Inventory	28,164,779					28,164,779			
	Other Consumables	102,170,280					102,170,280			
	Farm Produce	591,449,850					591,449,850			
	Total	762,076,679								
NOTE 3	Receivables									
	Staff Imprest	30,277,000						30,277,000		
	Staff Advance and Loans	700,000						700,000		
	Total	30,977,000								
NOTE 4	Prepayments									
	Prepayments of Fuel	2,993,023							2,993,023	
	Prepayment of Laboratory Equipment	-							-	
	Prepayment of Motor Vehicle	-							-	
	Prepayment of Boreholes	107,420,573							107,420,573	
	Total	110,413,596								
NOTE 5	Cash & Cash Equivalent									
	Petty cash	1,385,000								1,385,000
	GePG Collection Account - CRDB TZS	15,208,000								15,208,000
	TARI HQ Expenditure A/C - NMB TZS (OC)	98,733,565								98,733,565
	TARI HQ Expenditure A/C - NMB TZS (SHIFA)	72,784,280								72,784,280

NOTES	CLASSIFICATION JUNE 2021		RE-CLASSIFICATION JUNE 2022			
	DESCRIPTIONS	AMOUNT (TZS)	Inventories (NOTE 3)	Receivables (NOTE 5)	Prepayments (NOTE 4)	Cash and Cash Equivalents (NOTE 2)
	TARI Kihinga Expenditure A/C - NMB	39,412,067				39,412,067
	TARI Mikocheni Expenditure A/C - NMB	743,934				743,934
	TARI Ilonga Expenditure A/C - NMB	40,058,931				40,058,931
	TARI Ifakara Expenditure A/C - NMB	16,363,101				16,363,101
	TARI Mlingano Expenditure A/C - NMB	4,888,105				4,888,105
	TARI Kibaha Expenditure A/C - NMB	100,212,790				100,212,790
	TARI Makutupora Expenditure A/C - NMB	160,641,957				160,641,957
	TARI Hombolo Expenditure A/C - NMB	19,512,067				19,512,067
	TARI Ukiriguru Expenditure A/C - NMB	46,342				46,342
	TARI Maruku Expenditure A/C - NMB	24,118,581				24,118,581
	TARI Selian Expenditure A/C - NMB	193,682,752				193,682,752
	TARI Tengeru Expenditure A/C - NMB	48,056,089				48,056,089
	TARI Natiende Expenditure A/C - NMB	333,266,932				333,266,932
	TARI Uyole Expenditure A/C - NMB	2,340,187				2,340,187
	TARI Kifyulilo Expenditure A/C - NMB	243,497				243,497
	TARI Tumbi Expenditure A/C - NMB	2,836,924				2,836,924
	TARI Dakawa Expenditure A/C - NMB	14,890,508				14,890,508
	BoT Collection A/C TZS	546,480,463				546,480,463
	BoT Collection A/C TZS	3,863,284,964				3,863,284,964
	Agricultural Development Fund A/C	278,250				278,250
	Total	5,599,469,285				
	TOTAL		762,076,679	30,977,000	110,413,596	5,599,469,286
	NOTES AS PER FS JUNE 2022		NOTE 3	NOTE 5	NOTE 4	NOTE 2

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022			
NOTES	DESCRIPTIONS	AMOUNT (TZS)	Inventories (NOTE 3)	Receivables (NOTE 5)	Prepayments (NOTE 4)	Cash and Cash Equivalents (NOTE 2)
	FIGURES CLASSIFIED AS PER FS JUNE202		762,076,679	30,977,000	110,413,596	5,599,469,286
	DIFFERENCE		-	-	-	-

Table 15: STATEMENT OF FINANCIAL POSITION RE - CLASSIFICATIONS

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	PPE (NOTE 7)	Biological Assets (NOTE 6)	Work In Progress (NOTE 8)	Payables and Accruals (NOTE 11)	Deferred Income (NOTE 12)
NOTE 6	Plant, Property and Equipment (PPE)	127,043,557,319	127,043,557,319				
NOTE 7	Biological Assets	15,161,820,361		15,161,820,361			
NOTE 8	Capital Work in Progress						
	Balance as at 01/07/2020	-					
	Addition During the Year	396,909,906			396,909,906		
	Balance as at 30/06/2021	396,909,906					
NOTE 9	Payables						
	Payable from Wages, salaries and employee benefits						
	Net Salary	19,548,571				19,548,571	
	PSSF Contribution	48,482,759				48,482,759	
	NHIF Contribution	23,113,792				23,113,792	
	WCF Contribution	16,084,212				16,084,212	
	PAYE	7,040,802				7,040,802	
	Workers Union	5,488,406				5,488,406	
	Insurance Premium	300,000				300,000	

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	PPE (NOTE 7)	Biological Assets (NOTE 6)	Work In Progress (NOTE 8)	Payables and Accruals (NOTE 11)	Deferred Income (NOTE 12)
	Sacco's & Other Associations	10,584,774				10,584,774	
	Other Deductions	863,178				863,178	
	Staff Allowance Payable	25,980,839				25,980,839	
	Payable from General Administrative Expenses						
	Creditors for Supplies - Goods & Services	322,287,346				322,287,346	
	Unpaid Land Rent	800,000,000				800,000,000	
	Unpaid Land Compensation	21,966,603				21,966,603	
	Unpaid Casual Labors	3,816,400				3,816,400	
	Unpaid Plant Breeders' Annual Subscription	927,596				927,596	
	Unpaid Withholding Tax	1,176,259				1,176,259	
	Payable from Professional Fees and Charges						
	Unpaid Audit Fees	41,510,800				41,510,800	
	Total	1,349,172,337					
NOTE 10	Deferred Capital Grant						
	Opening Balance	3,067,352,000					3,067,352,000
	Additions during the year	1,331,168,360					1,331,168,360
	Sub total	4,398,520,360					

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	PPE (NOTE 7)	Biological Assets (NOTE 6)	Work In Progress (NOTE 8)	Payables and Accruals (NOTE 11)	Deferred Income (NOTE 12)
	Amortized fund during the year	-2,606,252,059					
	Closing Balance	1,792,268,301					-2,606,252,059
	TOTAL		127,043,557,319	15,161,820,361	396,909,906	1,349,172,337	1,792,268,301
	NOTES AS PER FS JUNE 2022		NOTE 7	NOTE 6	NOTE 8	NOTE 11	NOTE 12
	FIGURES CLASSIFIED AS PER FS JUNE 2022		127,043,557,319	15,161,820,361	396,909,906	1,349,172,337	1,792,268,301
	DIFFERENCE		-	-	-	-	-

Table 16: STATEMENT OF CASH FLOW RE - CLASSIFICATION

CLASSIFICATION JUNE 2021		RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Revenue from Exchange Transactions (NOTE 23)	Other Revenue (NOTE 24)	Funds Received (NOTE 26)	Wages, Salaries and Employee Benefits (NOTE 27)
NOTE 11	Revenue from non-exchange transactions					
	Donors Gift and Grants	11,835,987,164		11,835,987,164		
	Government Subvention - Other Charges	1,987,518,581			1,987,518,581	
	Government Subvention - Personal Emoluments	11,016,772,063			11,016,772,063	
	Amortized Deferred Capital Grants	2,606,252,059			2,606,252,059	
		27,446,529,867				
	Less: Amortized Deferred Capital Grants	-2,606,252,059		-2,606,252,059		
	Actual receipts	24,840,277,808				
NOTE 12	Revenue from exchange transactions					
	Sales of Certified Seeds	28,300,000	28,300,000			
	Sales of Non-Certified Seeds	1,859,609,393	1,859,609,393			
	Sales of Farm Produce	119,947,920	119,947,920			
	Rent Income	-				
	Sundry Income	74,489,725	74,489,725	-74,489,724	74,489,724	
	Staff advance collections	2,500,000		2,500,000		
	Total	2,084,847,037				

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022			
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Revenue from Exchange Transactions (NOTE 23)	Other Revenue (NOTE 24)	Funds Received (NOTE 26)	Wages, Salaries and Employee Benefits (NOTE 27)
NOTE 13	Staff Salaries and Benefits					
	Basic Salary	9,871,757,454				9,871,757,454
	Gratuity	1,094,951				1,094,951
	PSSSF Employer Contribution	1,435,638,925				1,435,638,925
	Workmen's Compensation	61,460,602				61,460,602
	National Health Insurance Schemes(NHIF)	279,802,877				279,802,877
	Housing Allowance	35,775,000				35,775,000
	Furniture Allowance	16,000,000				16,000,000
	Water & Electricity - Residential (Utility Allowance)	38,140,200				38,140,200
	Telephone-Mobile (Airtime)	68,575,256				68,575,256
	Honoraria	460,163,720				460,163,720
	Medical Allowance	115,900				115,900
	Lunch Allowance	15,870,000				15,870,000
	Extra Duty Allowance	644,704,007				644,704,007
	Transport Allowance	1,724,000				1,724,000
	Risk Allowance	2,000,000				2,000,000
	Leave Cost	193,180,370				193,180,370
	Recruitment Cost	11,129,600				11,129,600
	Fees & Subscriptions	2,102,200				2,102,200
	Funeral Expenses	78,466,800				78,466,800
	Terminal Expenses (Moving)	175,549,894				
	Staff Gift and Prizes	2,125,000				2,125,000

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022			
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Revenue from Exchange Transactions (NOTE 23)	Other Revenue (NOTE 24)	Funds Received (NOTE 26)	Wages, Salaries and Employee Benefits (NOTE 27)
	Office Refreshments	190,791,506				
	Recreation & General Welfare	800,000				800,000
		13,682,534,605				-
	Add Opening Account Payables	216,952,067				
	Sub Total	13,900,186,672				
	Less Closing Account Payables	157,487,333				
	Actual Expenditure	13,741,999,339				
	Capital Fund Contributed	1,331,168,360			1,331,168,360	
	Adjustment for working capital					
	Consumables	142,462,050				142,462,050
	Fuel	28,164,779				28,164,779
	Imprest Receivable	30,977,000				30,977,000
	Office consumable (Stationaries, etc.)	399,395,609				399,395,609
	Prepayment	110,413,596				
	TOTAL		2,082,347,038	9,157,745,381	17,016,200,787	13,821,626,300
	NOTES AS PER FS JUNE 2022		NOTE 23	NOTE 24	NOTE 26	NOTE 27
	FIGURES CLASSIFIED AS PER FS JUNE 2022		2,082,347,038	9,157,745,381	17,016,200,787	13,821,626,300
	DIFFERENCE		-	-	-	-

CLASSIFICATION JUNE 2021		RE-CLASSIFICATION JUNE 2022					
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfers Payments (NOTE 22)
	Technical Service Fees & Seeds Certification	29,746,106	29,746,106				
	Consultancy	7,263,600	7,263,600				
	Exhibition, Festivals and Celebrations	271,563,766	271,563,766				
	Protective Clothing, footwear and gears	9,231,500	9,231,500				
	Seeds Production	149,258,521	149,258,521				
	Seeds Marketing and Distribution	21,261,100	21,261,100				
	Agricultural Implements	468,706,827	468,706,827				
	Agricultural Chemicals	157,262,815	157,262,815				
	Fertilizers	95,007,357	95,007,357				
	Fuel - Research Activities	797,943,470	797,943,470				
	Laboratory Supplies	243,225,734	243,225,734				
	Research Honoraria	1,116,613,812	1,116,613,812				
	Other Research Expenses	440,547,275	440,547,275				
	Institutional Fees and Subscription	41,876,377	41,876,377				
	Hiring of Teaching Venue and Facilities	671,000	671,000				
	Public Education & Awareness	41,494,200	41,494,200				
	Advertising and Publication	239,908,352	239,908,352				
	Collaboration expenses	3,208,000	3,208,000				
	On Farm Trials	74,227,546	74,227,546				

Table 17: STATEMENT OF CASH FLOW RE - CLASSIFICATION

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfer Payments (NOTE 22)
NOTE 13	Staff Salaries and Benefits						
	Terminal Expenses (Moving)	176,549,894	176,549,894				
	Office Refreshments	190,791,506	190,791,506				
NOTE 14	Research and Development Expenses						
	Per diems - Research Activities	3,986,360,366	3,986,360,366				
	Direct Casual Laborers - Research Activities	2,073,836,199	2,073,836,199				
	Travelling Expenses - Research Activities	95,394,904	95,394,904				
	Project Management	7,427,281	7,427,281				
	Special Uniforms and Clothing	9,039,617	9,039,617				
	Motor Vehicle Maintenance - Research Activities	130,238,909			130,238,909		
	Project Monitoring and Evaluation	5,018,000	5,018,000				
	Hiring of Training Facilities	22,210,000	22,210,000				
	Rent of Vehicles and Crafts	4,244,000	4,244,000				
	Production and Printing of Research Documents	12,800,400	12,800,400				
	Mapping Surveys	5,567,290	5,567,290				
	Materials Testing Services	33,925,400	33,925,400				

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfer Payments (NOTE 22)
	Stakeholders & Agricultural Research Forum	36,790,000	36,790,000				
	Total	10,631,869,725					
NOTE 15	General Administrative Expenses						
	Printing & Stationery	169,924,714	169,924,714				
	Computer Supplies and Accessories	81,518,950			81,518,950		
	Annual Accounts & Report	18,066,362	18,066,362				
	Budget Preparation	1,660,000	1,660,000				
	Staff Training	97,178,708	97,178,708				
	Clearing and Forwarding	1,956,323	1,956,323				
	Workshop and Seminars	78,216,262	78,216,262				
	Management Meetings and Conferences	75,528,345	75,528,345				
	Department Meetings	71,457,061	71,457,061				
	General Staff Meetings	44,282,800	44,282,800				
	Donations	6,570,000	6,570,000				
	Cleaning & Sanitation	42,316,733	377,936		41,938,797		
	Security Service	26,776,080	26,776,080				
	Website& Internet Services	63,479,624	63,479,624				
	Electricity	149,042,463	149,042,463				
	Water	72,841,913	72,841,913				

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfer Payments (NOTE 22)
	Fuel & Lubricants-Plants& Machinery	45,657,490	45,657,490				
	Hospitality & Entertainments	29,997,700	29,997,700				
	Land Rent & Property Tax	1,133,500	1,133,500				
	Licenses and Fees	18,312,796	18,312,796				
	National Holiday Expenses	7,417,423	7,417,423				
	Newspapers and Magazines	4,483,140	4,483,140				
	Office Rent	660,000	660,000				
	Postage & Courier	5,562,961	5,562,961				
	Printing & Stationery	61,101,393	61,101,393				
	Telephone & Telefax	21,724,173	21,724,173				
	Transport & Traveling(In & Outside the Country)	791,045,825	791,045,825				
	Workers Council Meetings	57,050,000	57,050,000				
	Support Services-Applications Software	47,058,575	47,058,575				
	Estate Management	30,859,301	30,859,301				
	Sundry Expenses	21,998,830	21,998,830				
	Tender Board Expenses	78,628,000	78,628,000				
	Contributions to TR	20,000,000					20,000,000
	Total	2,263,507,445					
	Add: Closing Inventories	762,076,679					
	Closing Prepayment	2,993,023					
	Closing Imprest	30,277,000					
	Opening Account Payables	952,794,148					

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfers Payments (NOTE 22)
NOTE 17	Motor Vehicle Running Expenses						
	Routine Maintenance and Repair of Vehicles And Transportation Equipment	284,498,532	9,711,590	274,786,942			
	Tyres and Batteries	99,835,452			99,835,452		
	Insurance Motor Vehicles	7,307,908		7,307,908			
	Oil and Grease	2,574,020			2,574,020		
	Spare Parts	151,540,552			151,540,552		
	Motor Vehicle Insurance	7,411,850		7,411,850			
	Fuel Motor Vehicle	170,228,261			170,228,261		
	Total	723,396,573					
NOTE 18	Board Expenses						
	Board Meetings Expenses	145,501,350	145,501,350				
	Board Members' Fees & Allowances	73,816,950	73,816,950				
	Total	219,318,300					
NOTE 19	Financial Expenses						
	Bank Charges and Commissions	2,352,897		2,352,897			
	Total	2,352,897					

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfer Payments (NOTE 22)
NOTE 20	Professional Fees and Charges						
	Audit fees	41,994,250	41,994,250				
	Consultancy fees						
	Audit supervision expenses						
	Total	28,700,000	28,700,000				
	Add: Opening Payable	70,694,250					
	Sub Total	52,542,600					
		123,236,850					
	Less: Closing Payable	41,994,250					
	Actual Expenditure	81,242,600					
	Acquisition of Property, Plant and Equipment						
	Acquisition of Property, Machinery, Equipment and Intangible Assets	1,383,108,710				1,383,108,710	
	Prepayments for Acquisition of PPE	107,420,574					
	Investment in Capital Work in Progress	396,909,906				107,420,574	
		1,887,439,190				396,909,906	

CLASSIFICATION JUNE 2021			RE-CLASSIFICATION JUNE 2022				
NOTE	DESCRIPTIONS	AMOUNT (TZS)	Use of Goods and Service (NOTE 28)	Other Expenses (NOTE 30)	Maintenance Expenses (NOTE 18)	Acquisition of Property, Plant and Equipment (NOTE 31)	Grants, Subsidies and other Transfer Payments (NOTE 22)
	Adjustment for working capital						
	Office consumable	192,054,241	192,054,241				
	Prepayment	110,413,596	110,413,596				
	TOTAL		13,571,213,890	296,891,224	997,547,581	1,887,439,190	20,000,000
	NOTES AS PER FS JUNE 2022		NOTE 28	NOTE 30	NOTE 18	NOTE 31	NOTE 22
	FIGURES CLASSIFIED AS PER FS JUNE202		13,571,213,890	296,891,224	997,547,581	1,887,439,190	20,000,000
	DIFFERENCE		-	-	-	-	-

NB:WIP MOVEMENT:

Opening balance.....	TZS 396,909,906
Add: addition during the year.....	TZS 589,230,929
Less: Transfer to PPE.....	TZS 0
Closing balance.....	TZS 986,140,835