



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



ISO 9001:2015 Certified

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL STATEMENTS AND COMPLIANCE AUDIT FOR THE FINANCIAL
YEAR ENDED 30 JUNE 2023**

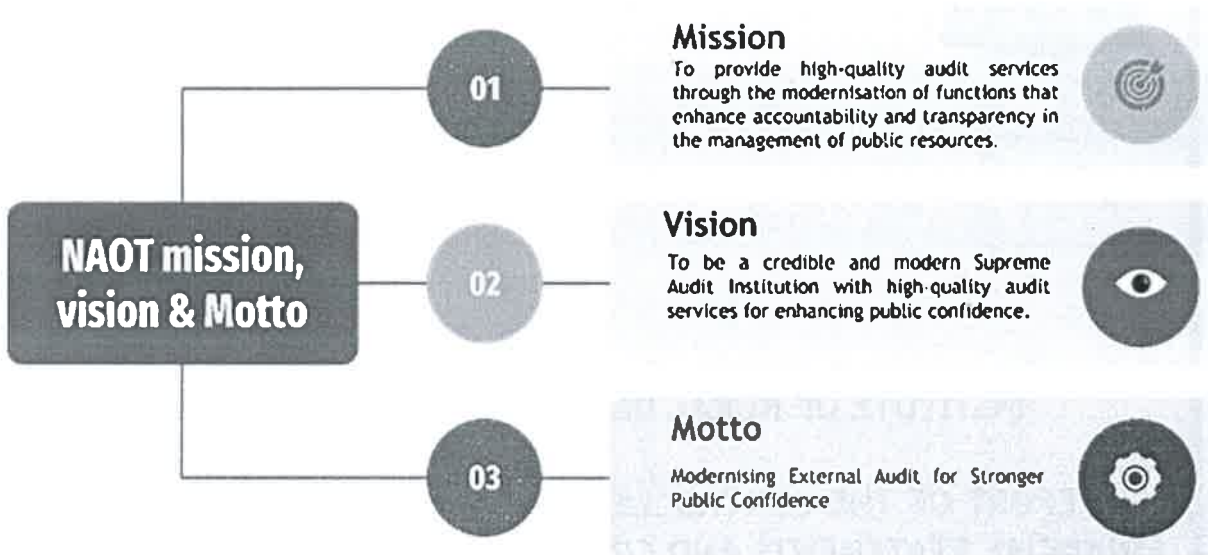
Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41101 Tambukareli,
Dodoma, Tanzania.
Tel: 255 (026) 2161200,
Fax: 255 (026) 2321245,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

March 2024

AR/PA/IRDP/2022-23

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



Independence and objectivity

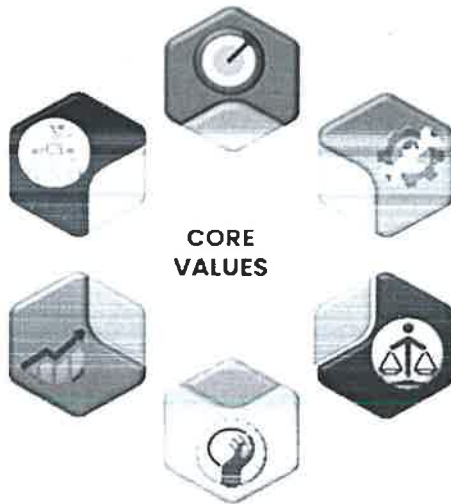
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

© This audit report is intended to be used by Institute of Rural Development and Planning (IRDP) 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.

TABLE OF CONTENTS

LIST OF TABLES	iii
Abbreviations	iv
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS	1
1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS	4
2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE	6
3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE	26
4.0 DECLARATION OF THE HEAD OF FINANCE	28
5.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023	29

LIST OF TABLES

Table 1:Composition of Governing Council.....	8
Table 2:Attendance of the Governing Council meeting	9
Table 3: The Audit Committee.....	10
Table 4: Attendance of the ordinary meeting.....	11
Table 5: Attendance of the special meeting	11
Table 6: The Academic Committee	12
Table 7: Attendance of the meeting	13
Table 8: Finance, Planning and Staff Development Committee.....	13
Table 9: Attendance of Finance, Planning and Staff Development Committee	14
Table 10: The Management team of IRDP for the year 2022/23	15
Table 11: Gender Equality	19
Table 12: The Institute’s KPIs and Achievement for the financial year 2022/23	22



Abbreviations

IPSAS	International Public Sector Accounting Standards
IRDP	Institute of Rural Development Planning
PPR	Public Procurement Regulations 2013
URT	United Republic of Tanzania
KPI	Key Performance Indicators
NAOT	National Audit Office Tanzania
NBAA	National Board of Accountants and Auditors
IESBA	International Ethics Standard Board for Accountants
ISSAIs	International Standards of Supreme Audit Institutions
LLM	Mater Degree in Law
CPA	Certified Public Accountant
ACPA	Associate Certified Public Accountant
NACTVETE	National Council for Technical and Vocational Education and Training
TCU	Tanzania Commission for Universities
TZS	Tanzania Shillings
UNDP	United Nations Development Programme
TRA	Tanzania Revenue Authority

INSTITUTION INFORMATION

Registered Office: The Institute of Rural Development Planning
Plot No. 1, 16, 17 and 18 Block K Mbwanga Miyuji North
P.O. Box 138
Dodoma, Tanzania.

Main Bankers: Bank of Tanzania,
P.O. Box 2302,
ZNCC Link,
Dodoma, Tanzania.

NMB Bank Plc,
Dodoma Branch,
P.O. Box 1,
Dodoma, Tanzania.

NMB Bank Plc,
Kenyatta Road Branch,
P.O. Box 1444,
Mwanza, Tanzania.

CRDB Bank Plc,
Dodoma Branch,
P.O. Box 401,
Dodoma, Tanzania.

NBC limited,
Dodoma Branch,
P.O. Box 1,
Dodoma, Tanzania.

Lawyers: Office of the Attorney General,
20 Barabara ya Kivukoni,
P. O. Box 11492,
Dar es Salaam, Tanzania.

Auditors: The Controller and Auditor General,
4 Ukaguzi Road,
P.O. Box 950,
Tambukareli,
Dodoma, Tanzania.

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

**The Chairperson,
Governing Council,
Institute of Rural Development Planning (IRDP),
P.O. Box 138,
DODOMA.**

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Institute of Rural Development Planning (IRDP), which comprise the statement of financial position as at 30 June 2023, 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 Institute of Rural Development Planning as at 30 June 2023, 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 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 Institute of Rural Development Planning in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are key audit matters as outlined below and is communicated in my report.

During the course of our verification of internal controls through payments module I inquired the management of IRDP about the risks of fraud and noted that there were acts of fraud

totalling TZS 58,935,990 which was already been reported to Police. The deficiencies in accounting internal controls coupled with challenges facing MUSE System led to a few unfaithful staff taking advantage and managed to misappropriate sum of TZS 58,935,990 as verified in the system (MUSE).

Other Information

Management is responsible for the other information. The other information comprises the report by those charged with governance, Statement of responsibility by those charged with governance and the 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.

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 ISSAI 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 ISSAI, I exercise professional judgment and maintain professional scepticism throughout the audit. I also: -

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [R.E 2021] 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, Cap 410 [R.E 2022] 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 goods, works and services

I performed a compliance audit on procurement of goods, works and services in the Institute of Rural Development Planning (IRDP) for the financial year 2022/23 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 Institute of Rural Development Planning (IRDP) generally in compliance with the requirements of the Public Procurement Laws.

Absence of provision of 30% of annual procurement volume for special groups (Youths, Women, Elders and People with Disabilities)

The IRDP's Annual Procurement Plan did not allocate the required 30% of procurement volume to special groups as mandated by the Section 64(2) of Public Procurement Act, 2011 as amended by Section 21 of Public Procurement (Amendment), Act 2016 and Regulation 30C (2) of Public Procurement Regulations, 2013 as amended by Regulation 13 of GN No. 333 of 2016.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

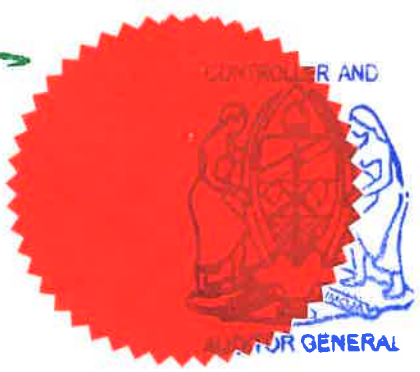
I performed a compliance audit on budget formulation and execution in the Institute of Rural Development and Planning (IRDP) for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Institute of Rural Development Planning (IRDP) 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 2024



2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE

2.1 Introduction

In compliance with the Tanzania Financial Reporting Standard No. 1 on Directors' Report, the Members submit their report and financial statements of the Institute of Rural Development for the year ended 30 June 2023.

2.2 History of Establishment of the Institute

The Institute of Rural Development Planning is a body corporate established by Parliament, Act No. 8 of 1980. Originally, activities of the Institute were carried out in Morogoro at the then Faculty of Agriculture of the University of Dar es Salaam. In 1981, activities of the Institute were moved to Dodoma and its functions were temporarily carried on at Area "C" by renting the premises of Kiwanja cha Ndege Primary School. In July 1997, the Institute's activities were transferred to the former Demonstration Centre's premises of the defunct Household Grain Storage Development Project at Mbwanga area in Dodoma.

IRDP was established as an important national centre for provision of training, research and consultancy services in the field of Rural Development Planning and Management with main objective of alleviating shortage of skilled manpower within the framework of sustainable capacity building directed towards reducing poverty and attaining sustainable development. IRDP strives to enhance and strengthen capacity for Rural Development practitioners by providing post-secondary education and training, conducting research and consultancy services. IRDP is thus a multi-disciplinary and multi-sectorial Institute empowered to oversee and coordinate the provision of expertise to in-service and pre-service personnel involved in Development Planning in the country.

Since its establishment, IRDP has been shaping destinies in planning and research focusing on the future prosperity of its students. As a result, graduates from IRDP have made valuable contributions in their fields. They are a proof of our unique approach of learning and training methodologies. In recent years, the Institute also has made progress in building new infrastructure so as to provide a conducive teaching, learning and working environment for both students and staff. These include a library building, the first and second academic blocks and the multipurpose hall.

2.3 Principal Activities

The activities of the Institute continue to be training in all aspects and disciplines relating to rural development planning including preparation, application and evaluation of development programmes in collaboration with other national and international institutions. The Institute is responsible for all matters relating to rural development planning by:

- i. Promoting social and economic development through provision of studies and training in the principles, techniques and their practical application in all aspects of rural development planning;
- ii. Advising the Government on formation of policies relating to management and rural development planning; and
- iii. Conducting short courses and research work relating to rural development planning in collaboration with other national and international institutions for the development and welfare of the people of Tanzania.

In exercising its functions of control and management, the Institute shall have due regard to:

- i. The political, economic and social aspirations of the people of the United Republic of Tanzania;
- ii. The health and general welfare of staff and the members of the public by guiding its operations in a manner that conserves the environment in a coherent and sustainable way; and
- iii. Technological needs for social-economic development and welfare of the people of Tanzania.

2.4 Solvency

The Council has reviewed the current financial position of the Institute. On the basis of the review, the members of the Governing Council are of the opinion that the Institute's position is as expressed in the Financial Statements and that it has been prepared on an ongoing concern basis. The Institute has enough resources to enable it to run its operations for the unforeseeable future.

2.5 Institute's Outlook"

Vision:

"To be a centre of excellence in planning for sustainable development".

Mission:

"To provide quality training, research and consultancy services to public and private sectors through effective and efficient use of resources in planning for sustainable development with emphasis to rural areas".

Core Values:

The following are the core values in which the Institute is undertaken to uphold in pursuing the attainment of its vision:

- Transparency and Ethical Conduct
- Accountability;

- Effectiveness and Efficiency;
- Participatory management;
- Continuous Learning and Professionalism; and
- Customer focused.

2.6 Corporate Governance

The Institute is committed to the highest standards of corporate governance. Its governance structure is flexible enough to adopt to changes in the internal and external environment. The Institute strives to regularly review its processes, rules and regulations and structure with a view to ensuring that its operations are carried out with due regard to economy, efficiency and effectiveness. The Institute adheres to global standards and practices of good corporate governance.

2.6.1 The Governing Council

The Governing Council comprises of 12 members including the Chairperson and Rector of the Institute as secretary of the Council. The Composition of the governing council is shown on Table 1.

Table 1:Composition of Governing Council

NO	NAME OF COUNCILOR	AGE	POSITION	DISCIPLINE AND QUALIFICATION	NATIONALITY
1	Prof. Martha Qorro	71	Chairperson	PhD (Ling.) UDSM	Tanzanian
2	Prof. Donald Gregory Mpanduji	56	Vice Chairperson	PhD in Applied Ecology	Tanzanian
3	Prof. Benedicto Bhishikana Kuzuzuru	52	Member	PhD in Economics	Tanzanian
4	Adv. George Nathanel Mandepo	48	Member	Master Degree in Construction Law (LLM.)	Tanzanian
5	Mrs. Mayasa M. Mwinyi	61	Member	Master Degree in Statistics	Tanzanian
6	Eliud Tawi Nyauhenga	60	Member	Master of Arts (Economics)	Tanzanian
7	Adv. Grace Mfinanga	64	Member	LLB University of Dar Es Salaam	Tanzanian
8	Dr. Steward Ngagard Lulamye	54	Member	PhD (Development Studies)	Tanzanian
9	CPA. Dr. Samwel Marwa Werema	58	Member	CPA(T) ,PhD in Finance	Tanzanian
10	Michael Ogwari John	53	Member	MBA (Human Resource Management)	Tanzanian
11	CPA. Semroki Mwanyika Musa	53	Member	CPA(T), Postgraduate Diploma in Accounting	Tanzanian
12	Prof. Hozen Kahesi Mayaya	50	Secretary	PhD in Environmental Planning	Tanzanian

Source:Board Minutes File 2022/23

NOTE: Chairperson, Prof. Martha Qorro ended her tenure on 31 January 2023.

The Governing Council's functions among other things is to safeguard Institute's interests and foster sustainable value creation while taking into account the reasonable interests of the Government, Employees, students, customers and other relevant stakeholders. The Government Council is responsible for execution and supervision of the overall business of the Institute. The following responsibilities are reserved for the Governing Council:

- i. Corporate Governance;
- ii. Executive Management;
- iii. Compliance and Risk Management;
- iv. Strategic Planning and Policy;
- v. Oversight of financial, operation and capital management;
- vi. Auditing;
- vii. Succession Planning; and
- viii. Reporting.

During the period ended 30 June 2023, the Governing Council held a total of four meetings. In these meetings, matters that were deliberated were:

- (i) Approve Markets and Public Communication Policy;
- (ii) Approve Charters for Governing Council, Academic Committee, Audit Committee, Finance, and Planning and Staff Development Committee;
- (iii) Approve Employment Policies and Policies to attract Employees;
- (iv) Approve the draft of Code of Conduct;
- (v) Approve IRDP Research and Consultancy Policy and Performance Appraisal Policy and Guidance and
- (vi) Receive update on development projects.

Table 2: Attendance of the Governing Council meeting

S/N	Name	19.08.2022	25.11.2022	24.02.2023	26.05.2023	No. of Meetings Attended	% Meetings Attended
1.	Prof. Donald Gregory Mpanduji	P	p	P	P	4 out of 4	100
1.	Prof. Benedicto Bhisikana Kazuzuru	P	P	p	P	4 out of 4	100
3.	Adv. George Nathanel Mandepo	A	A	A	A	0 out of 4	0
4.	Eliud Tawi Nyauhenga	P	A	A	P	2 out of 4	50
5.	Adv. Grace Mfinanga	P	P	p	P	4 out of 4	100
6.	Dr. Steward Ngagard Lulamye	P	P	p	P	4 out of 4	100
7.	CPA Dr. Samwel Marwa Werema	P	A	p	P	3 out of 4	75
8.	Michael Ogwari John	A	P	p	P	3 out of 4	75
9.	CPA. Semroki Mwanyika Musa	A	P	p	A	2 out of 4	50
10.	Mrs. Mayasa M. Mwinyi	P	P	p	P	4 out of 4	100
11.	Prof. Hozen Kahesi Mayaya	P	P	p	P	4 out of 4	100

Source: Governing Council Meeting Minute

Key: P = Present A = Absent with Apology; N/A = Not Applicable

Note: Chairperson, Prof. Martha Qorro ended her tenure on 31 January 2023.

1.6.1 Committees of the Governing Council

There were three Committees of the Governing Council. The composition and responsibilities of each committee were as hereunder:

The Audit Committee

The Governing Council has instituted audit committee established under the requirements of the Public Finance Regulation of 2001 (revised 2004). It has five members and a secretary is an employee of the Institute as indicated in Table 3 below:

Table 3: The Audit Committee

No.	Name	Age	Position	Qualification	Nationality
1	CPA. Dr. Samwel Marwa Werema	58	Chairperson	CPA(T), PhD in Finance	Tanzanian
2	Adv. George Nathanel Mandepo	48	Member	Master Degree in Construction Law (LLM.)	Tanzanian
3	Dr. Steward Ngagard Lulamye	54	Member	PhD (Development Studies)	Tanzanian
4	CPA. Semroki Mwanyika Musa	53	Member	CPA(T), Postgraduate Diploma in Accounting	Tanzanian
5	Adv. Aisha Amimu Mjegere	41	Secretary	Masters of Arts in Revenue Law and Administration	Tanzanian
6	Mrs. Mayasa M. Mwinyi	61	Member	Master in Statistics, University of Dar Es Salaam	Tanzanian

The audit Committee's functions among other things include:

- (i) Review all internal and external audit reports;
- (ii) Approval of the annual internal audit plan and programs;
- (iii) Advice Accounting officer on all matters raised on the reports;
- (iv) Review reliability, Relevance of Financial Statement of the institute and prepare its annual reports;
- (v) To review and assess the adequacy of and compliance with the Institute's policies and procedures for identifying, assessing and managing risks;
- (vi) Compliance with Laws and Regulations and
- (vii) Review Internal Audit Activities.

During the period under review, the Committee held four ordinary meetings and three special meetings, in these meetings; the committee performed the following issues:

- i. Review IRDP Audit Committee Charter and Internal Audit Charter for the period 2022/23;
- ii. Review IRDP Code of Ethics for Internal Auditors;
- iii. Introduced the utilization of forms for declaration of Conflict of Interest for Audit Committee member's objective being to avoid conflicts of interest among members;
- iv. Reviewed Risk Management Framework Policy 2021/22-2025/26;
- v. Approved Internal Audit Plan 2022/23;
- vi. Received update on development projects;
- vii. Received, discussed and approved CAG audit work plan; and
- viii. Implementation of CAG recommendations and PAC directives.

During the period under review, the Audit Committee convened four ordinary meetings and three special meetings attended as shown in Table 4 and table 5

Table 4: Attendance of the ordinary meeting

S/N	Name	16.08.2022	21.11.2022	21.02.2023	23.05.2023	No. of Meetings Attended	% Meetings Attended
1.	CPA. Dr. Samwel Marwa Werema	P	P	P	P	4 out of 4	100
2.	Adv. George Nathanel Mandepo	A	A	A	P	1 out of 4	25
3.	Dr. Steward Ngagard Lulamy	P	P	P	P	4 out of 4	100
4.	CPA. Semroki Mwanyika Musa	A	P	P	A	2 out of 4	50
5.	Mrs Mayasa M. Mwinyi	P	P	P	P	4 out of 4	100
6.	Adv. Aisha Amimu Mjegere	P	P	P	P	4 out of 4	100

Key: P = Present A = Absent with Apology; N/A = Not Applicable

Table 5: Attendance of the special meeting

S/N	Name	23.09.2022	17.10.2022	23.05.2023	No. of Meetings Attended	% Meetings Attended
1.	CPA. Dr. Samwel Marwa Werema	P	P	P	3 out of 3	100
2.	Adv. George Nathanel Mandepo	p	p	p	3 out of 3	100
3.	Dr. Steward Ngagard Lulamy	P	P	P	3 out of 3	100
4.	CPA. Semroki Mwanyika Musa	p	P	P	3 out of 3	100
5.	Mrs Mayasa M. Mwinyi	P	P	P	3 out of 3	100
6.	Adv. Aisha Amimu Mjegere	P	P	P	3 out of 3	100

Key: P = Present A = Absent with Apology; N/A = Not Applicable

The Academic Committee

The Academic committee established under the Act No. 8 of 1980. The committee has five members and the secretary is an employee of the Institute as indicated in **Table 6**:

Table 6: The Academic Committee

No.	Name	Age	Position	Qualification	Nationality
1	Prof. Donald Gregory Mpanduji	56	Chairperson	PhD in Applied Ecology	Tanzanian
2	Prof. Benedicto Bhishikana Kazuzuru	52	Member	PhD in Economics	Tanzanian
3	Adv. George Nathanel Mandepo	48	Member	Master Degree in Construction Law (LLM.)	Tanzanian
4	Dr. Steward Ngagard Lulamy	54	Member	PhD in Development Studies	Tanzanian
5	CPA. Dr. Samwel Marwa Werema	58	Member	CPA(T), PhD in Finance	Tanzanian
6	Prof. Provident Jonas Dimoso	47	Secretary	PhD in Development Policy	Tanzanian

The Committee's functions among other things are to provide oversight to the Governing Council. The Committee is directly responsible and accountable to the Governing Council for the exercise of its duties and responsibilities. Duties and responsibilities of the Committee are described in the following;

Academic Development;

- (i) Research, Publication and Consultancy and
- (ii) Receive and recommend to the Council policies and strategic plans proposed by Institute's Management on attracting and retaining outstanding faculty.

During the period under review, the committee held four ordinary meetings, in these meetings; matters before Academic committee were:

- (i) Received and discussed research and consultancy which concerned with enrolments, long and short courses, field, examinations and library services;
- (ii) Review, discussed and suggested IRDP Research and Consultancy Policy and Performance Appraisal Policy and Guidance;
- (iii) Prepare and submit to the Governing council, committee strategic plan for the period 2022/23;
- (iv) Review and suggested different strategic e.g., reach out to stakeholders for consulting job opportunities and
- (v) Received and discussed issues related to promotion and evaluation of Academic Staff.

During the period under review, the Academic Committee convened four meetings and attended as shown in **Table 7**:

Table 7: Attendance of the meeting

S/N	Name	17.0 8.20 22	22.11 .2022	22.02. 2023	24.05. 2023	No. of Meetings Attended	% Meetings Attended
1.	Prof. Donald Gregory Mpanduji	P	P	P	P	4 out of 4	100
2.	Prof. Benedicto Bhishikana Kazuzuru	P	P	P	P	4 out of 4	100
3.	Adv. George Nathanel Mandepo	A	A	A	P	1 out of 4	25
4.	Dr. Steward Ngagard Lulamy	P	P	P	P	4 out of 4	100
5.	CPA. Dr. Samwel Marwa Werema	P	P	P	P	4 out of 4	100
6.	Dr. Provident Jonas Dimoso	P	P	P	P	4 out of 4	100

Key: P = Present A = Absent with Apology; N/A = Not Applicable

1.6.2 Finance, Planning and Staff Development Committee

The Finance, Planning and Staff Development Committee established under the Act No. 8 of 1980. The committee has seven members and the secretary is an employee of the Institute as indicated in Table 8:

Table 8: Finance, Planning and Staff Development Committee

No.	Name	Age	Position	Qualification	Nationality
1.	Michael Ogwari John	53	Chairperson	MBA (Human Resource Management)	Tanzanian
2.	Adv. Grace Mfinanga	64	Member	Master Degree in Law (LLM)	Tanzanian
3.	Eliud Tawi Nyauhenga	60	Member	Master Degree of Arts in Economics	Tanzanian
4.	CPA. Semroki Mwanyika Musa	53	Member	CPA(T), Postgraduate Diploma in Accounting	Tanzanian
5.	Mrs. Mayasa M. Mwinyi	61	Member	Master in Statistics, University of Dar Es Salaam	Tanzanian
6.	CPA. Dr. Vedastus Lyaya Timothy	49	Secretary	CPA(T), PhD. in Business Administration	Tanzanian

The Committee's functions among other things include:

- i. Review the Institute Annual Financial Statements and consider whether they are complete and consistence with corporate information and reflect appropriate accounting principles;
- ii. Discuss in details the Institute's annual plan and budget proposals and guide the Management on key issues of the budget;
- iii. Discuss the Institute's Strategic Plan as formulated from time to time and oversee its implementation, revision and evaluation; and
- iv. Review the Institute's staff and Financial Regulations and Policies as and when required.

During the period under review, the committee held four ordinary meetings, and one special meetings in these meetings, matters deliberated were ;

- i. Approved communication and marketing policy;
- ii. Review of budget with its recommendations as well as new budget for period 2022/23;
- iii. Reviewed and suggested on IRDP financial report;
- iv. Manage the discipline of employees;
- v. Review and suggested IRDP structure and requirement of employees;
- vi. Review and suggest on employment policies and policies to attract employees;
- vii. Review the Strategic Planning of period 2021/22 to 2025/26;
- viii. Review Annual Procurement Plan and
- ix. Recommendations on reviewed Institute Act as well as Student by Laws.

During the period under review, the Committee convened four ordinary meetings and attended as shown in Table 9:

Table 9: Attendance of Finance, Planning and Staff Development Committee

S/N	Name	17.08.2022	22.11.2022	22.02.2023	24.05.2023	No of Meetings Attended	% Meetings Attended
1.	Michael Ogwari John	P	A	P	A	2 out of 4	50
2.	Adv. Grace Mfinanga	P	P	P	P	4 out of 4	100
3.	Eliud Tawi Nyauhenga	P	P	P	P	4 out of 4	100
4.	CPA. Semroki Mwanyika Musa	P	A	P	A	2 out of 4	50
5.	CPA. Dr. Vedastus Lyaya Timothy	P	P	P	P	4 out of 4	100
6	Mrs. Mayasa M. Mwinyi	P	P	P	P	4 out of 4	100

Key: P = Present

A = Absent with Apology;

N/A = Not Applicable

2.6.2 Governance Statement

The Governing Council of the Institute consists of 12 members. Apart from Rector no any other member who holds an executive position at the Institute. The Council takes overall responsibility for the Institute, including responsibility for identifying key risk areas, considering and monitoring academic matters, considering significant financial matters, and reviewing the performance of management. The Council is also responsible for ensuring that a comprehensive system of internal control, policies and procedures is operative, and for compliance with sound corporate governance principles.

The Council is scheduled to meet quarterly. The Council delegates the day-to-day management of the business to the Rector assisted by Deputy Rectors and management team. Management team is invited to attend Council meetings and facilitates the effective control of all the Institute's operational activities, acting as a medium of communication and coordination between departments and units. The Institute is committed to the principles of effective corporate governance. The Governing Council members also recognize the importance of integrity, transparency and accountability. During the year the Council had sub-committees to ensure a high standard of Corporate Governance throughout the Institute. These are Audit, Academic, Planning Finance and Staff Development. The Governing Council of the Institute of Rural Development Planning declare that during the year under review the principal of good Governance has been observed.

2.7 The Management Team

The Management of IRDP comprises of the Rector assisted by two Deputy Rectors and heads of departments and units. Members of management are listed in **Table 10** below:

Table 10: The Management team of IRDP for the year 2022/23

No.	Name	Position
1	Prof. Hozen K. Mayaya	Rector
2	Prof. Provident J. Dimoso	Deputy Rector - Academic, Research and Consultancy
3	CPA. Dr. Vedastus L. Timothy	Deputy Rector - Planning, Finance and Administration.
4	Prof. Juvenal Nkonoki	Director - Lake Zone Centre
5	Dr. Daniel F. Mpeta	Head of Academic Matters Lake Zone Centre
6	Dr. Caroline Ngereza	Head of Planning, Finance and Administration Lake Zone Centre
7	Dr. Judith Namabira	Head, Department of Development Finance and Management Studies
8	Dr. Hosea Mpogole	Director of Department of Research and Consultancy
9	Dr. Godrich I. Mnyone	Head, Department of Environmental Planning
10	CPA. Faraja D. Maulaga	Director of Finance and Accounts

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

No.	Name	Position
11	Mr. Richard Mkilania	Ag. Head, Estate Department
12	Dr. Yohana J. Mgale	Director of Academic Support Services
13	Dr. Maseke Mgabo	Head, Department of Population Studies
14	Dr. Berling M. Sospeter	Head of IRDP Furaha Center
15	Dr. Juliana J. Manyerere	Manager of Library
16	Dr. Africanus Sarwatt	Ag. Head, Department of Rural Development and Regional Planning
17	Mr. Festus M. Mbwilo	Director Administration and Human Resources - Secretary
18	Mr. Gabriel A. Kimaryo	Head, Procurement Management Unit
19	CPA. Tuntufye P. Mwakipesile	Head. Internal Audit Unit
20	Ms. Jane Mchakama	Ag. Director of students Support Service
21	Mr. Stephen Lugaimukamu	Ag. Head of ICT Unit
22	Mr. Benjamin I. Magori	RAAWU Chairperson
23	Adv. Aisha Mjegere	Head, Legal Unit
24	Mr. Said Panga	Director of Planning and Development Department
25	Mr. Godrick H. Ngolly	Head, Marketing and Public Relations Unit
26	Dr. Epiphania Kapilima	Ag. Head of Dispensary Unit
27	Mr. Daniel Mchomvu	Chairperson THTU at IRDP Branch
28	Dr. Christina Mandara	Head of Quality Assurance Unity
29	Prof. Canute B. Hyandye	Director of Academics

The management team is led by the Rector who takes overall responsibility for the institute, including responsibility for identifying key risk areas, considering significant financial matters, reviewing the performance of management business plans and budgets. Furthermore, the Management has the role to ensure a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Management accepts final responsibility for the risk management and internal control systems of the Institute. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- i. The effectiveness and efficiency of operations;
- ii. The safeguarding of the institute's assets;
- iii. Compliance with applicable laws and regulations;
- iv. The reliability of accounting records;
- v. Business sustainability under normal as well as adverse conditions; and
- vi. Responsible behavior towards all stakeholders.

2.8 Future Development Plan.

The Institute through its five years strategic plan 2021/22 - 2025/26 plans to construct various teaching, learning, Administration and investment infrastructure to facilitate provision of Institute core functions. The planned buildings to be constructed at Dodoma Miyuji are:-

- i) Academic Block which comprises one Lecture Theatre and two classrooms;
- i) Female hostel phase two;
- ii) Academic Block comprising one Lecture Theatre, two classrooms and offices;
- iii) Female hostel phase three;
- iv) Fence and gate; and
- v) Canteen.

In Mwanza Lake Zone Centre building to be constructed are

- i) One academic block comprising one Lecture Theatre, two classrooms and staff offices;
- ii) Female student hostel; and
- iii) Constructing Library building

2.9 Risk Management and Internal Controls

The Council accepts final responsibility for risk management and internal control systems of the Institute.

2.9.1 Risk Management

The Council uses Risk Management Framework and Risk Register to guide risk management of the Institute. The evaluation of Institute operation indicates that the Institute may face three types of risks which are categorized into the following categories: -

a) Strategic Risks

The Institute is managing its strategic risks in order to achieve its set objectives. The following risks from the register are closely managed by the institute; Possibility of change in market demand, students cheating in examinations and plagiarism in research and projects, low enrolment of students and skills in research and consultancy

b) Compliance risks

The Institute complies with Laws of URT and guidelines from Regulatory Authorities such as PPRA, NACTEVET and TCU.

c) Financial Risks

The Institute categorizes financial risks into three groups which are:

- (i) Credit risk;

- (ii) Currency risk; and
- (iii) Liquidity risks

2.9.2 Internal Controls

It is the task of the Management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance on:

- a) Effectiveness and efficiency of operations;
- b) Safeguarding of the Institute's assets;
- c) Compliance with applicable laws and regulations;
- d) Reliability of accounting records;
- e) Business sustainability under normal as well as under adverse conditions; and
- f) Responsible behaviours to all stakeholders.

Efficiency of any internal control system is dependent on the strict observance of prescribed rules and regulations. There is always a risk of non-compliance of such rules and regulations by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the internal control system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively. The Council assessed the internal control systems throughout the financial year ended 30 June 2023 and is of the opinion that they met accepted standards. The Council conducts risk and internal control assessment through the Audit Committee.

Key elements of the system of internal control are as follows:

a) Delegation

The overall objectives of the Institute are approved by the Governing Council which delegates the day-to-day operations to Management for execution. There was a clear organization structure, detailing lines of the Institute.

b) Budgets

Detailed annual budget emanated from the Institute's Strategic Plan was prepared by the Management for review and approved by the Board of Governors and Parliament of United Republic of Tanzania in June 2020.

c) Competence

Staff skills were maintained both by a formal recruitment process and a performance appraisal system. Training needs of IRDP were identified and necessary training to staffs facilitated both in house and external which helps to strengthened staff skills and competences.

d) Internal Audit

An Internal Audit Unit was in place and performed its functions as per requirement. The Unit assessed risk and reviews controls. The Unit ensured that recommendations to improve controls are followed up by the Management. The Head of Internal Audit reports functionally to the Audit Committee and administratively to the Rector.

2.10 Staff Welfare

a) Staff relationship

Good relationship between employees and Management of the IRDP was observed through feedback mechanism regarding staff complains. During the period under review there was no crisis reported.

b) Staff medical benefits

The Institute does not have any separate medical scheme. The Institute's employees subscribe to the National Health Insurance Fund which is taking care of medical consultation and treatment for all employees and their immediate dependants as per the Government regulations.

c) Persons with disabilities

It is the Institute's policy to give equal opportunities to persons with disabilities for vacancies they are able to fill. Employment at the Institute is therefore non-discriminatory. The Institute is an equal opportunity employer.

d) Gender Equality

The Institute is an equal opportunity employer, as it has no discriminatory policies or practices. As at 30 June 2023, the Institute had the following distribution of employees by gender:

Table 11: Gender Equality

Gender	2022/23	2021/22
Male	274	239
Female	130	123
Total	404	362

2.11 Donations

During the year charitable donations amounting to TZS 1,000,000 were donated. There were no political donations made.

2.12 Vested Interest

The Council Members and Employees do not have any vested interest in the activities of the Institute.

2.13 Government Grant

During the year TZS 11,345,855,758 was received from the Government of United Republic of Tanzania for payment of Personal Emoluments and TZS 5,323,871,417 for development support.

2.14 Corporate Social Responsibility

The Institute engages itself in various social responsibility activities. During the year, the Institute was involved in the following activities:

- a) To assist youth employment through the Community Based Monitoring System (CBMS) Project;
- b) To support primary schools and other charitable organisations by giving out donations;
- c) To conduct research activities focusing on various problems facing communities and looking for appropriate ways of solving them; and
- d) To educate people about adaptation to climate change and variability.

2.15 Review of Institute's Financial Performance

The Institute's financial performance for the period ended 30 June 2023 in overall basis was below last period ending 30 June 2022 due to increase of operational costs. But the students' fee income went up by 4.52% from TZS 15,091,000,000.00 to TZS 15,805,305,000.00 following an increase in enrolment of students in the period. The Institute managed effectively its working capital during the period and was able to meet almost all new maturing obligations as they fall due.

The reported operating surplus for the period ended 30 June 2023 is TZS 5,229,392,783 compared to the last period surplus of TZS 5,461,882,715 .00. The management is keen to continue improving the Institute's financial performance by ensuring it operates at a surplus and always in an adequate positive cash position to meet its maturing financial obligations. The amount of Accounts Payable as at 30 June 2023 was TZS 4,824,224,860 and the current assets which stood at TZS 10,622,060,425.00 which were sufficient to liquidate the obligations when fall due.

2.16 Events after Reporting Period

At the time of approving these financial statements no event came to the attention of the Governing Council and management which could have material impact on the disclosures contained in these Financial Statements.

2.17 Environment

The Institute has been taking measures to strengthen preparedness for protection of the environment and continues to observe environmental requirements in all projects undertaken.

2.18 HIV/AIDS and COVID 19

It is the policy of the Institute to equip all employees and students with the necessary skills in the fight against HIV/AIDS and COVID 19 by organising seminars on preventive measures and encouraging those suffering to seek medical advice and treatment.

2.19 Anti-Corruption Policy

The Institute implement anti-bribery and anti-corruption National policy compliancy requirement by providing training and guidelines for all Council Members, Employees and Students.

2.20 Key strength and Resources

This paragraph presents summary of IRDP strength and resources as follows: -

- Availability of Physical Infrastructure;
- Availability and Implementation of Competence-based curricular;
- Presence of qualified Academic and administrative staff;
- IRDP focus on Rural development Planning;
- Availability of Potential area of expansion; and
- Good track record in the financial management and satisfactory internal financial control systems and procedures.

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

Table 12: The Institute's KPIs and Achievement for the financial year 2022/23

STRATEGIC OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL PLANNED TARGET	ACHIEVEMENT
Services Improved and HIV/AIDS Infections Reduced	Ensure availability of essential health services to meet clients' expectations	Percentage of identified HIV/AIDS patients through voluntary counselling and testing provided with care and treatment	Care and treatment provided to 4 employees by June 2023	There were only 2 staff living with HIV/AIDS who have declared Their status to the IRDP Management and all of them were provided with care and treatment services.
National Anti-corruption strategy Enhanced, sustained and effectively implemented	Operationalize students' anti-corruption clubs	i) Number of students' anti-corruption clubs established ii) Number of students sensitized on strategies combat corruption	Formulate 2 students' anti-corruption clubs and train 400 students on strategies to combat corruption by June 2023.	i) Two students' anti-corruption clubs are established one at Dodoma and the other one at Mwanza. ii) A total Of 781 students were sensitized on ways to combat petty and grand corruption
Good governance and administrative services enhanced	Strengthen compliance with the requirements of relevant authorities responsible for public procurement and human resource matters	Compliance with financial standards for decision making Compliance with public procurement procedures for effective management and decision making	Institute Final account books, financial statement and auditing for financial year 2022/23 conducted by June 2023 Institute annual procurement plan prepared and implemented by June 2023	Institute Final account books, financial statement and auditing for financial year 2022/23 conducted by June 2023. Institute procurement plan for financial year 2022/23 prepared and implemented.
Resource Mobilization and Financial Systems Enhanced	Strengthen internal financial control systems and Diversify sources of revenue.	Amount of revenue	Increased number of qualified and motivated staff from 60 to 100 to meet Institute demand by June 2023. Revenue increased from TZS 33,609,385,231 to TZS 38,395,571,461 by June 2023	59 staff were financially supported to undertake long courses and 564 staff facilitated to attend short courses in and outside the country Up to June 2023, the Institute managed to collect from its own sources at of TZS 21,725,844,286 (122.19) of the planned targets.

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

STRATEGIC OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL PLANNED TARGET	ACHIEVEMENT
Information Technology, Teaching and Learning Infrastructure Improved	Strengthen collaboration with potential internal and external organizations	Number of buildings for teaching and learning constructed	6 building for teaching, learning, administration and catering services constructed by June 2023.	<ul style="list-style-type: none"> Construction of lecture theatre phase II at Miyuji area. Construction is completed. Construction of student hostel at Kitumba Magu Mwanza. Construction is completed. Construction of library building at Kitumba Magu Mwanza. Construction is on progress. Completion rate is at 31%. Construction of hostel building phase III at Miyuji area. Construction is on progress. Completion rate is at 60% Construction of fence at Miyuji area. Construction is on progress. Completion rate is at 35%
Student welfare and support services improved	Strengthen student welfare and support services programmes.	Presence of improved Student welfare and support services	Student welfare and support services improved by June 2023	Construction of Canteen at Miyuji area. Construction is on progress. Completion rate is at 45%
Training and library services improved	Strengthen compliance with NACTE and TCU enrolment procedures and requirements	Number of students enrolled	Students' enrolment in long term programmes increased from 15,011 to 16,663 by June 2023	Student welfare and support services including health, sports and support MISO government provided. A total of 14,422 students (86%) were enrolment against planned target of 16,663 students for financial year 2022/23
Innovation, research and consultancy services improved	Strengthen capacity to conduct research to support evidence-based policy and planning	Number of researches	Number of researches increased from 11 to 18 by June 2023	16 IRDP internal funded research projects approved. Also, 25 other research papers published by IRDP staff in local and international journals. Four consultancy

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

STRATEGIC OBJECTIVES	STRATEGIES	KEY PERFORMANCE INDICATORS	ANNUAL PLANNED TARGET	ACHIEVEMENT
Coordination of national and international collaboration strengthened	Enhance collaboration with state and none state actors within and outside the country	Number of MoUs between IRDP and national, and international partners	Collaboration with state and none state actors within and outside the country maintained	projects and two donor funded projects conducted. Collaboration with other higher learning institutions, international development organizations including among others; Mzumbe, UDOM, LGTI, TENGERU AND UNDP

2.21 Accounting Policies

The accounting policies used in preparing the financial statements have been disclosed in Note 2 to the financial statements. These policies are all considered to be critical to an understanding of the performance and financial position of the Institute and are subject to annual review to ensure continuing compliance with International Public Sector Accounting Standards (IPSAS).

2.22 Auditors

The Controller and Auditor General is the Statutory Auditor of the Institute of Rural Development Planning (IRDP) by virtue section 9 of the Public Audit Act (No 11) Cap 418. Public Audit Act No. 11, Cap 418. However, in accordance with section 33(1) of the Public Audit Act No 11 Cap 418, M/s Reliable Consultants was authorized to audit the Institute of Rural Development Planning for the financial year ended on 30 June 2023.

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2023

The Council is required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Institute as at the end of the financial year and of its surplus or deficit. They are also required to ensure that the Institute's keeps proper accounting records that disclose with reasonable accuracy, the financial position of the Institute. They are also responsible for safeguarding the assets of the Institute. These financial statements have been prepared by the management of the Institute of Rural Development Planning in accordance with the provisions of Section 30(4) of Public Finance Act Cap 348 (RE 2020).

The Council accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standard (IPSAS). The Council Members are of the opinion that the Financial Statements fairly present the state of the financial affairs of the Institute and of its surplus in accordance with International Public Sector Accounting Standards.

The Council further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.

The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Institute and all employees are required to maintain the highest ethical standards in ensuring the Institute business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Institute is on identifying, assessing, managing and monitoring all known risks across the Institute. While operating risk cannot be fully eliminated, the Institute endeavours to minimize it by ensuring the appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Council Members are of the opinion, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

Nothing has come to the attention of the Governing Council to indicate that the Institute will not remain a going concern for at least 12 months from the date of this statement.

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

The financial statements of the Institute, as indicated above, were approved by the council on the _____ day of _____ (Month) 2024 and signed on its behalf by:



CPA. Dr. Samwel Marwa Werema
Vice Chairperson

Date: March, 2024



Prof. Hozen Kahesi Mayaya
Rector

Date: March, 2024

4.0 DECLARATION OF THE HEAD OF FINANCE

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

It is the duty of professional accountants to assist the Governing Council to discharge the responsibility of preparing financial statements of the Institute showing a true and fair view of the Institute financial position and its performance in accordance with applicable International Public Sector Accounting Standards (IPSAs) and statutory financial reporting requirements. However, responsibility rests with the Governing Council members as stated under the Governing Council Responsibility Statement on early page.

I, CPA. **Faraja D. Maulaga**, being the Head of Finance and Accounting of the Institute of Rural Development Planning hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30 June 2023 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 Institute of Rural Development Planning as on that date and they have been prepared based on properly maintained financial records.

Signed by:  _____

Position: Director of Finance and Accounts

NBAA Membership: No. ACPA 3981

5.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/23 TZS	2021/22 TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	4	6,862,305,891	4,583,657,038
Receivables	5	3,007,518,287	2,547,622,623
Inventories	7	59,775,221	99,729,268
Prepayments	6	692,461,026	1,295,747,524
Total Current Asset		10,622,060,425	8,526,756,451
Non- Current Asset			
Property, Plant and Equipment	12	45,735,085,691	37,737,021,013
Work in Progress	13	4,210,778,882	3,147,493,617
Intangible Assets	8	0	12,565,000
Total Non- Current Asset		49,945,864,573	40,897,079,630
TOTAL ASSETS		60,567,924,998	49,423,836,081
LIABILITIES			
Current Liabilities			
Payables and Accruals	9	4,824,224,860	1,569,849,194
Deferred Income	10	852,066,831	7,424,805
Deposits	11	2,530,566,263	714,887,825
Total Current Liabilities		8,206,857,954	2,292,166,629
TOTAL LIABILITIES		8,206,857,954	2,292,166,629
Net Assets		52,361,067,044	47,131,674,257
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers Fund		20,124,569,000	20,124,569,000
Accumulated Surpluses		32,236,498,044	27,007,105,257
TOTAL NET ASSETS/EQUITY		52,361,067,044	47,131,674,257

Notes 1 to 32 form part of these financial statements



CPA. Dr. Samwel Marwa Werema
Vice Chairperson

Date: March, 2024



Prof. Hozen Kahesi Mayaya
Rector

Date: March, 2024

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRD P)

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE
2023**

	Note	2022/23 TZS	2021/22 TZS
REVENUE			
Revenue Grants	14	5,323,871,417	3,203,520,414
Revenue from Exchange Transactions	15	20,965,466,585	19,042,564,366
Other Revenue	16	760,377,701	846,002,139
Subvention from Govt Entities	17	11,345,855,758	10,517,298,312
TOTAL REVENUE		38,395,571,461	33,609,385,231
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	18	16,136,065,193	14,300,395,013
Use of Goods and Services	19	12,912,305,431	10,583,555,799
Maintenance Expenses	20	1,215,407,430	829,081,042
Other Expenses	21	1,264,319,763	1,176,297,100
Impairment of Receivables	5	65,502,781	7,320,025
Depreciation of Property, Plant and Equipment	12	1,305,213,080	1,127,111,497
Amortization of Intangible Assets	8	12,565,000	23,742,040
Social Benefits	22	4,800,000	0
Total Expenses		32,916,178,678	28,047,502,516
Transfer			
Grants, Subsidies and other Transfer Payments	23	250,000,000	100,000,000
Total Transfer		250,000,000	100,000,000
TOTAL EXPENSES AND TRANSFERS		33,166,178,678	28,147,502,516
Surplus		5,229,392,783	5,461,882,715

Notes 1 to 32 form part of these financial statements



CPA. Dr. Samwel Marwa Werema
Vice Chairperson

Date: March, 2024



Prof. Hozen Kahesi Mayaya
Rector

Date: March, 2024

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

CASH FLOW FROM OPERATING ACTIVITIES	Notes	2022/23	2021/22
RECEIPTS		TZS	TZS
Subvention from other Government entities	28(c)	11,643,201,303	10,502,750,414
Revenue Grants	28(d)	5,868,042,900	3,203,520,415
Revenue from exchange transactions	28(e)	20,602,422,625	20,779,900,102
Other Revenue	28(f)	760,377,701	846,002,139
Increase in Deposit	28(g)	1,815,678,438	697,626,438
Total Receipts		40,689,722,967	36,029,799,508
PAYMENTS			
Wages, Salaries and Employee Benefits	28(h)	16,268,064,601	15,101,757,921
Supplies and Consumables Used	28(i)	12,485,952,186	11,428,072,030
Social Benefits	28(j)	4,800,000	0
Other Transfers	28(k)	250,000,000	100,000,000
Other Expenses	28(l)	1,264,319,763	1,176,297,100
Maintenance Expenses	28(m)	1,215,407,430	829,081,042
Total Payments		31,488,543,980	28,635,208,093
NET CASH FLOW FROM OPERATING ACTIVITIES		9,201,178,987	7,394,591,415
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Payment for Work in Progress	23	4,431,188,468	2,870,354,276
Advance payment Acquisition of Property, Plant and Equipment	18	605,886,026	1,189,500,758
Acquisition of Property, Plant and Equipment	22	1,885,455,640	3,687,511,486
Total Investing Activities		6,922,530,134	7,747,366,520
NET CASH FLOW FROM INVESTING ACTIVITIES		6,922,530,134	7,747,366,520
CASH FLOW FROM FINANCING ACTIVITIES			
Financing Activities			
Grants refunded/ transferred		0	0
Total Financing Activities		0	0
NET CASH FLOW FROM FINANCING ACTIVITIES		0	0
Net Increase		2,278,648,853	-352,775,106
Cash and cash equivalent at beginning of period		4,583,657,038	4,936,432,144
Cash and cash equivalent at end of period		6,862,305,891	4,583,657,038

Notes 1 to 32 form part of these financial statements



CPA. Dr. Samwel Marwa Werema
Vice Chairperson

Date: March, 2024



Prof. Hozen Kahesi Mayaya
Rector

Date: March, 2024

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

STATEMENT OF CHANGE IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

Description	Tax payers' Fund	Accumulated	Total
	TZS	Surplus/(Deficit) TZS	TZS
Opening Balance as at 01 July 2021	20,124,569,000	21,545,322,545	41,669,891,545
Surplus/(Deficit) for the year	-	5,461,782,715	5,461,782,715
Closing Balance as at 30 June 2022	20,124,569,000	27,007,105,260	47,131,674,260
Opening Balance as at 01 July 2022	20,124,569,000	27,007,105,260	47,131,674,260
Surplus/(Deficit) for the year	-	5,238,122,783	5,238,122,783
Closing Balance as at 30 June 2023	20,124,569,000	32,245,228,044	52,369,797,043

Notes 1 to 32 form part of these financial statements



CPA. Dr. Samwel Marwa Werema
Vice Chairperson

Date: March, 2024



Prof. Hozen Kahesi Mayaya
Rector

Date: March, 2024

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

	Original Budget (A) TZS	Adjustment (B-A) TZS	Final Budget (B) TZS	Actual Amount on Accrual (C) TZS	Difference (C-B) TZS
RECEIPTS					
Government Grant Development Local	5,000,000,000	3,464,524,277	8,464,524,277	7,683,701,337	-
Government Grant PE	9,563,992,000	1,778,740,000	11,342,732,000	11,643,201,303	780,822,940
Other Revenue	706,527,450	0	706,527,450	760,377,701	300,469,303
Revenue from Exchange Transactions	20,859,695,800	3,404,310,682	24,264,006,482	20,602,422,625	53,850,251
Total Receipts	36,130,215,250	8,647,574,959	44,777,790,209	40,689,702,966	3,661,583,857
PAYMENTS					
Wages, Salaries and Employee Benefits	13,161,992,000	3,163,886,743	16,325,878,743	16,272,864,601	-53,014,142
Grants, Subsidies and other Transfer Payments	250,000,000	0	250,000,000	250,000,000	0
Maintenance Expenses	1,532,500,000	148,053,709	1,680,553,709	1,215,407,430	-465,146,279
Other Expenses	1,360,000,000	425,000,000	1,785,000,000	1,255,589,763	-529,410,237
Supplies and Consumables Used	14,425,723,250	1,037,108,099	15,462,831,349	12,494,662,185	-2,968,169,164
Acquisition of Property, Plant and Equipment	5,400,000,000	3,873,526,409	9,273,526,409	6,922,530,133	-2,350,996,275
Total Payment	36,130,215,250	8,647,574,960	44,777,790,210	38,411,054,112	-6,366,736,097
NET RECEIPTS/(PAYMENTS)	0	0	0	2,278,648,853	2,278,648,853
Cash and cash equivalents at the beginning of the year				4,583,657,038	
Cash and cash equivalents at end of year				6,862,305,891	

Refer explanations on material variance on Note 29

Notes 1 to 32 form part of these financial statements



CPA. Dr. Samwel Marwa Werema
Vice Chairperson

Date: March, 2024



Prof. Hozen Kaheisi Mayaya
Rector

Date: March, 2024

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The IRDP - Dodoma is a body corporate established by Parliament through Act No. 8 of 1980. Originally, activities of the Institute were carried on in Morogoro at the then Faculty of Agriculture of the University of Dar es salaam. In 1981, activities of the Institute were moved to Dodoma and its functions were temporarily carried on at Area "C" by renting the premises of Kiwanja cha Ndege Primary School. However, in July 1997, the Institute's activities were transferred to the former Demonstration Centre's premises of the defunct Household Grain Storage Development Project at Mbwanga area in Dodoma.

The Institute is charged with the functions of promoting social and economic development by providing opportunities for the study and training in the principles, techniques and their practical application in all aspects and disciplines relating to rural development planning including preparation, application and evaluation of development programmes in collaboration with other national and international institutions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIE

The principal accounting policies adopted in the preparation of these financial statements are set out below.

2.1. Basis of Preparation

The financial statements of the Institute have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). The financial statements have been prepared under the historical cost basis except where otherwise stated in the accounting policies below. These financial statements have been prepared on the basis of going concern assumption. The validity of this assumption will largely depend on the ability of the institute to meet its maturing obligations as they fall due in the foreseeable future.

The preparation of financial statements in conformity with IPSAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

2.2. Reporting Period

The reporting period for these financial statements is the financial year of the Government which runs from 1 July 2020 to 30 June 2021.

2.3. Future Changes in Accounting Policies

Standards issued but not yet effective up to the date of issuance of the entity's financial statements are listed below. These listings of standards issued are those which the Government is reasonably expecting to have an impact on disclosures, financial position or performance when applied at a future date. The Government intends to adopt these standards when they become effective.

- i. **IPSAS 41 - Financial Instruments:** This standard establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement. This Standard was supposed to be effective for annual financial statements covering periods beginning on or after January 1, 2022, however due to COVID-19 pandemic; its effectiveness has been deferred to 1 Jan 2023. The entity is currently assessing the impact of the standard;

- ii. **IPSAS 42 - Social Benefits:** This standard provides guidance on accounting for social benefits expenditure. It defines social benefits as cash transfers paid to specific individuals and/or households to mitigate the effect of social risk. Specific examples include state retirement benefits, disability benefits, income support and Unemployment benefits. The new standard requires an entity to recognize an expense and a liability for the next social benefit payment. This Standard was supposed to be effective for annual financial statements covering periods beginning on or after January 1, 2022, however due to COVID-19 pandemic; its effectiveness has been deferred to 1 Jan 2023. The entity is currently assessing the impact of the standard.

2.4. Revenue recognition

Revenue is defined as the gross inflow of economic benefits or service potential received and receivable by the Institute during the reporting period which represents an increase in net assets other than relating to contribution from owners.

2.5. Non- Exchange Revenue

Non-Exchange revenue represents government assistance or transfer of resources to the Institute in return for the past or future compliance with certain conditions relating to the operating activities of the Institute. When the conditions attaching to non-exchange revenue have been complied with they are recognised in the statement of financial performance as normal income.

2.6. Property plant and Equipment

Property plant and equipment is stated at their costs amounts less accumulated depreciation. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. All other repairs and

maintenance are charged to the statement of changes in net assets available for benefits during the financial period in which they are incurred. Depreciation is calculated on the straight-line basis to write down the cost of each asset, or the revalued amounts, to their residual values over their expected useful lives as follows:

Asset Description	Estimated Useful Life (years)	Rate per Annum (%)
Buildings		
Residential Buildings	50	2
Office Buildings	50	2
School Building	75	1.33
Dwelling Buildings	50	2
Library books	8	12.5
Furniture, Fittings and Equipment	5	20
Computer Hard Ware	5	20
Plant and Machinery	15	6.67
Motor Vehicles and Cycles	5	20
Intangible assets	3	33.3

The carrying values of cash generating property, plant and equipment are reviewed when events or changes in circumstances indicate that the carrying value may not be recoverable and its life span and economic benefits condition. Assets are subject to annual reviews to determine its remaining economic life. Consideration is given to the appropriateness of the assets value, its asset life and any other factor affecting its usefulness.

The review of remaining useful life considered the condition of the assets which included: Very Good; Good; Fair, Poor and Very Poor which implies that, Asset with good condition is expected to stay longer contrary to the asset with poor condition. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of financial performance in the year the asset is derecognized. The residual values, useful lives and methods of depreciating property, plant and equipment are reviewed, and adjusted if appropriate, at each financial year end. When each major inspection is performed, its cost is recognized in the carrying amount of property, plant and equipment as a replacement if the recognition criteria are satisfied.

Assets that have an indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Assets which were acquired with marginal

amount or its carrying amount cannot be ascertained will be valued to establish deemed cost as per requirement of IPSAS 33 para 65.

2.7. Impairment of non-financial assets

IRDP assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, IRDP makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets or cash generating unit or fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses of continuing operations are recognized in the statement of financial performance in those expense categories consistent with the function of the impaired asset. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of financial performance. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.8. Intangible Asset

Intangible assets (consisting of computer software's) acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets are not capitalized and expenditure is charged against surplus/deficit in the year in which the expenditure is incurred.

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

indication that the intangible asset may be impaired. The expected useful life of intangible assets is approximately three years and subject to review as per IRDP asset management policy.

The amortisation period and the amortisation method for an intangible asset are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets is recognized in the statement of financial performance. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in surplus/deficit when the asset is derecognized.

2.9. Inventories

Inventories related to consumables are valued at the lower of cost of the replacement cost while those related to sales are valued at lower of cost and net realizable value. Cost is determined on a weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the open market less applicable selling expenses. Inventory related to supplies and consumable are valued at replacement cost while those related to sales are valued at realizable value.

2.10. Loans, debtors and receivables

Loans, debtors and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Receivables are amounts due from customers for services performed or amounts due from employees for car loans and advances issued to them. Trade receivables are recognized and carried at fair value. A provision for impairment of receivables is established when there is objective evidence that the Institute's will not be able to collect all amounts due according to the original terms of receivables. Evidence of impairment may include indications that the debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments

The probability that they will enter bankruptcy or other financial reorganization and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The

amount of the provision is recognized in the financial performance. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

Gains and losses are recognized in surplus/deficit when the loans, debtors and receivables are derecognized or impaired, as well as through the amortisation process. Bad debts are written off after all steps to recover them have failed and after authorization and approval from the Governing Council.

2.11. Impairment of financial assets

IRDP assesses at each reporting date whether a financial asset or group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognized in surplus/deficit. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in surplus/deficit.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that IRDP will not be able to collect all of the amounts due under the original terms of the invoice.

Assets carried at amortised cost

The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognized when they are assessed as uncollectible.

Available-for-sale financial investments

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

2.12. De-recognition of financial assets and liabilities

Financial *assets*

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

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

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

2.13. Financial liabilities

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

2.14. Financial Risk Management

Financial Risk Factors

The Institute's activities potentially expose it to a variety of financial risks, including credit risk and the effects of the changes in foreign currency exchange rates. The Institute's overall risk management programme takes account of the unpredictability of foreign exchange rate trends and seeks to minimise potential adverse effects on its financial performance. The Institute does not hedge against such risks.

(i) Market Risk

The Institute has no major exposure to foreign currencies as its income is largely earned in local currency. In addition, its operating expenditure is incurred principally in local currency. Current

assets and liabilities denominated in foreign currency do not result in a significant risk as foreign currency assets and liabilities are normally settled within a fairly short time.

(ii) Credit Risk

Potential credit risk involves short term cash deposits and trade and other receivables. Risk relating to short term deposits is managed through ensuring that surpluses are deposited with banks of high credit standing. Management of risk associated with trade and other receivables includes prompt invoicing, close follow up and requiring regular customers to deposit money in advance to cover for services to be rendered.

(iii) Liquidity Risk

Prudent liquidity risk management includes maintaining sufficient cash and cash equivalents, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. The Institute has a prudent liquidity risk management through which it maintains sufficient cash to cover committed credit facilities received working capital as well as the Institute's capital requirements. The liquidity risk management by the Institute includes forward planning and close monitoring by the finance department.

2.15. Capital Risk Management

The Institute's objectives when managing capital are to safeguard the Institute's ability to continue as a going concern in order to maintain an optimal capital structure to reduce the cost of capital.

3. Significant Accounting Judgments, Estimates and Assumptions

The preparation of the department's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

3.1. Judgments

The preparation of IRDP financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date.

However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. In the process of applying IRDP accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognized in the financial statements.

3.2. Determination of the useful lives of property, plant and equipment

Management uses reasonable judgment in determining the useful lives and hence depreciation rates of the items of property, plant and equipment. The residual values, useful lives and methods of depreciating property, plant and equipment are reviewed, and adjusted if appropriate, at each financial year end.

3.3. Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are liabilities regarding utilities such as: telephone, water and electricity. Values given to assets are more estimates based on the initial price or in line with its assumed wear and tear.

3.4. Going concern:

The IRDP management has made an assessment of the IRDP ability to continue as a going concern and is satisfied that IRDP being supported by various partners/donors and the Government of the United Republic of Tanzania has the resources to continue in operations for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Institute ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3.5. Provision for impairment on trade receivables:

IRDP reviews its trade receivables to assess impairment at least on annual basis. In determining whether an allowance for probable losses should be recorded in the statement of financial performance, IRDP makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows in an individual loan guaranteed.

This evidence may include observable data indicating that there has been an adverse change in the payment status of customers, or national or local economic conditions that correlate with defaults on assets. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the trade receivable when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

3.6. Impairment of non-financial assets:

IRDP assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations is undertaken, management must estimate the expected future cash flows from the asset or cash generating

unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3.7. Provisions for obsolete and expired inventories:

IRDP assesses whether there are any indicators of impairment for slow moving items and identified stocks expired or nearly expiry date. Provision for impairment of inventories arising from expiration and obsolescence is taken into account in determining the final value of inventories. Provision for obsolete stock is made to reduce costs of items to estimated net realizable value.

	2021/22 TZS	2020/21 TZS
4. Cash and Cash Equivalents		
BOT Own source Collection Account	2,812,326,426	2,498,279,062
Consultancy and Special Funds	1,776,012,771	629,629,023
Deposit General Cash Account	385,649,701	33,464,701
Development Expenditure Cash Account	709,485,181	1,098,429
HESLB Funds Account	13,445,233	9,346,076
Own source Collection Account - CRDB	18,071,000	10,000
Own source Development Expenditure	578,266,988	568,560,163
Own source Recurrent Expenditure GF	179,878,623	764,858,238
Recurrent Expenditure Cash Account	42,406,115	22,197,245
Unapplied Cash Account	346,763,853	56,214,101
	6,862,305,891	4,583,657,038
5. Receivables		
Imprest Receivable	248,579,333	132,168,600
Receivable from exchange transactions	3,893,333,359	3,530,289,398
Trade Receivables	210,214,651	164,270,900
	4,352,127,343	3,826,728,898
Provision for bad and doubtful debt (Impairment of receivable)		
Acc. Allowance for impairment of Receivables	1,279,106,275	1,271,786,250
Impairment of Receivables for the year	65,502,781	7,320,025
	1,344,609,056	1,279,106,275
	3,007,518,287	2,547,622,623
6. Prepayments		
Prepayments - Assets	605,886,026	1,189,500,758
Prepayments - Consumables	86,575,000	106,246,766
	692,461,026	1,295,747,524
7. Inventories		
Building material and equipment	32,767,600	67,152,000
Consumables	9,090,000	0
Medical Supplies	17,917,621	32,577,268
	59,775,221	99,729,268

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

8. Intangible Assets (Cost)		
Opening balance	216,167,354	216,167,354
Additions during the year	-	-
Closing balance	216,167,354	216,167,354
Accumulated amortization		
Opening balance	203,602,354	179,860,314
Amortization charge for the year	12,565,000	23,742,040
Accumulated amortization at 30 June 2022	216,167,354	203,602,354
Total intangible asset	-	12,565,000
9. Payables and Accruals		
Advances received	1,199,224,180	492,280,500
Deferred Capital Grant	0	3,125,000
Meals, Accommodation and Stationaries	0	9,346,076
NHIF Deposit	0	16,213,500
Purchase of Asset	2,204,421,600	0
Staff Claim	52,631,000	184,630,407
Supplies of goods and services	1,291,966,783	856,568,138
Withholding Tax Payable	75,981,297	7,690,378
	4,824,224,860	1,569,853,999
10. Deferred Income		
Deferred Subvention Capital	307,895,348	0
Deferred Subvention Current	0	7,424,805
Development Deferred Income	544,171,483	0
	852,066,831	7,424,805
11. Deposits		
Deposit General	381,229,701	29,044,701
Other special Deposit	13,445,234	0
Other special deposit funds	1,789,139,350	629,629,023
Unapplied Deposit Account	346,751,978	56,214,101
	2,530,566,263	714,887,825

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

12. Property, Plants and Equipment (PPE) Movement Schedule as at 30 June 2023										
Description	Land	Buildings	Motor Vehicle	Furniture, Fixture and Equipment	Computer Hardware	Plant and Machinery	Library Books	Other Structures (Borehole)	Total (TZS)	
Cost/Valuation										
As at 1 July 2022	7,290,349,000	36,437,783,172	1,933,531,342	5,030,706,562	1,120,267,349	231,444,238	250,986,324	38,444,400	52,333,512,387	
Addition (Monetary) during the year	-	-	369,758,884	1,297,419,458	134,687,160	-	-	83,590,138	1,885,455,640	
Addition (Transfer WIP) during the year	-	7,175,018,395	-	-	-	-	-	-	7,175,018,395	
Addition (Non-Monetary)	-	-	242,798,914	-	-	-	-	-	242,798,914	
Cost as at 30 June 2023	7,290,349,000	43,612,801,567	2,546,089,140	6,328,126,020	1,254,954,509	231,444,238	250,986,324	122,034,538	61,636,785,336	
Accumulated Depreciation										
As at 1 July 2022	-	8,818,063,762	1,346,488,916	3,318,950,969	744,221,854	148,255,958	219,736,218	768,888	14,596,486,565	
Depreciation during the year	-	526,489,556	180,269,400	464,249,206	116,053,153	9,354,144	6,356,931	2,440,691	1,305,213,080	
Accumulated Depreciation as at 30 June 2023	-	9,344,553,318	1,526,758,316	3,783,200,175	860,275,007	157,610,102	226,093,149	3,209,579	15,901,699,645	
NBV as at 30 June 2023	7,290,349,000	34,268,248,249	1,019,330,824	2,544,925,846	394,679,502	73,834,136	24,893,175	118,824,959	45,735,085,691	

12 - Property, Plant and Equipment (PPE) Movement Schedule at as 30 June 2022

Description	Land	Buildings	Motor Vehicle	Furniture, Fixture and Equipment	Computer Hardware	Plant and Machinery	Library Books	Other Structures (Borehole)	Total (TZS)
Cost/Valuation									
As at 1 July 2021	5,538,347,050	33,654,063,852	1,867,068,520	4,544,388,728	1,060,017,769	221,493,323	248,475,790	-	47,133,855,032
Addition (Monetary) during the year	1,752,001,950	0	262,004,907	550,587,972	240,977,900	9,950,915	2,510,534	38,444,400	2,856,478,578

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

Addition (Transfer WIP) during the year	-	2,783,719,320	-	-	-	-	-	-	-	-	2,783,719,320
Assets transfer to other entity	-	-	-	-	-	-	-	-	-	-	-204,482,034
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-236,058,509
Cost as at 30 June 2022	7,290,349,000	36,437,783,172	1,933,531,342	5,030,706,562	1,120,267,349	231,444,238	250,986,324	38,444,400	52,333,512,287		
Accumulated Depreciation											
As at 1 July 2021	-	8,371,128,403	1,329,173,630	3,082,643,063	778,155,625	138,726,814	210,092,885	-	13,909,920,420		
Depreciation during the year	-	446,940,076	212,857,463	300,578,044	146,794,549	9,529,144	9,643,333	768,888	1,127,111,498		
Assets transfer to other entity	-	-	-	-	-	-	-	-	-	-	-204,482,034
Disposal during the year	-	-	-	-	-	-	-	-	-	-	-236,058,509
Accumulated Depreciation as at 30 June 2022	-	8,818,068,479	1,346,489,008	3,318,950,969	744,221,854	148,255,958	219,736,218	768,888	14,596,491,374		
NBV as at 30 June 2022	7,290,349,000	27,619,714,693	587,042,334	1,711,755,593	376,045,495	83,188,280	31,250,106	37,675,512	37,737,021,013		

13. Work In Progress (WIP)

Item	Opening Balances at 1 July 2022	Addition	Transfer during the year	Closing Balance at 30 June 2023
Construction of Hostel at 40 Acres Phase II	779,721,102	916,109,172	-	0
Construction of Lecture Theatre I at 40 Acres	993,794,517	702,974,202	1,695,830,275	-
Lecture Theatre 3 Kisesa	1,221,067,277	636,018,120	1,696,768,719	0
Construction of Hostel -Kisesa Mwanza	81,279,379	1,962,152,914	1,857,085,397	2,043,432,293

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

Construction of Lecture Theatre II at 40 Acres	71,631,342	1,853,702,662	-	0		
Construction of Hostel III 40a		1,187,391,096		1,187,391,096		
Construction of Fence and Gate 40a		319,491,647		319,491,647		
Construction of Canteen 40a		189,459,931		189,459,931		
Construction of Library Kisesa Mwanza		471,003,915		471,003,915		
Total	3,147,493,617	8,238,303,659	-	4,210,778,882	7,175,018,394	0
Work In Progress (WIP) Workings						
Item	Opening Balances at 1 July 2022	Addition (Monetary)	Addition (Non Monetary) - Retention	Addition (Non Monetary) - Payable	Transfer during the year	Closing Balance at 30 June 2023
Construction of Hostel at 40 Acres Phase II	779,721,102	803,449,111	41,440,528	71,219,533	-	0
Construction of Lecture Theatre I at 40 Acres	993,794,517	545,283,720	47,706,324	109,984,157	1,695,830,275	-
Lecture Theatre 3 Kisesa	1,221,067,277	458,820,066	-	177,198,054	1,696,768,719	-
Construction of Hostel - Kisesa Mwanza	81,279,379	906,269,361	-	1,055,883,553	1,857,085,397	0
Construction of Lecture Theatre II at 40 Acres	71,631,342	576,639,164	45,148,711	1,231,914,787	1,925,334,004	2,043,432,293
Construction of Hostel III 40a		465,930,870	89,792,206	631,668,019		1,187,391,096
Construction of Fence and Gate 40a		206,171,882	17,938,049	95,381,716		319,491,647
Construction of Canteen 40a		98,803,642	6,881,289	83,775,000		189,459,931
Construction of Library Kisesa Mwanza		369,820,652	34,476,592	66,706,672		471,003,915
Total	3,147,493,617	4,431,188,468	283,383,699	3,523,731,492	7,175,018,394	4,210,778,882

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

	2021/22 TZS	2020/21 TZS
14. Revenue Grants		
Government Grant Development Foreign	114,636,500	0
Government Grant Development Local	5,209,234,917	3,203,520,414
	5,323,871,417	3,203,520,414
15. Revenue from Exchange Transactions		
Graduation Gown hire	56,170,000	41,600,100
Receipt from Conference Facilities	41,973,813	78,298,305
Receipt from Consultancy Fees	4,367,012,372	3,161,701,051
Receipts from Tuition Fees	15,805,305,000	15,091,000,000
Sale of Government Assets	0	38,360,500
Student Accommodation Fee	695,005,400	631,604,410
	20,965,466,585	19,042,564,366
16. Other Revenue		
Application fee	107,580,000	148,915,000
Fees at Government Hospitals and Clinics	105,965,910	108,534,680
Miscellaneous Receipts	427,731,791	457,827,459
Rent	119,100,000	130,725,000
	760,377,701	846,002,139
17. Subvention from other Government entities		
Revenue Grants - Non-Monetary	3,125,000	21,972,704
Subvention for Personal Emolument	11,342,730,758	10,495,325,608
	11,345,855,758	10,517,298,312
18. Wages, Salaries and Employee Benefits		
Acting Allowance	37,327,500	19,005,000
Casual Labour	32,391,640	33,349,171
Casual Labourers	716,496,738	516,536,867
Civil Servants	11,342,730,758	10,495,325,608
Councillors Allowance	84,937,500	76,225,000
Electricity	19,549,627	47,888,000
Extra-Duty	2,595,596,849	1,865,048,505
Facilitation Allowance	36,610,417	1,000,000
Field (Practical Allowance)	0	3,100,000
Food and Refreshment	97,281,464	185,590,008
Furniture	83,261,392	118,000,000
Hardship Allowance	33,055,000	25,261,000
Honoraria	139,325,000	50,310,000
Housing Allowance	297,135,000	305,988,422
Leave Travel	53,925,882	37,448,400
Medical and Dental Refunds	9,984,302	13,101,300
Moving Expenses	17,549,600	11,670,000
Outfit Allowance	1,850,000	0
Professional Allowances	43,256,124	0

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

Responsibility Allowance	284,640,000	316,328,107
Risk Allowance	33,112,400	47,160,000
Sitting Allowance	106,995,000	86,084,000
Subsistence Allowance	36,076,000	750,000
Telephone	32,977,000	45,225,625
	16,136,065,193	14,300,395,013
19. Use of Goods and Service		
Accommodation	62,111,600	48,250,000
Advertising and Publication	131,250,250	180,113,302
Air Travel Tickets	100,173,561	19,195,200
Books, Reference and Periodicals	7,529,829	2,012,600
Conference Facilities	35,430,000	22,275,000
Depreciation Charge for Library Books	5,073,969	15,941,100
Diesel	372,586,181	434,470,870
Drugs and Medicines	71,166,627	36,287,803
Electricity	182,098,585	151,555,638
Entertainment	18,504,000	16,560,000
Examination Expenses	1,050,298,619	1,092,607,068
Exhibition, Festivals and Celebrations	257,137,558	227,795,144
Food and Refreshments	285,326,235	268,584,000
Fumigation	26,270,000	15,000,000
Gifts and Prizes	1,000,000	65,047,000
Ground Transport (Bus, Train, Water)	127,987,000	177,402,340
Ground travel (bus, railway taxi, etc)	198,937,836	207,599,490
Internet and Email connections	188,052,336	182,391,416
Laboratory Supplies	5,551,000	9,127,000
Mobile Charges	2,164,284	5,170,000
Newspapers and Magazines	16,333,400	8,472,720
Office Consumables (papers, pencils, pens and stationaries)	495,224,087	404,985,433
Outsourcing Costs (includes cleaning and security services)	690,273,100	627,664,195
Per Diem - Domestic	2,764,862,266	1,915,063,128
Per Diem - Foreign	33,965,938	0
Posts and Telegraphs	9,993,363	2,721,550
Printing accessories	7,778,216	25,033,000
Printing and Photocopying Costs	35,561,520	188,350,403
Printing Material	0	2,780,000
Rent - Housing	65,060,000	69,020,000
Rent - Office Accommodation	386,926,700	318,842,223
Rent of Private vehicles	111,621,000	61,451,770
Research and consultancies	4,367,012,372	3,263,153,724
Research and Dissertation	105,083,600	95,206,527
Sewage Charges	69,916,000	49,111,450
Software License Fees	0	31,945,941

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRD P)

Special Foods (diet food)	1,000,000	4,074,000
Sporting Supplies	49,120,100	28,413,600
Student meals	25,164,000	0
Subscription Fees	208,932,138	33,766,652
Telephone Charges (Land Lines)	6,711,146	4,713,005
Textbooks	3,600,000	0
Training Materials	16,585,000	16,536,000
Tuition Fees	165,245,113	122,701,200
Uniforms	55,485,000	26,242,680
Vaccines	0	11,440,958
Water Charges	92,201,902	94,480,669
	12,912,305,431	10,583,555,799
20. Maintenance Expenses		
Cement, Bricks and Building Materials	464,266,625	398,034,032
Computers, printers, scanners, and other computer related equipment	66,427,697	57,026,391
Direct Labour (contracted or casual hire)	94,085,238	0
Electrical and Other Cabling Materials	99,289,198	87,573,598
Fire Protection Equipment	2,048,250	0
Medical and Laboratory equipment	1,310,000	935,000
Metal Fence and Posts	32,961,800	25,450,200
Outsource maintenance contract services	322,977,329	118,563,760
Paint and Weather Protection Coatings	1,120,000	9,350,000
Plumbing Supplies and Fixtures	74,606,179	43,073,000
Small Tools and Implements	5,301,950	14,280,120
Spare Parts	3,251,000	8,542,580
Tyres and Batteries	24,976,034	27,647,046
Water Pumps	0	1,869,000
Wood and Timber Supplies	22,786,130	36,736,315
	1,215,407,430	829,081,042
21. Other Expenses		
Audit fees	90,084,000	73,500,000
Bank Charges and Commissions	0	1,272,977
Burial Expenses	26,620,000	61,886,000
Contingencies Item	455,488,800	404,309,704
Insurance Expenses	21,253,869	38,308,419
Lend Rent	34,468,400	0
Registration, Accreditation, Admission and Articulation	636,404,694	597,020,000
	1,264,319,763	1,176,297,100
8. Amortization of Intangible Assets		
Opening balance	216,167,354	216,167,354
Additions during the year	-	-
Closing balance	216,167,354	216,167,354
Accumulated amortization		

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

Opening balance	203,602,354	179,860,314
Amortization charge for the year	12,565,000	23,742,040
Accumulated amortization at 30 June 2022	216,167,354	203,602,354
	-	12,565,000
5. Impairment of Receivables		
Impairment of Receivables	6,566,791	7,320,025
	6,566,791	7,320,025
22. Social Benefits		
Relief Assistance(special diet allowance to staff)	4,800,000	0
	4,800,000	0
23. Other Transfers		
Disbursement Transfer (Transfer to Consolidated Fund)	250,000,000	100,000,000
	250,000,000	100,000,000

24. Reconciliation of Net Cash flow from Operating Activities

	2021/22 TZS	2020/21 TZS
Surplus/ Deficit for the Period	5,238,122,783	5,461,882,715
Add/ (Less) Non-Cash Item		
Amortization of Intangible Assets	12,565,000	23,742,040
Depreciation of Property, Plant and Equipment	1,305,213,080	1,127,111,497
Impairment of Receivables	6,566,791	7,320,025
Non-Monetary Revenue - Current	(3,125,000)	(21,972,704)
Add/ (Less) Change in Working Capital		
Deferred Income	844,642,026	7,424,805
Deposit	1,815,678,436	697,626,440
Inventories	39,954,048	(41,178,782)
Payables and Accruals	335,841,970	(1,504,371,817)
Prepayments	19,671,766	(70,489,964)
Receivables	(413,951,913)	1,707,497,159
Net Cash Flow from Operating Activities	9,201,178,987	7,394,591,415

25. TAXATION

The Institute as a Government Agency is not liable to pay corporate tax. The Institute is exempted under the Second Schedule of Income Tax Act 2004. However, the Institute pays with holding tax on its procurements, VAT on Consultancy and PAYE on employees hired under contractual agreement.

26. CONTINGENCY LIABILITY

Up to June 2022 the Institute had one land case that is between Zabdiel Cornello against the Institute Miscellaneous Land Application NO.73/2020.

This case was first registered before the District Land and Housing Tribunal Dodoma with Reg.No.89/2015 on 22 June 2015. On the 26 August 2015 the Tribunal ordered that the house/hostel which was said to be on the hands of the Institute should be handled over to the landlord (Zabdiel Cornello) and the same was done on 5 September 2015 under the supervision of Majembe Auction Mart. After there the Tribunal proceeded with the main suit and on 11 April 2019 the Tribunal Chairman delivered the judgment and ordered the Institute to pay the difference of TZS 544,000 as the cost for repairing of the house/hostel.

Despite of the judgment being in his favour, still he was dissatisfied and he then appealed to the High Court (land division) Miscellaneous Land Application NO. 73/2017. Before this Court on 21 June 2019 Madam Judge Mansoor delivered a judgment in favour of the Respondent (Institute) and ordered the Applicant to pay for the cost of the suit.

Again, he was dissatisfied on the decision of the High Court he then issued a notice with intention to appeal to the Court of Appeal on 18 July 2019. On 21 January 2019 the Institute was notified on the mention of the Miscellaneous Land Application Number 73/2019 before the High Court Dodoma and was scheduled for hearing on 29 September 2020. The essence of returning the case before the High Court was to justify whether the Appellant has justifiable reasons for appealing before the Court of Appeal.

Since 29 September 2020 the suit was proceeded for mention until 25 May 2021 where the full suit was heard and the Court issued a ruling allowing the Appellant to proceed with his intention to appeal before the Court of Appeal.

On 21 June 2022 the High Court issued a certificate of delay to the Applicant to file Memorandum and Record of Appeal to the Court of Appeal and he succeeded to file on 28 July 2022. The Institute is waiting for summons to appear before Court of Appeal.

The Institute has a contingent liability amount to TZS 434,835,096.36 which is resulted from Tanzania Revenue Authority (TRA) Assessment conducted for the year 2013/14 up to 2020/21 on PAYE amount is still in dispute of which objection have been filed.

27. RELATED PARTY TRANSACTIONS

During the year under review, the Institute incurred related party expenditure as follows: -

	2022/23 TZS	2021/22 TZS
(a) Key Management Compensation		
Salaries and Allowances	2,341,124,000	2,727,838,000
Pensions Contributions	284,172,000	316,343,700
Total	2,625,296,600	3,044,181,700

(b) Governing Board Members Emoluments		
Allowances	84,937,500	76,225,000

c) Intergovernmental Transactions

Institute	Type of payment/receipt	Payments	Receipts	Receivables	Payables
Ministry of Works	Renting Space/Houses		73,800,000	164,230,900	
TANESCO	Electricity	182,098,585			4,150,000
GPSA	Diesel	372,586,183			
DUWASA	Water Charges	92,201,905			
Ministry of Land	Land Rent	34,468,400			
NAOT	Audit Fee	81,354,000			
TEMESA					11,778,595
TBC					5,805,000
POSTA	Posts and Telegram	9,993,363			
TOTAL		772,702,436	73,800,000	164,230,900	21,733,595

28. NOTES ON CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 2023

a) Cash and cash equivalents

Cash and cash equivalent consist of balances with banks which comprises the following statement of financial position amounts:

	2022/23	2021/22
	TZS	TZS
Balances with Banks	6,862,305,891	4,583,657,038

a) Property, Plant and Equipment

During the period, the Institute acquired property, Plant and Equipment with aggregate cost of TZS 6,922,530,133 of which TZS 1,885,455,640 were made to purchase property, plant and equipment other than buildings. The construction activities amounted TZS 4,431,188,468 as detailed in the table;

(b) Property, Plant and Equipment (PPE)

Payment for Work in Progress (WIP)	23	4,431,188,468	2,870,354,276
Prepayments - Assets	18	605,886,025	1,189,500,758
Acquisition of Property, Plant and Equipment	22	1,885,455,640	3,687,511,486
Total payments for acquisition of PPE		6,922,530,133	7,747,366,520

	Note	2023	2022
		TZS	TZS
(c) Subvention from other Government entities			
Subvention amortized during the year	7	11,345,855,760	10,495,325,608
Closing Balance	27	307,895,348	7,424,806
Less: Opening differed Revenue grant	24	7,424,805	0
Less: Opening differed Capital grant		3,125,000	0
Total Grant received during the year		11,643,201,303	10,502,750,414
(d) Revenue Grant Received			
Amortized grant during the year	4	5,323,871,417	3,203,520,415
Add: Closing Balance	24	544,171,483	0
Less: Opening differed Revenue grant		0	0
		5,868,042,900	3,203,520,415
(e) Revenue from exchange transactions			
Revenue for the year	5	20,965,466,585	19,042,564,366

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRD P)

Add: Receivable Opening Balance	17	3,530,289,399	5,267,625,132
Less: Receivable closing	17	3,893,333,359	3,530,289,396
Total Receipts from tuition fees		20,602,422,625	20,779,900,102
(f) Other Revenues			
Revenue for the year	6	760,377,701	846,002,139
Add: Other Receivable Opening Balance		-	-
Less: Other Receivable closing		-	-
Total revenue for the year		760,377,701	846,002,139
(g) Deposits			
Closing balance	25	2,530,566,263	714,887,825
Opening balance	25	714,887,825	17,261,387
Increase in deposits		1,815,678,438	697,626,438
(h) Wages, Salaries and Employees Benefits			
Opening Staff Claim	21	184,630,407	985,993,314
Add: Payments for the year	8	16,136,065,194	14,300,395,014
Less Staff Claim Closing	21	52,631,000	184,630,407
		16,268,064,601	15,101,757,921
(i) Use of Goods and Services			
Payables Opening balance		-	1,701,084,369
Add: Payments for the year	9	12,971,241,421	10,583,555,799
Less: Payables Closing balance	21	-	856,568,138
Add/Less: Inventories	-	39,954,047	
Add/Less: Imprest receivable		57,474,743	
Add/Less: Prepayments - Consumables	-	19,671,766	
Add/Less: Withholding Tax Payable	-	68,290,919	
Add/Less: Meals and Stationaries		9,346,076	
Add/Less: NHIF		17,772,110	
Add/Less: Provision for bad debts	-	6,566,791	
Add/Less: Supplies of goods and services	-	435,398,641	
Payments for Goods and Service		12,485,952,186	11,428,072,030
(j) Social Benefits			
Payables Opening balance		-	-
Add: Payments for the year	14	4,800,000	-
Less: Payables Closing balance		-	-
		4,800,000	-
(k) Other Transfers			
Payables Opening balance		-	-
Add: Payments for the year	15	250,000,000	100,000,000

INSTITUTE OF RURAL DEVELOPMENT PLANNING (IRDP)

Less: Payables Closing balance		-	-
		250,000,000	100,000,000
(l) Other Expenses			
Payables Opening balance		-	-
Add: Payments for the year	11	1,264,319,763	1,176,297,100
Less: Payables Closing balance		-	-
		1,264,319,763	1,176,297,100
(m) Maintenance Expenses			
Payables Opening balance		-	-
Add: Payments for the year	10	1,215,407,430	829,081,043
Less: Payables Closing balance		-	-
Total Expenditure		1,215,407,430	

29. EXPLANATIONS FOR BUDGET VARIANCES IN THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS BY NATURE FOR THE YEAR ENDED 30 JUNE 2023

- a) Negative budget variance on development fund from the Government is due to the Government did not provide fund on time;
- b) Budget variance on Government Grant PE is due to lower ceiling provided by Government but the amount of 15% of pension and 3% of NHIF were paid;
- c) Negative budget variance on income from other sources is due to impart of COVID-19 lead to the less income on accommodation and miscellaneous revenue for the year.;
- d) Negative budget variance on tuition fee is due to impart of COVID-19 lead the overlapping of the academic year to the other financial year, the academic year ended on July 2021 instead of June 2022. So, some tuition fees for the financial year under review has been received in 2021/22 financial year;
- e) Budget variance on Salaries, Wages and employee Benefits expense is due to lower ceiling provided by Government but the amount of 15% of pension and 3% of NHIF were paid;
- f) Budget variance on Grand, subsidies and transfer; Maintenance; Supplies; Acquisition of intangible asset and PPE Expenses is due to cost cutting initiatives that were undertaken during the year; and
- g) Budget variance Research and consultancy and Other Expenses is due to under estimate of budget on research activities that were undertaken during the year

30. GRANTS RECEIVED FROM DONORS (For cash flow statement disclosure purposes only)

EXPLANATIONS FOR BUDGET VARIANCES IN THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS BY NATURE FOR THE YEAR ENDED 30 JUNE 2023

- h) Negative budget variance on development fund is due is due to the adjustment of addition of carry over fund which was received previous financial year;

- i) Budget variance on Government Grant PE is due to lower ceiling provided by Government but the amount of 15% of pension and 3% of NHIF were paid;
- j) Budget variance on income from other sources is due to increase in number of students admitted during the reporting year;
- k) Negative budget variance on revenue from exchange transactions is due to the adjustment of addition of carry over fund which was received previous financial year; and
- a) - (k) Budget variance on Grand, subsidies and transfer; Maintenance; Supplies; Acquisition of intangible asset and PPE Expenses is due to cost cutting initiatives that were undertaken during the year

31. GRANTS RECEIVED FROM DONORS (For cash flow statement disclosure purposes only)

During the period under review, the Institute received Grants from the following parties:

	2022/23 TZS	2021/22 TZS
UNDP GRANT	3,908,185,883	2,604,037,180
OTHER GRANTS	458,826,489	1,335,740,464
	4,367,012,372	3,939,777,644

32. ULTIMATE OWNERS

The ultimate owner of the Institute is the Government of the United Republic of Tanzania.

33. THE IMPACT OF COVID-19

Corona virus or COVID-19 is an infectious disease caused by a new disastrous virus. The impact of COVID-19 has been an evolving situation since late 2019. Since then, both the impact of the virus and the information available on the impact have been a rolling and indeed catastrophe World news. The World Health Organization declared a global health emergency in January 2020 and in March 2020 it declared the spread of COVID-19 a global pandemic.

IRDP experienced a mild impact of COVID-19 in its operations. Social distancing, handwashing, voluntary vaccination and other health precautions were enforced as part of measures to contain the spread of the virus.

34. CAPITAL COMMITMENTS

As at 30 June 2023 the Institute has entered into contracts with various contractors amounting TZS 9,031,493,174 and TZS 6,733,523,722 for Provision of works and services construction project financed by Central government. The Contracts are expected to fully end on 2023/24 as detailed below;

Project Capital Commitment	Contract Sum	Commitment for 2023/24
Construction of Hostel -Kisesa Mwanza	1,907,966,642	1,055,883,553
Construction of Hostel III 40a	2,639,104,304	2,173,173,434
Construction of Fence and Gate 40a	668,344,506	348,852,859
Construction of Canteen 40a	558,500,000	369,040,069
Construction of Library Kisesa Mwanza	3,257,577,722	2,786,573,807
Total	9,031,493,174	6,733,523,722

35. COMPARATIVE FIGURES

Previous figures have been regrouped wherever consider necessary in order to facilitate comparability with current year's figures.

