



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2024

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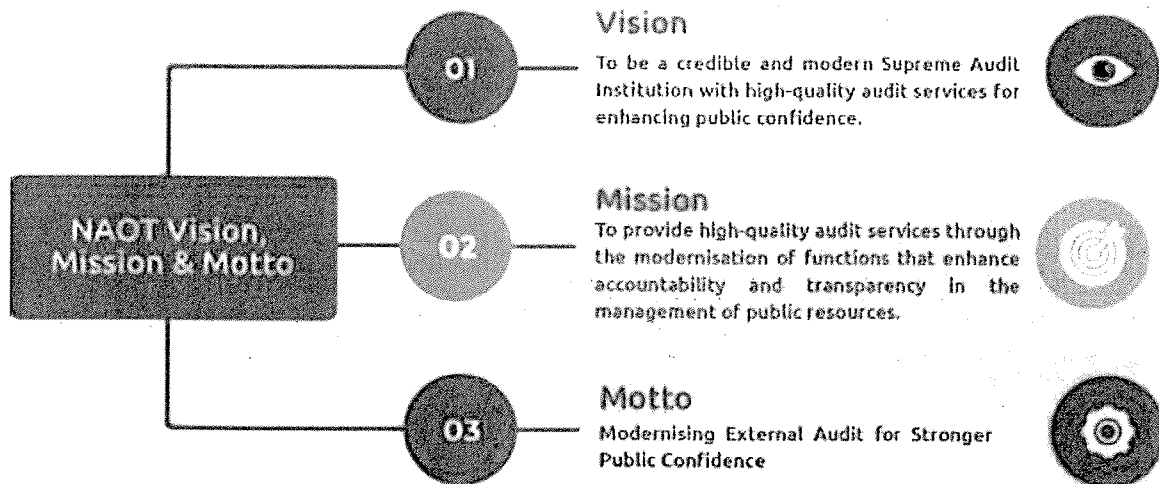
March 2025

AR/PA/PPRA/2023/24

About the National Audit Office

Mandate

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



Independence and objectivity

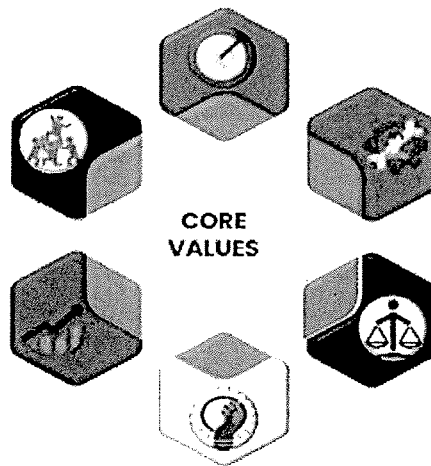
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

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 Public Procurement Regulatory Authority and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

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ABBREVIATIONS

AIDS	Acquired Immunodeficiency Syndrome
APP	Annual Procurement plan
AR	Audit report
CAG	Controller and Auditor General
GPSA	Government Procurement Service Agency
HIV	Human Immunodeficiency virus
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
MoF	Ministry of Finance
NAOT	National Audit Office of Tanzania
NBAA	National Board of Accountants and Auditors
NeST	National e-Procurement System of Tanzania
PA	Public Authorities
PCCB	Prevention and Combating of Corruption Bureau
PEs	Procuring Entities
PPAA	Public Procurement Appeal Authority
PPRA	Public Procurement Regulatory Authority
RE	Revised Edition

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the board,
Public Procurement Regulatory Authority,
P.O. Box 2865,
Dodoma - Tanzania

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Public Procurement Regulatory Authority (PPRA) which comprise the statement of financial position as at 30 June 2024, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Public Procurement Regulatory Authority (PPRA) as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of PPRA in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.


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

Key Audit Matters

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

Other Information

Management is responsible for the other information. The other information comprises the Report by those charged with governance, statement of management responsibility and



Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

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


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

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

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

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

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



Further, Section 48(3) of the Public Procurement Act, CAP. 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on the procurement of works, goods, and services in the PPRA for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of PPRA is generally in compliance with the requirements of the Public Procurement laws in Tanzania.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

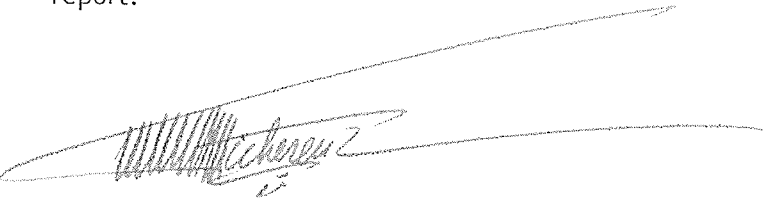
I performed a compliance audit on budget formulation and execution in PPRA for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that, except for the matter described below, Budget formulation and execution of PPRA is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

Utilization of HIV/AIDS and NCDs budget for unplanned activities TZS 69,234,000

Section 18 (1) (b) of the Budget Act CAP. 439 as revised in 2020 read in conjunction with Regulations 48 and 11 (3) (c) of the Public Finance Regulations, 2021 require Accounting Officers to ensure that, public funds and resources are properly and well managed and safeguarded and controlling the expenditure of any service. However, I noted that, in 2023/24, PPRA utilized TZS 69,234,000 for unplanned activities instead of implementing HIV/AIDS and NCDs activities which were not implemented as per Budget implementation report.


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

March 2025



2.0. THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

2.1. INTRODUCTION

In compliance with Section 27 of the Public Procurement Act; (Cap. 410) and the Tanzania Financial Reporting Standard (TFRS) No. 1 on the Report by those charged with Governance of 1 January 2021, the Board of Directors submits their report and the Financial Statements of the Public Procurement Regulatory Authority (PPRA) for the period ended 30 June 2024.

2.2. MISSION, VISION AND CORE VALUES

2.2.1. MISSION

To enhance fairness, competitiveness, transparency, non-discrimination, accountability and innovation in regulation of public procurement.

2.2.2. VISION

To have an effective and sustainable public procurement that facilitates national development.

2.2.3. CORE VALUES

Based on the vision and mission, implementation of the current Strategic Plan, PPRA will be guided by six (6) Core Values namely Teamwork, Transparency, Accountability, Integrity, Professionalism and Innovation.

Table 1: PPRA's Core Values

VALUE	AFFIRMATION FORM	PRINCIPLE
Team work	PPRA upholds interdepartmental co-operation and develops its human resource for achievement of strategic goals	When people work together, they can create something greater than themselves as individuals.
Transparency	PPRA warrants to provide potential suppliers and contractors with clear and consistent information so that the public procurement process is well understood and applied as equitably as possible.	Provide an adequate degree of transparency in the entire procurement cycle in order to promote fair and equitable treatment for potential suppliers
Accountability and control	PPRA is accountable for all its actions and outcomes	Accepting responsibility for your actions (and inactions) is the ultimate way to build trust internally and externally
Integrity	In all of its contacts with clients, partners, and vendors, PPRA maintain the highest standards of integrity. When it comes to regulating public procurement, the	Acting with strong ethics is a priority for everyone representing the organization as well as the company's behaviour as a whole

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VALUE	AFFIRMATION FORM	PRINCIPLE
	Authority always put ethics first in the best interest of the country	
Professionalism	PPRA will strive to deliver the best services to the customers with utmost professionalism	Ensure that procurement officials meet high professional standards of knowledge, skills and integrity
Innovation	PPRA will embrace creativity and innovation in services delivery to improve efficient and enhance Stakeholder Satisfaction	Being innovative, creative and embracing technology paves a way in efficient service delivery and stakeholders' satisfaction

2.3. NATURE OF OPERATIONS

(a) The legislative and regulatory environment in which the Authority operates

The Authority was established in May 2005 after the enactment of the Public Procurement Act, 2004 and charged with the responsibility to regulate and oversee the implementation of the Act. It replaced the Central Tender Board (CTB), which was established under the Public Procurement Act, 2001. In effort to improve the public procurement sector, the Public Procurement Act, 2011 was enacted to repeal the Public Procurement Act, 2004. Due to changes and the need to embrace digitalization, the Public Procurement Act, 2023 was enacted.

The Objectives of the Authority as stipulated under Section 9 of the Public Procurement Act, CAP 410 are as follows:

- i) To ensure the attainment of value for money in procurement and supply;
- ii) To ensure adherence to the principles of fairness, competition, transparency, sustainability, accountability, and efficient use of funds in procurement and supply;
- iii) To establish standards for public procurement and supply systems in the United Republic;
- iv) To ensure that procurement entities give preference to local bidders in the procurement of goods, construction works, and services;
- v) To monitor the legal compliance of procurement entities; and
- vi) to build capacity in procurement and supply in the United Republic in collaboration with the responsible ministry for procurement and supply issues and other relevant academic institutions.

(b) The industry in which the Authority operates

The Public Procurement Regulatory Authority (PPRA) operates within the framework of public procurement, under the jurisdiction of the Ministry of Finance. The Authority's mandate encompasses overseeing, regulating, and monitoring public procurement processes across Tanzania to ensure transparency, fairness, and efficiency.

PPRA's Head Office is located in Dodoma, the capital city of Tanzania. To effectively manage its operations and provide support across the country, PPRA maintains six zonal offices

strategically located in key regions: Coastal Zone in Dar es Salaam, Northern Zone in Arusha, Lake Zone in Mwanza, Southern Zone in Mtwara, Southern Highlands Zone in Mbeya and Central Zone in Tabora.

These zonal offices enable PPRA to efficiently oversee procurement activities in all regions of Mainland Tanzania, ensuring that public procurement standards are upheld consistently across the country.

(c) Main services, customers, business processes and distribution methods

The Public Procurement Act, Cap. 410 mandated the PPRA to ensure that procurement processes in the public sector are open, fair, transparent, and competitive and deliver value for money outcomes to the public. In addition, Section 8(2) of the Act, identifies PPRA as a body corporate which has all the powers to expedite its functions.

(d) Structure of the entity's operation, and its economic model, including an overview of the main operating facilities and their location

PPRA is governed by the Board of Directors established under Section 22 of the Public Procurement Act, CAP. 410. The Board is responsible for overseeing the management of business and affairs of the Authority.

(e) Effectiveness and efficient utilization of resources

The Authority utilizes tangible and intangible resources including intellectual resources, human resources, social and relationship resources, natural resources, financial resources and others. Efficient and effective utilization of Authority's resources is pegged on a well-composed Board of Directors, effective Management, competent human resources, deployed ICT infrastructure and documented internal operating procedures.

(f) Macro and micro economic conditions

Public procurement constitutes a significant portion of the Government Budget, making a substantial contribution to the growth of the national economy. The performance of procurement is closely linked with the effective implementation of the FYDP, adherence to procurement policies, and the proper management of economic development projects. Within this framework, PPRA will consider developments in the global arena that could impact its performance.

PPRA continues to monitor the country's public procurement system, ensuring it generates economic opportunities and maximizes value for money. PPRA actively engages in initiatives aligned with global economic trends, while also working towards sustainable development goals, advancements in women's empowerment, youth employment, and financial inclusion

(g) Market forces

PPRA operates as a player in procurement business with given exclusive mandate on items as stated on establishing Act Cap.410. There is no competition with internal players in the industry but our performance in the area of procurement business is key to the Nation in ensuring business sustainability and economic growth. The Authority thrives to provide better procurement services in order to monitor and enforce compliance of the Public Procurement Act CAP 410.

(h) The speed and effect of technological change

In today's globalized world, technological advancements, particularly in information technology, are critical in driving efficiency and innovation. PPRA has strategically leveraged available technological opportunities to execute its mandate effectively. The Authority utilizes advanced infrastructure such as the National ICT Broadband Backbone (NICTBB), the National Internet Data Centre (NIDC), and the Government Data Centre to host its systems and enhance communication with stakeholders.

PPRA diligently adheres to national policies, strategies, guidelines, and regulations governing ICT in Tanzania. These include the National ICT Policy of 2016 and its implementation strategy, the e-Government Act of 2019 and its associated regulations, and various guidelines and standards issued by the e-Government Authority under its mandate. The Authority ensures that all ICT initiatives are aligned with these frameworks to promote transparency, efficiency, and accountability in public procurement processes.

Recognizing the rapid pace of technological change, PPRA is also committed to addressing the associated security risks. To safeguard its ICT assets and systems, PPRA strictly follows national security standards and strategies, such as the National Cyber Security Strategy. This approach helps mitigate potential risks and ensures the integrity and reliability of the systems.

Moreover, PPRA has capitalized on the ICT resources available within the government to develop the National e-Procurement System of Tanzania (NeST). NeST is a transformative tool designed to revolutionize public procurement by streamlining various processes, including user registration, tender notifications, tender preparation and submission, online tender evaluation, contract awarding, catalog creation and management, framework agreements, auctions, and payments.

In addition to leveraging local resources and infrastructure, PPRA is keen on learning from best practices globally. By studying successful ICT initiatives from other countries, the Authority aims to enhance its technological capacity further, ensuring that it remains at the forefront of innovation in public procurement. Moving forward, PPRA will continue to invest in ICT and build the capacity of its ICT staff to keep pace with technological advancements, ensuring the continuous improvement of its services and systems.

The Authority has adopted various digital initiatives including the National Internet Data Centre (NIDC), e- Government Authority Data Centres, National ICT Broadband Backbone (NICTBB), National Cyber Security Strategy 2016, National ICT Policy (2016) and its implementation strategy. PPRA uses the e- Government system, e- Government Act, 2019 and its Regulations to ensure compliance of the systems. These initiatives are in-line with National Five-Year Development Plan III (2021/22 - 2025/26). PPRA has taken advantage of those initiatives to oversee proper use of technology to advance its services delivery including enhancement of development of NeST. The system supports various public procurement procedures including user registration, tender notification, tender preparation and submission, online tender evaluation, contract awarding, creation and management of catalogue, creation and management of framework agreements and auctions and payments.

The Authority has embraced the technological changes and advancement opportunities and will ensure future investment on ICT is enhanced, including building capacity to ICT staff to cope with technological changes

(i) Environmental challenges

The environmental key policies and legislations provide guidance for environmental management in the public procurement sector. The main objective of the environmental management is to prevent and/ or reduce environmental degradation, mitigating and adapting to climate change while implementing various procurement contracts in order to achieve sustainable development goals (SDGs). The Authority will promote environmental protection initiatives while undertaking its oversight role.

(j) Political Environment

The political environment in the country is calm for the Authority to perform its functions without political challenges. The Authority plans, and budgets are prepared and implemented while observing the leading political party (Chama cha Mapinduzi) manifesto. Furthermore, there was no political interference to the Authority in exercising its mandate.

2.4. OBJECTIVES AND STRATEGIES OF THE AUTHORITY

(a) Objectives of the Authority

During the year, PPRA focused on the implementation of its objectives which guided the Authority in achieving its vision and mission, and facilitating the attainment of value for money in Tanzania Procurement. The Objectives of the Authority as provided in the Strategic Plan 2021/22 - 2025/26 are: -

Objective A: Non-Communicable Diseases, HIV/AIDS infections reduced and supportive services improved;

Objective B: Implementation of National Anti-Corruption Strategy and Action Plan sustained;

Objective C: Performance in Public Procurement Improved;

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Objective D: Capacity to Deliver Quality Services Strengthened; and

Objective E: Public Education and Awareness Strengthened;

The strategic objectives were implemented through cascading to the level of Directorates, Departments and each employee of the Authority. In achieving these main objectives, the Authority pursues the following strategies:

- i) Strengthen intervention against spread of HIV/AIDS at work place;
- ii) Strengthen intervention of non-communicable diseases;
- iii) Promote Integrity and accountability to staff and PEs;
- iv) Enhance compliance on CAP 410;
- v) Enhance public procurement capacity;
- vi) Strengthen provision of advisory services on legal frameworks;
- vii) Enhance regional and international strategic public procurement networks;
- viii) Strengthen Board performance and managerial functioning;
- ix) Strengthen public awareness on public procurement and attainment of value for money;
- x) Strengthen public asset management;
- xi) Strengthen Internal control system;
- xii) Strengthen human resources management;
- xiii) Promote service delivery and stakeholder's involvement;
- xiv) Promote conducive working environment;
- xv) Strengthen financial resources management;
- xvi) Strengthen Annual Plans and budget; and
- xvii) Mainstream Risk Management Framework into plans and budget.

2.5. STAKEHOLDERS RELATIONSHIP

The Authority continued to maintain good relations with its stakeholders to enable its existence. Key stakeholders of PPRA range from Government institutions responsible for overseeing performance of the Authority to those whose functionality depends on the Authority's outputs. These stakeholders include MoF, TRO, PEs, PPAA, GPSA, PCCB, Service Providers, non - State Actors, professional boards, academic and research institutions, politicians, LGAs, Parliament, employees, development partners, NAOT, regional and international partners, the media, trade unions and the general public. Therefore, in decisions making, the Board considers the interests of all stakeholders to ensure their expectations are met.

Categories of stakeholders, their expectations, services offered to them and potential impacts that might arise if stakeholders' expectations are not met are specified hereunder: The key concerns and the value we create to stakeholders are as detailed in Table two below:

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Table 2: Stakeholder Relationship

S/N	STAKEHOLDER NAME	SERVICE/PRODUCT OFFERED TO STAKEHOLDERS BY PPRA	KEY CONCERN	VALUE WE CREATE
1.	Ministry of Finance	<ul style="list-style-type: none"> i. Budget estimates ii. Implementation reports iii. Audited Financial Statements iv. Annual Performance Evaluation Reports (APER) v. Procurement audit vi. Guideline on PPP Procurement Procedures vii. Internal audit reports 	<ul style="list-style-type: none"> i. Lack of informed decision ii. Inadequate financial resources iii. Audit Query iv. Violation of the Public Procurement Act, CAP.410 Public Finance Act, [CAP.348 R.E 2020], PPPA, Budget Act and guidelines v. Violation of SDG No. 12 section 12.7 (Promote Public Procurement practices that are sustainable in accordance with national policies and priorities) vi. Violation of African Agenda 2063 (An Africa of Good Governance Justice and the rule of Law) 	<ul style="list-style-type: none"> i. Timely submission of budget estimates ii. High level of compliance with the Public Procurement Act, CAP.410 by all PEs iii. Proper application of fair competitive, transparent, non-discriminatory and value for money procurement standards and practices iv. Timely submission of budget estimates and performance reports v. Compliance with budget Act and guideline vi. Well-managed and sustainable Authority.
2.	Paymaster General	<ul style="list-style-type: none"> i. Advisory services to Paymaster General ii. Procurement Investigation Reports 	<ul style="list-style-type: none"> i. Delay in making decision ii. Making wrong decision 	<ul style="list-style-type: none"> i. Timely submission of advisory services ii. Timely submission of Investigation Reports
3.	Treasury Registrar	<ul style="list-style-type: none"> i. Budget estimates ii. Performance reports iii. Financial Statements 	Violation of Treasury Registrar Act, budget Act and guidelines	<ul style="list-style-type: none"> i. Timely and accurate submission of budget and performance report ii. Compliance with budget Act and guideline iii. Timely remittance of contributions to consolidated fund iv. Proper implementation of performance contract
4.	Procuring Entities	<ul style="list-style-type: none"> i. Authorized versions of standard documents and tools ii. Enforce compliance of the Public Procurement Act, CAP.410 Procurement capacity building iii. Procurement Practices and advisory services iv. Advisory Services v. Researchable or surveyed procurement information 	<ul style="list-style-type: none"> i. Non-compliance with the Public Procurement Act, CAP.410 Increase in prolonged procurement processes ii. Increase in corruption incidences iii. Violation of African Agenda 2063 (An Africa of Good Governance Justice and the rule of Law) iv. Loss of public image v. Violation of Public Finance Act [CAP 348 R.E. 2020] Budget Act and guidelines vi. Low level of procurement 	<ul style="list-style-type: none"> i. Promptly availability of user-friendly standard documents and tools ii. Continuing monitoring of compliance iii. Continues capacity building interventions on application of the Public Procurement Act, CAP.410 Timely provision of legal and technical advice on the Public Procurement Act, CAP.410 Reliable regular information sharing

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S/N	STAKEHOLDER NAME	SERVICE/PRODUCT OFFERED TO STAKEHOLDERS BY PPRA	KEY CONCERN	VALUE WE CREATE
5.	PPAA	Technical advisory services on public procurement issues	compliance Failure to make timely decision on procurement appeals	Compliance with section 112(7) of the Public Procurement Act, CAP.410
6.	GPSA	i. Accurate Annual Procurement Plan and requirements for the procurement processes ii. NeST supportive services iii. Necessary assistance as stipulated in the contracting out agreement	i. Failure to process contract of framework agreements and catalogue items in NeST ii. Non-availability of CUIS in the government entities.	Good accessibility and availability of NeST
7.	PSPTB	i. Procurement information on compliance with Public Procurement Act, CAP.410 ii. Sharing of experience, knowledge and skills on procurement	i. Inability to take appropriate action to defaulting professionals ii. Failure to update curriculum iii. Failure to honor CPD hours to professionals	i. Timely availability of relevant procurement information ii. Updated with emerging issues in procurement systems iii. Collaboration on procurement issues iv. Offering practical training to procurement trainees
8.	DPP	Corruption red flags reports related to PE's procurement processes	Government will lose financial resources related to procurement processes	i. Timely provision of information related to corruption in public procurement system or processes ii. Collaboration on corruption related to procurement issues
9.	Economic Operators/Service Provider	i. Procurement capacity building ii. Procurement principle and practices advisory services iii. Publication of data on public procurement opportunities and awards iv. Procurement system support v. Access to procurement information	Failure to offer services to the public	i. Timely access of updated public procurement information ii. Good access to procurement system
10.	Non-State Actors	i. Procurement capacity building ii. Access to information iii. Cooperation and participation in development of different intervention	i. Loss of Public image ii. Lack of trust and confidence iii. Poor participation of CSOs in development initiatives iv. Delay in implementation of development projects v. Lack of compliance with the Public Procurement Act, CAP 410	i. Good governance, transparency and accountability ii. Timely availability of Procurement information iii. Proper use of public funds
11.	Professional Boards, Academic and Research	i. Procurement research opportunities ii. Procurement information on compliance with the Public	i. Poor procurement research and development ii. Inadequate number of	i. Use of procurement research findings ii. Timely availability of relevant procurement

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S/N	STAKEHOLDER NAME	SERVICE/PRODUCT OFFERED TO STAKEHOLDERS BY PPRA	KEY CONCERN	VALUE WE CREATE
	Institutions	Procurement Act, CAP 410 iii. Sharing of experience, knowledge and skills on procurement iv. Capacity building on public procurement matters	competent professionals iii. Inability to take appropriate action to defaulting professionals	information iii. Updated with emerging issues in procurement systems iv. Offering practical training to procurement trainers v. Collaboration on procurement issues
12.	Parliament	i. Awareness programme on public procurement matters to Parliamentary Committees ii. Clarifications/advice on issues related to public procurement	i. Un-informed decision on approval of procurement legislations ii. Lack of Political support	i. Adequate Knowledge on Procurement matters ii. Well-regulated procurement system
13.	Employees of PPRA	i. Internal Policies and Regulations ii. Health and Safety iii. Staff Incentives and Rewards iv. Training and career development v. Conducive working environment vi. Job descriptions, confirmation and promotions	i. Poor performance ii. Employee turn over iii. Lack of Value for Money iv. Non-compliance to standards, laws and guidelines v. Failure to be independent and objective vi. Low or poor working morale vii. Employee grievances	i. Clear and fair operational procedures ii. Assurance of health and safety supportive services iii. Timely and adequate incentives iv. Attractive and timely payment of remunerations v. Continued and transparent Capacity building and career progression vi. Appropriate conducive working environment and adequate proper working tools and equipment vii. Clear job description and scheme of service
14.	Development Partners	i. Project Implementation Reports ii. Public Procurement Information	i. Unpredictable disbursement of external resources ii. Loss of trust and confidence in financial management	i. Clear and timely project implementation reports ii. Good governance, transparency and accountability
15.	CAG	i. Approved Annual Plans and Budget ii. Quarterly and Annual Progress Report iii. Board and Management Minutes iv. Report of those charged with Governance and Financial statement v. Procurement reports vi. PPRA Internal Regulations, Policies and Guidelines vii. Internal audit reports viii. Management responses on CAG's Audit Observations ix. Other financial and non-financial records	i. Qualified Audit Opinion ii. Failure of Auditor to conduct statutory Audit in time	i. Compliance to Financial legislations ii. Timely submission of reports and documents required for Audit purpose iii. Timely response to audit queries; iv. Access to information systems

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S/N	STAKEHOLDER NAME	SERVICE/PRODUCT OFFERED TO STAKEHOLDERS BY PPRA	KEY CONCERN	VALUE WE CREATE
16.	Regional and International Partners (EAPF, APPN, SADC, OECD-DAC, etc	i. Sharing experience and learning through networking ii. Collaboration in Public procurement management	i. Un-harmonized public procurement systems ii. Existence of public procurement system not compliant to best practices	i. Harmonization of public procurement systems ii. Knowledge and Experience sharing
17.	Media	Information on public procurement management	i. Loss of public image ii. Poor dissemination of public information iii. Distortion of information disseminated to the public	Timely accurate and reliable information on public procurement
18.	General public	Information and knowledge on public procurement	Loss of trust and confidence	Loss of trust and confidence

2.6. OPERATING AND FINANCIAL REVIEW

2.6.1. Overall Authority Performance

During the year under review, PPRA planned to implement various key priority Interventions which were included in the budget for the Financial Year (FY) 2023/24. Among others, the planned interventions include; Capacity building on the Public Procurement Act, Cap. 410 to all PEs, Economic Operators (Eos) and CSOs; Development, review and dissemination of Procurement Implementation Tools (PIT); Mainstreaming all regional public procurement strategies in national procurement procedures; Monitoring of all public procurement processes in all PEs; Monitoring of procurement contracts implementation in all PEs; Conducting procurement compliance and performance audit to PEs; Monitoring Internal Auditors Compliance with the Public Procurement Act, Cap. 410; Conducting investigations on all allegations/complaints/reported cases of breach of the Public Procurement Act, Cap. 410; assessment of procurement corruption red flags; Review and implement e Procurement system; To build capacity to PEs and Eos on e-Procurement system; Development, review and upgrading the internal systems; Providing advisory services on Legal framework; Prepare and implement educational and awareness program on public procurement matters; Prepare and implement the Authority Annual Procurement Plan and Prepare and implement Authority Annual Audit Plan. Here under details the achievements made during the period under review.

2.6.2. Analysis of Financial Performance

(a) Revenue

During the Financial year ended 30 June 2024 the Authority managed to collect TZS 36,380,675,000 as revenue compared to TZS 24,191,955,000 in 2022/23 as shown below,

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Table 3: Revenue Summary

Details	30.6.2024 TZS'000	30.6.2023 TZS'000	% Change
Revenue Grants	20,690,291	14,233,058	45
Internally generated fund	15,690,384	9,958,897	58
Total Revenue	36,380,675	24,191,955	50

(b) The revenue increased by TZS 12,188,720,000 equivalent to an increase of 50% compared to the financial year 2022/23. The percentage increase in revenue for the year 2023/24 was facilitated by the official launching of NeST Usage in 1 October 2023, increased number of Training of NeST & the Public Procurement Act, CAP. 410 & its Regulations, 2013 as amended by Public Procurement (Amendment, Regulations 2016 [GN No. 121 published on 22 April 2022] an increase in the Public Procurement Act Compliance, an increase in the Other charges budget for the development of NeST and review of the Public Procurement Act, CAP. 410 and its regulations, 2013 and receipt of fund for Construction of PPRA HQ Building from Ministry of Finance.

(c) Wages, salaries and employee benefits

During the period under review the Authority spent for Wages, salaries and employee benefits TZS 13,013,544,994, compared to TZS 8,542,145,699 spent during financial year 2022/23. This increase was attributed by the additional of fifty-seven (57) staff from one hundred fifteen (115) to one hundred seventy-two (172) staff that was transferred from other government organisation which resulted to increased payment of Staff Incentives for the financial year ended 30 June 2024.

(d) Use of goods and services

The Authority incurred a total expenditure of TZS 14,052,576,457 during the period ended 30 June 2024 compared to TZS 8,311,738,000 reported in the preceding period. This was attributed by increase in number of procurement audits and special audits carried out during the year; also, there was increased number of NeST and the Public Procurement Act, CAP. 410 Training during the year.

(e) Maintenance Expenses

The Authority incurred a total of TZS 278,272,878 during the period ended 30 June 2024 compared to TZS 938,053,915 in the period ended 30 June 2023. This decrease was contributed by decrease in motor vehicles repairs and maintenance since the Authority maintained some new vehicles, in addition the contract for support and maintenance services of TANePS system was closed in December 2023.

(f) Other Expenses

During the period ended 30 June 2024 the Authority's other expenses amounted to TZS 137,966,424 compared to TZS 1,203,301,687 in period ended 30 June 2023. This decrease was

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attributed by the non-expenditure on sundry expenses which previously was TZS 975,343,000 in the financial year 2022/23.

(g) Expected Credit Loss

During the year under review, the Authority began complying with IPSAS 41, effective January 2024. This compliance resulted in an expected loss of TZS 17,882,000 for the period ending 30 June 2024 compared to a loss of TZS 3,876,000 for the previous year ending 30 June 2023.

(h) Depreciation

During the period ended 30 June 2024 the Authority's depreciation of Non-Current Assets amounted to TZS 245,147,000 compared to TZS 265,338,000 in period ended 30 June 2023. This decrease was due to systematic allocations of cost over its estimated useful life.

(i) Amortization Expenses

The Authority amortized a total of TZS 10,484,000 during the period ended 30 June 2024 but did not amortize any amount during the period ended 30 June 2023.

(j) Surplus

Surplus fund during the period was TZS 8,524,800,702 compared to TZS 4,927,501,000 in previous period. This increase was attributed by major increase in revenue grants from the Government where the Authority received fund for construction of PPRA HQ Building and buying of Office furniture, also there was an increase in revenue collections by TZS 5,731,487,000 equivalent to 58%.

2.6.3. Analysis of Financial Position

(a) Cash and Cash Equivalents

During the period ended 30 June 2024 the Authority had a balance of cash and cash equivalent of TZS 1,658,992,980 compared to TZS 307,655,821 at the end of 30 June 2023. This increase was attributed by reserved fund for payment of office furniture which were not fully delivered by the year end 30 June 2024.

(b) Prepayments and staff advances.

i) Prepayments

During the period ended on 30 June 2024, the Authority had a prepayment amounting to TZS 1,444,660,000 compared to TZS 577,367,000 at the end of previous year. The outstanding prepayment amount represents a refundable rent deposit to PSSSF of TZS 102,405,000 and TZS 1,342,255,000 for prepayment of Motor vehicles, IT Equipment for NeST and Office furniture.

ii) Staff Advances & Imprest

During the period under review, the Authority had Staff advances (Salary advance) amounting to TZS 12,150,000 as the same as previous period. The Authority had no outstanding staff imprest at the end of financial year 2023/24.

(c) Property and Equipment

During the period ended 30 June 2024, the Authority had Property, Plant and Equipment (PPE) amounting to TZS 9,822,021,000 compared to TZS 2,423,301,000 for the period ended 30 June 2023. The increase was contributed by the acquisition of Computers, Office Equipment, Furniture and capitalization of Office building.

(d) Intangible Assets

During the year, the Authority had some intangible assets that are fully amortized but are still in use and generating economic benefits for PPRA while other software are fully amortized and replaced by MUSE. In addition, the Authority is continuing with the development of e-Procurement system (NeST), which as at 30 June 2024 has spent TZS 7,604,802,000. Additionally, System software was acquired for TZS 113,762,000.

(e) Work in Progress - Office Building & Software

During the period, the Authority completed the construction of the Authority Head Quarter Office in Dodoma. The building worth TZS 5,647,650,000 and the figure has been capitalized in the books of accounts. Previously the Authority had recorded a Work in Progress on building by TZS 1,706,450,000.

(f) Payables and Accrued Expenses

The Authority had a balance of payables and accruals at the end of financial year 2023/24 amounting to TZS 1,841,186,000 compared to TZS 80,000,000 held at the end of 30 June 2023. The outstanding payables and accruals relate to accruals for audit fee of 2023/24, withholding tax payables, and Payables for Office Building.

2.6.4. Overall financial Performance

During the period ended on 30 June 2024, the Authority had a surplus of TZS 8,524,800,702 compared to a surplus of TZS 4,927,500,524 recorded in 2022/23. The Authority's Expenses increased by 45% from TZS 19,264,454,000 in the previous year to TZS 27,855,874,000 in the year 2023/24. The Authority recorded 50% increase in revenue from TZS 24,191,954,368 in the previous year to TZS 36,380,675,185 in the year 2023/24.

The table below shows a snapshot of financial information for the year ended 30 June 2024.

Table 4: Summary of overall financial performance

Details	2023/24 TZS'000	2022/23 TZS'000	% Change
Revenue	36,380,675	24,191,955	50
Expenses	27,855,874	19,264,454	45
Total Assets	20,656,388	9,363,498	121
Total Liabilities	3,853,911	1,085,821	255
Net Assets	16,802,477	8,277,677	

2.7. RESOURCES

The PPRA's key strengths which assist in the performance of its functions to achieve its objectives are pegged on a well-composed Board of Directors, effective Management, competent human resources, deployed ICT systems and documented internal operating procedures (IoPs). These strengths continuously create value to the Authority. In terms of resources, the Authority has tangibles and intangibles, which include intellectual resources, human resources, social and relationship resources, natural resources, financial resources and other resources as explained here under

(a) Intellectual Resources

The Authority has developed Training and Seminar Management System (TSMS), to ensure effective and efficient services delivery.

The Authority intellectual resources include ICT application systems which has automated and modernized operations, thus, improved provision Procurement services. The Authority's ICT Systems in operations includes; Training and Seminar Management System (TSMS) and NeST (National e-Procurement System of Tanzania) that facilitates e-registration, e-tendering, e-contract management, e-payment, e-catalogue and e-auction.

(b) Human Resources

The Authority has skilled, ethical, committed, motivated and competent employees dedicated to the provision of quality services that meet and exceed customers' expectations. Management adheres to the principles of good governance and promotes good working environment and labour relations. In addition, the Authority has continually invested on human resource development focusing on training, staff wellness, staff recognition, competitive remuneration and career growth.

By 30 June 2024, the Authority had offices in various Regions of Tanzania and a total of employees 172 (30 June 2023: 115 employees). Factors that may affect the Authority in ensuring availability of competent human resources at an approved establishment includes; absence of employees' incentive package, low level of support to staff careers development, and budgetary limitations and control processes. Nevertheless, the Authority is taking close

care of its human resources to ensure they are highly motivated to continuously working with the Authority and meet future demand.

(c) Financial resources

The Authority enhances its financial sufficiency by improving management of its resources through prioritization of initiatives, implementing initiatives within the available financial resources to generate adequate revenue for timely implementation of planned activities.

Financial resources of the Authority consist of: -

- i) Money appropriated by Parliament;
- ii) Loans or grants
- iii) Revenues collected from goods or services that are rendered by the Authority; and
- iv) Any other money received or made available to the Authority for the purposes of its functions.

(d) Social and Relationship Resources

In executing its functions, PPRA has established an ethical and transparent relationship with government institutions, customers, suppliers, policy makers and the society in general. The Authority conduct stakeholders' meetings to provided awareness and receive feedback on various Authority issues.

(e) Natural Resources

To respond to the national environmental agenda, the Authority has significantly reduced the use of printing stationery through automation of business processes.

2.8. PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

2.8.1. Principal Risks and Uncertainties

The Authority has institutionalized its risk management activities through a structured Enterprise Risk Management Framework, 2024 and Fraud Risk Management Framework, 2024 where all risks are identified, assessed and mitigation action plans developed. The summary of Authority's principal risks and uncertainties with their impacts and mitigation are summarized under Table 5:

Table 5: The summary of Authority' Risks, Impacts and Mitigation

SN	Objectives	Risk and Impact	Mitigation
1.	HIV/AIDs infections and non-communicable disease reduced, and	(i) Prevalence of HIV/AIDs infections and NCCDs among staff: (ii) Possible increase of HIV/AIDs infection and NCCDs due to	(i) HIV/AIDs and NCCDs Policy developed and implemented. (ii) HIV/AIDs and NCCDs Committee which oversee the implementation of the HIV/AIDs and NCCDs Policy established. (iii) HIV/AIDs and NCCDs awareness program

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SN	Objectives	Risk and Impact	Mitigation
	supportive services improved.	<p>failure by the Authority to develop and implement anti-HIV/AIDS and NCCDs interventions/ mechanisms and to provide supportive services.</p> <p>(iii)Likelihood of risk occurrence: Low</p>	<p>established and implemented.</p> <p>(iv) HIV/AIDS and NCCDs Focal Person (Coordinator) appointed.</p> <p>(v) Healthily supportive working tools (Chairs, Tables etc) acquired.</p> <p>(vi) The Authority Sports Club established and operationalize.</p>
2.	National Anti-Corruption strategy and Action Plan (NACSAP) implemented.	<p>Unethical practices and fraud incidence:</p> <p>Possible increase in unethical and fraudulent incidences by the failure of the Authority to institute and enforce corruption (fraud) control mechanisms leading to jeopardized reputation and credibility of the Authority.</p> <p>Likelihood of risk occurrence: Low</p>	<p>(i) Whistle blowing policy developed.</p> <p>(ii) The Authority activities in executing its mandated operations Automated.</p> <p>(iii) The Authority foster compliance to internal controls e.g. segregation of duties</p> <p>(iv) Compliance to Legislations requirements and other documents i.e. Financial Regulations, Staff Rules and Regulations, QMS and Client Service Charter.</p> <p>(v) Ant-corruption posters and flyers prepared and placed in Authority's offices.</p> <p>(vi) Ethics, fraud and corruption education and awareness programs prepared and implemented.</p> <p>(vii) PPRA Anti-corruption action plan implemented.</p> <p>(viii) Audit on risk assessment related to the implementation of NACSAP</p> <p>(ix) Assessment of corruption incidences - zero tolerance</p>
3.	Performance of Public Procurement Improved	<p>(i) Possibility of incompetent procurement development staff due to inadequate training resulting in poor service delivery and stagnated procurement professional development</p> <p>(ii) Possibility of limited research dissemination due to inadequate funds resulting into wastage of resources</p> <p>(iii) Possibility of inadequate procurement capacity due to lack of capacity-building strategy resulting into wastage of financial resources</p>	<p>(i) To improve awareness through communication channels</p> <p>(ii) Existence of Training Programs</p> <p>(iii) Improve internal work flow to minimize delays in responding to customer requirements</p> <p>(iv) Sharing of information through of social network, website and forums for educating clients, stakeholders and staff.</p> <p>(v) Authority training, policies, and procedures ensure that all employees know how to behave and respond appropriately in any situation. When reputation is at risk, employees act quickly and responsibly by doing anything</p>

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SN	Objectives	Risk and Impact	Mitigation
		(iv) Possibility of sparse e-procurement registration due to inadequate sensitization resulting into slumped value for money (v) Possibility of resource centre automation delays due to unavailability of e-document system resulting into damaged reputation	within their power to positively influence public ideas (vi) Authority continues to ensure deep engagement with the Government, procuring entity's, customers, suppliers, bidders, contractors and other stakeholders in procurement sector to ensure delivery of better and consistently equitable outcomes. (vii) The Authority is abreast of daily monitoring of social media and forums to respond on time with regard to any matter that would bring institutional disrepute.
4	Compliance with Public Procurement Act improved	The Authority's activities are potentially exposed to a variety compliance risk as briefly shown below: (i) Low coverage and or scope of procurement compliance and performance audits, Limited cooperation from stakeholders, (ii) Inappropriate technology for automation, Non or Insufficient submission of documents, Delay in rendering advice. (iii) Failure to improve and enhance e-Procurement systems, Inadequate provision of technical support on application of e-Procurement systems to all PEs and Economic Operators, Low of economic operators' participation on scheduled training and seminar, (iv) Outdated ICT assets and communication infrastructures, Failure to manage HR Strategy (v) Cyber-attack and business disruptions	(i) Availability of Regulations, Directives, and Guidelines that governs Human Resources Practices information sharing whenever there is a delay and the reasons of such delays. (ii) Establishments and implementation of fraud risk management framework and risk assessment activities. (iii) To provide capacity building to Management and entire staff on the importance of M&E together with Establishment of Baseline Data. (iv) The Authority conducts regular review of its ICT systems and processes to match with the dynamics of the market including shifting from TANEPS to NeST and modernizing its assets and communication infrastructure (v) The Authority formulated an ICT Policy to augment the risk of obsolescence, system failures and cyber-attack. (vi) The Authority has developed Disaster Recovery Plan to mitigate the risks of e-system disruptions due to hacking, virus attack and human error.

2.8.2. Opportunities

The Authority's risk assessment process identified opportunities that would expectedly enhance the strategic plan execution as summarized below:

- (i) Political stability of the country attracts new investors which creates new employment opportunities;
- (ii) Growth of the private and the informal sectors which creates new members user of the procurement systems;
- (iii) Growth and availability of new technologies that the Authority could exploit to revolutionize the Authority's way of working and improve efficiency and effectiveness;
- (iv) Existence of the major projects, for example, the construction of Uganda-Hoima fuel pipeline, standard gauge railway and Julius Nyerere (Stigler's Gorge) hydro-power plant; and
- (v) Existence of the Public Procurement Act, CAP 410 and PPR, 2024 (legal framework)

2.8.3. Uncertainties

The Authority's risk assessment process identified uncertainties that could impact the implementation of the strategic plan as summarized below:

- Unforeseen contingencies such as epidemic and pandemic diseases in particular COVID-19;
- Unfavourable movement on real GDP growth rate, interest rate, inflation rate and exchange rate; and
- Likelihood of fraudulent practices among employers, employees, members and service providers.

2.8.4. Assumptions on Risks, Uncertainties and Opportunities

The Authority is mindful of the following assumptions during assessments of the risks, uncertainties and opportunities:

- (i) macro- economic factors or conditions like Inflation, Interest rates, Gross Domestic Product, per capital income, economic growth rate, and terms of international trade exchange rate will continue to perform well and remain fairly stable;
- (ii) stable and predictable regulatory environment like Policies, Laws and Regulations will exist during the implementation of PPRA functions;
- (iii) competent, skilled and motivated staff will be available during the Strategic Plan implementation period;
- (iv) availability of sufficient financial and physical resources like buildings, working tools, and Standard Operating Procedures for the implementation of the Authority Strategic Plan;

2.9. PPRA'S OPERATING MODEL

OBJECTIVES	INPUTS	PROCESS	OUTPUT	OUTCOME
HIV/AIDS infections and Non-Communicable Diseases (NCDs)	<ul style="list-style-type: none"> • Financial Resources. • Intellectual Resources. 	Promoting awareness and positive behavioural change on	HIV/AIDS Infections and Non-Communicable Diseases reduced and Supportive Services Improved.	This results to improved social wellbeing.

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and improve supportive services reduced	<ul style="list-style-type: none"> Human Resources. Social and Relationship Resources. Other Resources 	HIV/AIDS infections and non-communicable at work place.	During the period, the Authority conducted awareness sessions on HIV/AIDS, NCD's, Stress Management and Community diversity to 150 staff. This includes staff, interns and service providers of the Authority.	
Implementation of the National anti-corruption strategy enhanced	<ul style="list-style-type: none"> Financial Resources. Intellectual Resources. Human Resources. Social and Relationship Resources. Other Resources 	Enhancing national anti-corruption strategy.	<p>Reduction in the level of fraud/corruption incidents:</p> <p>The Fraud/corruption incidence has been reduced significantly in the internal operations of the Authority, where as during the reporting period no corruption incidence was evidence/reported.</p> <p>Further, the Authority has established the whistleblowing guideline to enable stakeholders to report corruption incidences</p>	Anti-corruption results to happier and satisfied customers
Performance of Public Procurement Improved	<ul style="list-style-type: none"> Financial Resources. Intellectual Resources. Human Resources. Social and Relationship Resources. Natural Resources. Other Resources 	<p>Authority established and operationalized e-procurement system (NeST)</p> <p>The Authority implemented the System for Checking and Monitoring Procurement (SCMP)</p> <p>The Authority implemented capacity building programs to PEs</p>	<p>The Authority conducted group and tailor-made training to 1132 PE's on application of NeST, whereby 8645 participants were trained; group training to 1434 Economic Operators and CSOs on application of NeST; and group training to 190 SMEs (Special groups) on application of NeST.</p> <p>In its Regulatory role, The Authority conducted sixteen (16) investigations out of 12 planned i.e. TARURA-Tabora, TARURA-Morogoro, TARURA-Katavi,</p>	<p>(i)Increased compliance with the Public Procurement Act and its Regulations;</p> <p>(ii)Increased value for money;</p> <p>(iii)Introduction of NeST usage; and</p> <p>(iv)Increased customers' satisfaction.</p>

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			<p>TANROADS-Kigoma, TANROADS-Mwanza, Mwananyamala Regional Referral Hospital, Dar es Salaam City Council, Ubungo Municipal Council, TARURA-Mara, Ngorongoro Conservation Area Authority, Tunduma Town Council, Tanzania Agricultural Research Institute (TARI) Medical Stores Department(MSD), National Identification Authority (NIDA), Tanzania Cotton Board (TCB) and Tabora Municipal Council.</p> <p>Also;</p> <p>i) Procurement Audit: conducted Procurement audits to 239 PEs through TANePS</p> <p>ii) Contract Audit: Performance audits to 89 PEs.</p> <p>iii) Performance Audit: Performance audits to 2 PEs.</p> <p>Annual Compliance Report: Annual Procurement compliance reports on 180 PEs which were audited during the FY 2022/23 were prepared and the report submitted to the Minister on 29 September 2023. Three (3) separate report for 44 PAs, 61 MDAs and 75 LGAs and RAS submitted.</p> <p>Contract monitoring: During the period under review contracts implemented by 193 PAs, 364 MDAs, 184 LGA and 26 RAS were monitored through NeST;</p>	
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Compliance with Public Procurement Act improved	<ul style="list-style-type: none"> Financial Resources. Intellectual Resources. Human Resources. Social and Relationship Resources. Natural Resources. Other Resources 	Compliance with the internal control procedures and the regulatory requirements	Compliance on Controls and Regulatory framework enhanced. During the year, the Authority continued to strength institutional compliance with the internal control procedures and regulatory requirements.	Improved quality of service offered to the customers.
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2.10. SUSTAINABILITY OF ENTITY OPERATIONS

a) Environment Sustainability

While the world strives on the climatic change agenda, during the year, the global economy continued to experience a negative spillover of the war in Ukraine which caused soaring of food and energy prices in the world. Inflation increased while economic growth decelerated.

Environmental and social effects were another impact during the year. Climatic change that resulted in inadequate rainfall during the first half of the year, caused electricity rationing, limited pastures for live stocks farming and low produce in agriculture which negatively impacted most businesses.

Tanzania continues to excel its economic and social growth following her political stability that allows smooth change of government regime without affecting business environment in the country

b) Social Sustainability

Recommendation	Response
Governance	
a) The Board's oversight of climate-related risks and opportunities	
Process and frequency	The Board integrates climate-related risks and opportunities into the company's overall strategic planning and procurement processes. This includes setting long-term sustainability goals, integrating climate considerations into business strategy, and aligning with Government efforts towards compliance with international climate agreements and regulations.
The Board committees taking climate into account	The Board assess sustainability risks and opportunities through the Audit Committee whereby all issues relating to sustainability procurement as agreed by UN are discussed.
b) Management's role in assessing and managing climate-related risks and opportunities	
Who manages climate-related risks and opportunities	The risk management Manager is responsible for climate-related risks and opportunities.
How management reports to the Board	The Board delegates day-to-day operational management and strategic implementation to the Director General. The

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Recommendation	Response
	<p>Director General is supported in the management of the Authority through advice and input provided by the Management Committee, which is composed of members of the Senior Management.</p> <p>The key representative of the Risk Management Department assists the Management Committee with information on the implementation of the Environmental Strategy, enabling the Committee to make recommendations to the Board on environmental matters.</p>
Processes used to inform management	The Risk Management Unit reports its findings regularly to management, usually through the existing governance structure. This ensures that management is aware of potential risks and opportunities and is able to make informed decisions.
Strategy	
a) Climate-related risks and opportunities the organization has identified over the short, medium and long term	
Processes used to determine material risks and opportunities	<p>Climate scenario analysis is used as a risk assessment tool to obtain information on the long-term impact of transition and physical risks across Authority's operations</p> <p>In addition, the Authority uses appropriate information technology to bring its services closer to its clients. This has a knock-on effect on reducing carbon dioxide emission emissions, as clients can get the services; they need without having to physically visit our offices.</p> <p>The Authority generally conducts environmental impact assessments before the start of any construction project and maintains the layout of its investments and office buildings as well as vacant land to ensure environmental protection.</p>
Relevant short-, medium-, and long-term time horizons	Our assessment of climate risks covers three distinct time periods: short term is up to 2025; medium term is 2026 to 2030; and long term is 2030 to 2050.
b) The impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	
Impact on strategy, business, and financial planning	<p>Scenario analysis supports our strategy by assessing our position under various climate scenarios. It helps the Authority management improves understanding of climate change, plan for the future and meet the growing regulatory requirements. We recognize that our systems, processes, controls and governance are constantly evolving.</p> <p>We consider the impact of climate-related issues on our business, strategy and financial planning by aligning with the government's environmental strategy.</p>
Impact on products and services	
Impact on supply chain and/or value chain	We will continue to work with our supply chain and through direct dialogue with suppliers on how to continue to support our transition towards balancing the amount of greenhouse gases we produce with the amount we remove from the atmosphere.
Impact on operations	Climate change poses a physical risk to the buildings that we

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Recommendation	Response
	occupy as an organization, including our offices and data centers.
Transition plan to a low-carbon economy	<p>The Authority commits 100% automation of all operations by the end of the 2024/25 financial year to improve work efficiency and, most importantly, reduce paper usage.</p> <p>Integrate climate-related risks and opportunities into the investment decision-making process. This includes analysing the potential impact of climate change on asset values and incorporating these factors into asset allocation, selection and risk management practices.</p>
Risk management	
a) The organization's processes for identifying and assessing climate-related risks	
Risk types considered	Our initial approach to climate risk management focuses on understanding the physical and transition impacts on five priority risk types: credit risk, liquidity risk, interest rate risk, currency risk, regulatory compliance risk, and price risk.
Process	<p>We have integrated climate risk into our existing risk taxonomy and incorporated it within the risk management framework through the policies and controls for the existing risks where appropriate. We also recognize that we require enhanced capabilities and new sources of data</p> <p>We also use stress testing and scenario analysis to assess how these climate risks will impact our customers, business and infrastructure.</p>
b) The organization's processes for managing climate-related risks	
Process and how we make decisions	The Authority Management Committee receives regular updates on risk profile, top and emerging risks, and progress of our risk program.
c) How processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management framework	
How we have aligned and integrated our approach	Our climate risk approach is aligned to risk management framework and three lines of defence model, which sets out how we identify, assess, and manage our risks.

c) Actions taken as a Regulatory Authority

Tanzania is making strides towards sustainable development with the establishment of a Sustainable Procurement Portfolio by the UNDP Tanzania country office. This initiative aims to integrate economic, environmental, and social dimensions into public procurement processes, reflecting a commitment to responsible governance.

Sustainable Public Procurement (SPP) is crucial for promoting economic prosperity, environmental protection, and social inclusivity. In Tanzania, the SPP portfolio tackles diverse development challenges, emphasizing inclusivity and sustainability while addressing environmental, health, social, and safety impacts. Strengthening legal, regulatory, and policy frameworks is essential to embedding SPP principles throughout procurement processes, enhancing the quality of goods, services and works procured.

The partnership between UNDP and the Public Procurement Regulatory Authority (PPRA) heralds a new era of accountability and transparency. This collaboration empowers oversight institutions to implement SPP mandates effectively, fostering a culture of compliance and accountability. Regulatory enhancements and the adoption of digital and innovative solutions promise to enhance Tanzania's procurement landscape, boosting transparency and efficiency.

As key focus of Tanzania's SPP initiative is local empowerment. By prioritizing the procurement of locally sourced commodities, goods, services, and works, particularly from enterprises led by women, youth, and people with disabilities, Tanzania aims to strengthen economic resilience and social inclusivity. The recent agreement between UNDP and the Tanzanian government through PPRA, marks a significant milestone in this collaborative effort. The government acknowledges UNDP's support in aligning procurement goals at national, regional, and global levels, underscoring the importance of public procurement reforms in ensuring value for money and fostering accountability.

Looking ahead, Tanzania anticipates a myriad of benefits from its commitment to SPP, including improved service delivery, robust economic growth, enhanced health and well-being, social development, and environmental sustainability. Capacity-building initiatives for PPRA staff, procurement entities, and suppliers are expected to further local content administration and organizational development.

The UNDP-PPRA partnership exemplifies a collaborative approach to advancing sustainable development in Tanzania. As the nation navigates the intricate web of socio-economic challenges, sustainable public procurement practices offer a beacon of hope, guiding Tanzania towards achieving its developmental goals and the 2030 Sustainable Development Goals.

2.11. AUTHORITY GOVERNANCE STATEMENT

The overall responsibilities of the Board of Directors, among other things, include providing general oversight on the Authority's operations, identifying key risk areas, monitoring investment decisions and reviewing the performance of management strategic plans and budgets. The Board is also responsible for ensuring presence of a comprehensive system of internal control as well as compliance with sound corporate governance practices.

Therefore, during the year under review, all aspects of good corporate governance principles which include Board operations and control; rights of the Government and general public; stakeholder relations; ethics and social responsibility; accountability, risk management and internal control; and transparency and disclosure are complied with. These are briefly explained below:

2.12. Governance Structure of PPRA

Pursuant to Section 22 of Public Procurement Act, Cap 410, the Board of Directors is the governing body of the Authority. The Board consists of non-executive members whose

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chairman is appointed by the President and the other six members are appointed by the Minister responsible for Finance. The Director General of PPRA, who is appointed by the President, is the Secretary to the Board. The Board, for better carrying out of its function, has established several committees as provided for under Section 23 of the Public Procurement Act, CAP. 410 Board members who served the Board during the year 2023/24 are indicated in Table 6.

Table 6: Composition of Board of Directors

S / N	Name	Position	Qualification	Nationality	Age	Gender	Date of Appointment	Date of End of Tenure
1	Dr. Leonada R. Mwangike	Chairperson	Phd in Procurement	Tanzanian	52	Female	21 July 2022	20 July 2025
2	Eng. Sylvester N. Mayunga	Member	MBA, BSc in Engineering	Tanzanian	59	Male	19 January 2022	18 January 2025
3	Eng. Prof. Ninatubu M. Lema	Member	PhD project management, MSc engineering	Tanzanian	68	Male	10 May 2020	12 February 2026
4	Mrs. Mary S. Lyimo	Member	LLB	Tanzanian	69	Female	19 January 2022	18 January 2025
5	Hon. Allan J. Kiula	Member	MBA	Tanzanian	61	Male	19 January 2022	18 January 2025
6	Adv. Maria M. Memba	Member	LLM	Tanzanian	48	Female	06 January 2024	05 January 2027
7	CPA.Dr Neema K. Mssusa	Member	PhD in Business Administration	Tanzanian	47	Female	06 January 2024	05 January 2027
8	*Eliakim C. Maswi	Secretary/D G	Msc. Finance	Tanzanian	57	Male	16 May 2022	21 July 2024
9	Dennis K. Simba	Secretary/D G	MBA	Tanzanian	45	Male	21 July 2024	To date

**The President of United Republic of Tanzania, H.E. Samia Suluhu Hassan, appointed Mr. Eliakim Maswi, the PPRA CEO to be the Permanent Secretary of the Ministry of Justice and Constitutional Affairs with effect from 21 July 2024 and in his position, Mr. Dennis Kwame Simba was appointed as a new Director General of PPRA from 21 July 2024.*

2.13. Board operations and control

The principle on appointment, composition, size and qualifications of Board members was observed by the respective appointing authorities as follows:

(a) Diversity

The Board is composed of members of different qualifications with diversity of strength and knowledge of public procurement. Diversity is observed through differentiation in the Directors' age, gender, professional qualifications and previous experiences. In addition,

members were appointed from both public and private sectors. As well, they are members of professional bodies.

(b) Composition of Board of Directors

The Board of Directors of PPRA is a governing body consisting of the Chairperson who is appointed by the President and six non-executive directors appointed by the Minister responsible for Finance. The Director General (DG) is appointed by the President and is the Secretary to the Board. The Board, for better carrying out of its function, has established committees as provided for under Sec. 23 of the Public Procurement Act, CAP. 410. The Established committees are Audit Committee, Technical committee and Advisory Committee.

(c) The Board Independence

The Authority assesses the independence of Board members on an annual basis, to ensure that the Board always benefits from independent and objective judgment

(d) The Board Instruments

The Authority has developed the Board's Code of Ethics and Conduct, in compliance with the Treasury Registrar's Board of Directors Code of Ethics and Conduct Guidelines, 2022 of which has been cascaded down to all employees. Also has established Charters of the Board and its Committees so as to guide the Board in undertaking its oversight role and planned activities. The Code and the Charters are reviewed where needs arise to cope with changes. Further, the Board develops a work plan and an evaluation toolkit annually, to ensure effectiveness.

(e) Governance on Audit

The Board continues to oversee Management implementation of the Controller and Auditor General's recommendations made during the statutory audit of the previous financial years. In addition, the Board continues to oversee Management implementation of recommendations made by the Authority Internal Auditor.

(f) Rights of the Government and the General Public

- (i) The Authority recognizes, respects and protects the rights of the Government and the general public through:
- (ii) Availing information on the Authority's performance by submission of quarterly performance reports to relevant Government authorities and publishing annual reports together with audited financial statements;
- (iii) Ensuring equitable treatment of all regulated service providers and customers in discharging the Authority functions;
- (iv) Ensuring that Government, Ministries and Agencies hold meetings with the Authority's Management, when required, to discuss any matter related to the Authority's performance or service delivery; and
- (v) Engaging the media on dissemination of important Authority's information.

(g) Meetings of Those Charged with Governance

During the financial year 2023/24, the Board had three committees namely, Audit Committee, Advisory Committee and Technical Committee. The Audit Committee dealt with issues related to risk management budget/planning, finance and audit. The Advisory Committee advised the Paymaster General (PMG) on applications for retrospective approvals, as they happened. The Technical Committee dealt with other core functions regarding to public procurement namely; monitoring and compliance, capacity building, technical advisory services as well as procurement information system.

Paragraph 4(1) of the First Schedule to the Public Procurement Act, Cap. 410 states that, the Board shall meet at such times and such places being not less than once in a month as the Chairperson may determine. During the year under review, a total of four ordinary board meetings were planned and implemented with an addition of one extra ordinary meeting making a total of five board meetings conducted during the year. In exercising its oversight role, the board received, discussed and approved among others, budget, annual procurement plan, financial statements, internal audit quarterly reports, annual performance evaluation report (APER) and quarterly progress reports.

(h) Committees of Those Charged with Governance

During the financial year 2023/24, the Board had three committees namely,

- (i) Audit Committee;
- (ii) Advisory Committee, and
- (iii) Technical Committee.

The audit committee dealt with issues related to risk management, finance and audit. The Advisory Committee advised the Paymaster General (PMG) on applications for retrospective approvals, as they happened. The Technical Committee dealt with other core functions of public procurement namely monitoring and compliance, capacity building, technical advisory services as well as procurement information system. Composition of Board Committees is as explained below in table 1.30.5(a)(b)(c).

Audit Committee composition

S/N	Name	Position	Attendance	Nationality
1	CPA. Neema K. Mssusa	Chairperson	1	Tanzanian
2	Mrs. Mary S. Lyimo	Member	4	Tanzanian
3	Adv. Grace M. J. Mfinanga	Member	3	Tanzanian
4	Eng. Sylvester N. Mayunga	Member	4	Tanzanian
5	Hon. Allan J. Kiula	Member	4	Tanzanian

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Advisory Committee composition

S/N	Name	Position	Attendance	Nationality
1	Adv. Mary S. Lyimo	Chairperson	3	Tanzanian
2	Eng. Prof. Ninatubu M. Lema	Member	3	Tanzanian
3	Hon. Allan J. Kiula	Member	3	Tanzanian
4	Eng. Sylvester N. Mayunga	Member	3	Tanzanian
5	Adv. Maria M. Memba	Member	1	Tanzanian

Technical Committee composition

S/N	Name	Position	Attendance	Nationality
1.	Eng. Prof. Ninatubu M. Lema	Chairperson	7	Tanzanian
2.	Adv. Maria M. Memba	Member	3	Tanzanian
3.	CPA. Neema K. Mssusa	Member	3	Tanzanian
4.	Eng. Sylvester N. Mayunga	Member	7	Tanzanian
5.	Adv. Grace M. J. Mfinanga	Member	4	Tanzanian

(i) Attendance to Committees Meetings

During the financial year 2023/24, a total of four audit committee meetings were held, three meetings of the Advisory Committee were held whereas the Technical Committee held seven meetings.

S/N	Board Committee	Number of Meetings
1	Audit Committee	4
2	Advisory Committee	3
3	Technical Committee	7
	Total	14

(j) Managing Operations of the Authority

The Director General, of the Authority and the Secretary to the Board, is responsible to the Board for the proper administration and management of the functions and affairs of the Authority. The Authority's Management team, which is under the supervision of the Director General demonstrated capability to handle all operational and administrative matters efficiently.

The Management, under the Director General, is structured in the five (5) Divisions seven (7) Units and six (6) zones as follows:

Table 7 : Key Management Personnel

S/N	Name	Position
1	Mr. Dennis K. Simba	Director General
2	CPA. Salmin Y. Malole	Director, Corporate Services Directorate
3	Eng. Awadhi J. S. Suluo	Director, Procurement and Supplies Capacity Development
4	Mr. Michael A. Moshiri	Director, Information and Communication Technology
5	Eng Amin N. Mcharo:	Director, Procurement and Supplies Compliance
6	Adv. Paul T. Kadushi:	Director, Legal Services
7	CPA Charles Bilore	Ag. Director Procurement Investigation
8	Eng. Masunya E. Nashon	Ag. Director, Research, Development and Innovation

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S/N	Name	Position
9	Mr. Robert M. Kitalala	Manager, Procurement Management Unit
10	CPA Rose Millo	Chief Internal Auditor
11	Sako M.Mwakalobo	Ag. Manager, Risk Management and Quality Assurance Unit
12	Alex Mange	Ag. Manager Monitoring and Evaluation Unit
13	CPA Magai M.Maregesi	Manager Zonal Services- Northern Zone
14	Vicky Mollel	Manager Zonal Services- Coastal Zone
15	Phinias Manase	Manager Zonal Services- Southern Zone
16	Pascal Manono	Manager Zonal Services- Southern Highlands zone
17	Eng. Juma Mkobyia	Manager Zonal Services- Lake Zone
18	Eng Suma Atupele	Ag. Manager Zonal Services- Central and Western Zone

In addition, the Board had established a Risk Register which guides Management on risk management process including monitoring of external environment which may impact the regulatory process of the Authority.

2.14. CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

The Authority's current and future development and performance are explained below:

(a) AUTHORITY STRATEGIC PLAN

In implementing the budget for financial year 2023/24, the Authority focused on its strategic objectives as provided in the Strategic Plan (MTSP III) for the period of 2021/22 - 2025/26. These objectives are: reducing Non-Communicable Diseases and HIV/AIDS infections while improving supportive services; enhancing and sustaining the implementation of the National Anti-corruption Strategy and Action Plan; improving performance in Public Procurement; strengthening the capacity to deliver quality services and Public Education and Awareness Strengthened.

Planned interventions included: monitoring of Procurement contracts in all PEs; build capacity of PEs, Economic Operators and CSOs on the Public Procurement Act, CAP 410; develop, review and disseminate Ten (10) new and 38 existing procurement Implementation tools; conduct Ten (10) studies on public procurement issues; carried out Investigations on all allegations/complaints/reported cases of breach of the Public Procurement Act, Cap 410; review and implement e-Procurement system; provision of Zonal Service affairs; provide Statutory and administrative services to all PPRA staff; implement the Human Resource Strategy; coordinate and prepare Plans, Strategies, Budgets and Frameworks; develop, review and upgrade all Internal systems;

During the year under review the key strategic milestones achieved in the Public Procurement Sector are; The enactment of Procurement Act CAP 410 of 2023 which its implementation commenced in 17 June 2024; enactment of Procurement Regulations of 2023 which its implementation commenced in 1 July 2024; Development of New National e-Procurement System of Tanzania (NeST) which its implementation commenced in October 2023; Establishment of Zonal Offices and appointment of Zonal Managers; Completion of the project of construction.

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PPRA head office; Review of Organisation Structure which approved by Her Excellence Samia S. Hassan the President of the United Republic of Tanzania in March 2024 and Acquisition of Authority office Furniture for both Head office and Zonal Offices.

The Authority's future development plan includes to ensure full operationalization of NeST by completing development of all modules, that means e-Registration, e-Tendering, e-Contract, e-Catalogue, e-Auction and e-Payments. The full operationalization of the system will entail the key technological component known as Intelligent/Smart procurement which will have future such as; artificial intelligent, Machine learning, intuitive intelligent, intelligent content extractions, cognitive computing artificial intelligent and Supply chain Management. Furthermore, the Authority planned to renovate PPRA building located Kurasini within Coastal zone. In addition, the Authority plan to build capacity of various Procurement Stakeholders including suppliers, special groups, students from higher learning Institutions and staff from PEs regarding to the application of NeST and the Procurement Act CAP 410 of 2023. During the period, the Authority will continue with full Operationalization of Zonal Offices. Nevertheless, the Authority will acquire motor vehicles and will host the 16th East African Procurement Forum.

The Authority had, further plan to have e-procurement strategy and e-procurement guidelines to guide all the system users. In addition, the Authority planned to enhance staff performance on service delivery through short- and long-term training, implementing its responsibilities by focusing on customer satisfaction, and increase levels of engagements with key stakeholders in regulated services. In terms of revenue, the Authority projects growth in recognized revenue to TZS 67,237,722,000 in the year 2024/25.

(i) Level of Capital Expenditure

During the period under review, the Authority incurred payment and received Assets totalling TZS 7,768,113,000 for acquisition of computers, equipment, furniture, software and capitalization of Office Building. The mentioned items are expected to improve day-to-day performance of the Authority operations in terms of efficiency and human health to achieve strategic objectives of the Authority.

(ii) Integrated Financial Management Information System

During the year under review, the Authority's management continued to process its financial data using the Government Accounting System known as 'Mfumo wa Uhasibu Serikalini' (MUSE) and Planrep. MUSE is an accounting system that enhances the Authority's ability to process and reconcile transactions and prepare financial reports, while Planrep enhances the Authority's ability to process budgets.

(iii) Description of Budget Information

The Authority's final revenue budget for the financial year 2023/24 is TZS 46,599,863,000 compared to TZS 28,742,259,000 in 2022/23.

(iv) Analysis of Authority's External Aspect/Environment

As a regulator, the Authority is influenced by the external environment. Analysis of political, economic, social, technological, environmental, and legislative factors is conducted to understand the context in which it operates. This analysis helps in identifying the factors that could either facilitate or hinder its implementation. Therefore, this section explains the analysis of external environmental factors that could impact the operations of the Authority:

(v) Political Aspect

Political stability is essential for promoting the economic development and growth of a nation. The current political stability and supportive environment, combined with the efficient utilization of government resources, foster value for money in all public procurement processes. The Authority stands to benefit from government initiatives, such as combating corruption, minimizing political interference, and streamlining bureaucracy, all of which contribute to the promotion of economic development.

(vi) Legislative Aspect

The legal and regulatory frameworks that govern the public procurement systems contribute to the smooth implementation of PPRA mandates. The Public Procurement Act, CAP.410, the Public Procurement Regulations, 2013 as amended by Public Procurement (Amendment) Regulations 2016, and the Local Government Tender Boards (Establishment and Proceedings Regulations, 2018) assisted the Authority in regulating the country's public procurement system. The Act further establishes regulations and operational bodies with their objectives and mandates

The Authority's Service Performance Information discloses information needed for accountability and decision-making purpose, primarily to help users of the report by Those Charged with Governance to understand what the Authority had set out to achieve (target) and what it has achieved (results). The service performance information is generally a mix of qualitative and quantitative reporting. The reporting of service performance information is based around two elements:

- (i) Outcomes: what the Authority seeks to achieve in terms of its impact on society; and
- (ii) Outputs: the services that the Authority's delivers during the financial year.
- (iii) The Authority reporting of service performance information is provided in this report under Key Performance Indicators.

2.15. CAPITAL STRUCTURE AND TREASURY POLICIES**(i) Capital Structure**

The Authority's capital structure for the period ended 30 June 2024 consists of Accumulated Surplus of TZS 16,802,477,645 compared to 8,277,676,942 in 2022/23.

(ii) Treasury Policies and Objectives

PPRA's treasury policies involve mechanisms established by the board, which delegate financial decisions to Management in a controlled manner. The control instruments in place include legislation, Government Circulars, Guidelines, and Board resolutions related to the opening, operation, and authorization of bank accounts. The primary objective is to ensure the proper control and safeguarding of Government financial resources. Under these mechanisms, the Authority's revenue is collected and remitted directly to revenue collection accounts maintained at commercial banks (CRDB, NMB, AZANIA) and the BANK OF TANZANIA (BOT) using the GePG system. Additionally, revenue is remitted weekly, specifically on Mondays, to the Authority's revenue collection accounts held at the Bank of Tanzania. All expenditures of the Authority are incurred within the approved limits outlined in the annual budget.

(iii) CASH FLOWS

The Authority's cash flows can be analysed through the cash flow statement, which is categorized into three areas: cash flows from operating activities, cash flows from investing activities, and cash flows from financing activities. Thus, the analysis of the Authority's cash flows is summarized.

Cash Flows from Operating Activities

The net cash flows from operating activities of TZS 9,825,498,582 in current period compared to TZS 3,412,725,902 of previous year, resulted as the difference between cash receipts amounting to TZS 37,397,666,136 in current year from Revenue grants, fees, and other revenue; and payments amounting to TZS 27,572,167,554 for wages, salaries and employee benefits; supplies and consumables used, other expenses, maintenance expenses and grants, subsidies and other transfer payments.

(a) Cash Flows from Investing Activities

The net cash flows used in investing activities of TZS 8,456,279,259 in current period compared to TZS 6,676,172,058 of previous year was derived from cash capital expenditures for acquisition of property and equipment, Advance payment for Acquisition of Property Plant and equipment and Work in progress for NeST Development.

(b) Cash Flows from Financing Activities

There was no net cash flows from financing activities during the period ended on 30 June 2024, and in the previous year.

(iv) LIQUIDITY

During the period ended 30 June 2024, the Authority managed its liquidity level to ensure there is sufficient funds to meet its obligation when due, without incurring unacceptable

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losses or risking damage to the Authority's reputation. This was achieved through wise liquidity management which includes maintaining sufficient cash and cash equivalents and striving to ensure that Authority renders its services on cash. Thus, the Authority's Liquidity gap which is the excess of current assets over current liabilities for the period ended 30 June 2024 was TZS 272,915,117 compared to TZS 817,173,243 of previous year. This shows that the Authority was able to meet its current obligations when due.

2.16. KEY PERFORMANCE INDICATORS

STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		
			Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
Enhance implementation of the National Guidelines for Management of HIV/AIDS and NCDs in public service in force.	100% staff sensitized on HIV/AIDS and NCDs by June 2026.	Percentage of PPRA staff sensitized on HIV/AIDS and NCDs Percentage of sensitized staff tested on HIV/AIDS status Percentage of sensitized staff tested on NCDs status Number of protective gears provided to staff Percentage of PPRA staff sensitized on stress management	73,200,000	69,234,000
	100% of staff declared their HIV/AIDS status provided with nutrition and health care support by June 2026	Percentage of PPRA staff declared to live with HIV/AIDS provided with nutrition and health care support.		
	100% of staff attended wellbeing programs	Number of staff attending wellbeing programs.		
Enhance Effective implementation of National Anti-corruption Strategy and Action Plan.	Anti-Corruption and Fraud Policy reviewed by June 2024	Approved Fraud Policy	175,420,000	175,420,000
	User friendly tools for promoting whistle blowing developed and implemented	Approved anti-corruption Policy		
	100% of Staff sensitized on anti-corruption and money laundering by June 2026	Number of tools for whistle blowing developed and disseminated Percentage of staff sensitized on anti-corruption and money laundering		
Promote Good Governance, integrity and ethical values.	16 Integrity committee meetings conducted by June 2026,	Number of Integrity committee meetings		
	100% of staff sensitized on public service Code of Ethics and Conduct by June 2026	Proportion of staff sensitized on anti-corruption and Public Service Code of Ethics and Conduct Proportion of staff filling integrity pledge forms Proportion of Management members signing declaration of		

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STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		
			Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
		conflict-of-interest forms		
	100% of PPRA staff vetted by June 2026	Number of staff vetted		
Strengthening procurement audit skills to technical staff	28 technical staff capacitated on public procurement audit skills by June 2026	Approved training programme on procurement auditing in place Number of technical staff trained on public procurement audit skills	25,750,359,984	14,960,193,965
Enhancing Quality Control and Quality Assurance of the audit process	Compliance and Value for Money Audit tools reviewed by June 2024	Number of audit tools reviewed		
	70% of Staff oriented on revised compliance and VfM audit tools by June 2026	Number of staff oriented on revised VfM tools		
	VfM Audit conducted to 50% of PEs by June 2026	Percentage of PEs audited on VfM Number of automated audit reports generated through NeST		
	Guidelines on Quality Control and Quality Assurance of Audit process developed by June 2025	Guidelines on Quality Control and Quality Assurance in place		
Strengthen Monitoring and Compliance in Public Procurement	100% Procuring Entities audited for procurement compliance by June 2026	Percentage of PE audited for procurement compliance		
	100% of PPP projects audited on procurement compliance by June 2026	Number of PPP projects audited on procurement compliance		
	Procurement and contract audits on tender processed by Commercial Entities instituted by June 2026	Number of Commercial Entities audited annually		
	Procurement and contract audits on tender processed by None Commercial Entities instituted by June 2026	Number of None Commercial Entities audited annually		
	Procurement and contract audits on tender processed for Ministries and Independent Departments (MDAs) instituted by June 2026;	Number of Ministries and Independent Departments audited annually		
	Procurement and contract audits on tender processed for RS and LGAs instituted by June 2026	Number of RS and LGAs audited annually		
	Procurement and supplies compliance services to	Number of stakeholders facilitated within a Zonal		

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STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		Actual (TZS '000)
			Budget (Revised Budget) (TZS '000)	
	Procurement and Supplies Stakeholders within the zonal jurisdiction provided by June 2026	jurisdiction		
Operationalisation of zonal office by June 2026	Introduction of 5 Zonal Offices coordinated by June 2026	Number of Zonal offices operationalize		
	Procurement and contract audits on tender processed in zonal offices	Number of outputs and contracts audited in zonal offices		
Strengthening capacity of PPRA in matters related to Investigation and Anti-Corruption	Investigation and Anti-Corruption unit established and operationalized by June 2026	Functional Investigation and Anti-Corruption unit in place Investigation Guideline in place Number of staff trained on investigation		
	Investigation and Anti-corruption strategy developed and implemented by June 2026	% of allegations/complaints/reported cases investigated Investigation and anti-corruption strategy in place; Number of proactive investigations conducted		
	20% proactive investigations conducted			
	Strategic, Commercial and Non Commercial Public institutions on allegations, complaints, and reported cases of suspected breaches instituted by June 2026			
Strengthening capacity to undertake procurement research	Fourteen (14) staff capacitated on conducting procurement research, by June 2026	i. Number of Research training program developed ii. Number of staff trained on conducting research		
	Procurement research agenda developed and implemented by June 2026	i. Procurement research agenda developed ii. 12 studies/researches conducted and disseminated iii. Number of procurement research published		
Enhance public procurement capacity	Capacity building strategy for procurement stakeholders developed by June 2024	Procurement Capacity Building Strategy Document in place	16,367,949,762	12,470,700,833
	90% PEs; 3000 of Local registered EOs, 500 CSOs and 1,500 Special Groups capacitated on Public Procurement Act, Cap 410 and its regulations by June 2026	i. Proportion of registered PEs capacitated ii. Number of registered Eos, CSO & Special groups capacitated iii. Number of STDs, Guidelines developed iv. Number of dissemination		

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STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		
			Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
		workshops conducted v. Number of Procurement Implementation Tools reviewed/developed		
	6 Standard Tendering Documents developed, 37 STDs reviewed and 4 Guidelines developed/reviewed by June 2026.	i. Number of new STDs developed ii. Number of existing STDs & Guidelines reviewed iii. Number of Guidelines developed		
	3000 PEs registered in e-procurement system by June 2026	Number of PEs registered in e-procurement system		
	90% PEs; 2000 Local registered EOs, 300 CSOs and 1000 Special Groups capacitated on e-procurement system by June 2026.	i. Proportion of registered PEs capacitated ii. Number of registered EOs capacitated iii. Number of CSOs capacitated iv. Number of Special Groups capacitated vi. Number of dissemination workshops conducted		
	100% of submitted applications for deviation on use of STDs attended on time by June 2026	Time taken to attend submitted applications for deviation on use of STDs Number of responses given to PEs on all submitted applications for deviation on use of STDs		
Enhance national, regional and international strategic public procurement networks	10 annual national, Regional and international procurement stakeholders' forums attended and coordinated by June 2026	i. Number of forums attended ii. Number of forums coordinated		
	Public Procurement Regulatory Authority linked with national and international stakeholders by June 2026	Percentage of regional public procurement strategies mainstreamed in national procurement system		
Leverage ICT usage in public procurement	e-Procurement Strategy developed by June 2024	e-Procurement Strategy in place		
	6 modules of e-procurement system developed and operationalized by June 2026	i. Number of functional modules in e-procurement system ii. Number of PEs registered in e-procurement system		
	All PEs and Economic Operators Systems	Number of Systems administrators from PEs and		

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STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		
			Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	administrators capacitated on e-Procurement system by June 2026	Economic operators capacitated Proportion of PEs requesting technical support assisted Percentage of Internal Auditors in PEs submitting quarterly reports Percentage of PEs submitting Annual Procurement Plan		
Enhance ICT and services facilities.	ICT services, maintenance, facilities and support provided to the Authority by June 2026	Number of staff provided with ICT equipment Number of internal staff provided with ICT support Number of internal vulnerabilities conducted Disaster Recovery Plan in place		
	ICT Strategy prepared, approved and implemented by June 2026	ICT policy and strategy in place % of ICT Strategy implemented		
	20 ICT steering committee quarterly meetings conducted by June 2026	Number of ICT Steering committee meetings conducted		
	PPRA network and communication infrastructures developed, maintained and upgraded annually	System and Network back report and plan in place		
Strengthening the provision of advisory services on legal frameworks	i. The Public Procurement Act, Cap. 410 and PPR reviewed and implemented by June 2024	Revised the Public Procurement Act, Cap. 410 and Public Procurement Regulations, 2013 Number of legal advices provided to PEs and bidders on the Public Procurement Act, Cap. 410		
	ii. Legal and advisory services on CAP 410 provided to all submitted	Number of internal legal support and advice provided Number of legal documents prepared and reviewed		
	iii. Discharge of the functions of the Board of Directors facilitated by June 2026	Number of legal assistance provided annually Number of advices provided on litigation matters		
	iv. Advice on all litigation matters related to public hearings, trials, lawsuits, court cases and other legal proceedings provided by June 2026			
Enhance efficiency of the	Debarment Manual revised by 2024	Approved Debarment Manual		

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STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		Actual (TZS '000)
			Budget (Revised Budget) (TZS '000)	
Debarment process	100% of PPRA legal officers trained on revised Debarment Manual	Number of legal officers trained on debarment manual Time taken to determine debarment		
	95% of debarment cases handled within recommended time	Number of debarment cases handled within prescribed time		
	All conducts in procurement process monitored by June 2026	Tools for promoting whistleblowing in place Number of whistles blowing matters submitted and attended		
Strengthen financial resources management	Annual Statutory Financial Report and periodic financial reports timely prepared and submitted by June 2026	Number of annual Statutory Financial Reports prepared Number of periodic financial reports prepared		
Promote conducive working environment	Statutory meetings coordinated and administrative services to all PPRA staff provided by June 2026	Number of Statutory meetings coordinated Number of staff provided with administrative services		
Strengthen human resources management	PPRA Human Resource Plans and Strategies reviewed and implemented annually by June 2026	Number of PPRA Human Resource Strategy reviewed		
Strengthen PPRA Annual Plans and budget	i. Plans, Strategies, Budgets and Frameworks timely coordinated and prepared by June 2026 ii. Plans, Budget and development programmes monitored by June 2026	Number of annual workplans and budget prepared Percentage implementation of approved workplans		
Enhance Quality and Risk Management System	i. Risk Management framework developed and implemented by June 2026 ii. Risk Action Plan developed by June 2026 iii. Risk Register reviewed by June 2026	Risk Manual in place Risk framework in place Number of risk champions trained Updated risk register in place		
Strengthen efficiency and effectiveness of	i. A robust Monitoring and	M & E Framework in place Number of M & E Reports		

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		
			Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
Authorities operation	Evaluation Framework developed and implemented by June 2026 ii. Performance of Procurement Systems, Standards and Guidelines monitored and evaluated by June 2026	prepared Number of Programmes/Project Monitored		
Strengthen PPRA Governance	i. Thirty (30) Board and thirty (30) Management meetings timely conducted by June 2026 ii. 7 Board Members capacitated on the performance of their oversight functions annually	Number of Board meetings conducted annually Number of management meetings conducted annually Number of Board Members capacitated on the performance of their oversight functions		
Strengthen Internal control system	Four (4) quarterly and operational internal audits conducted annually	Number of quarterly RBIA audits conducted		
Internal Procurement Management	Annual PPRA procurement plan prepared and implemented by June 2026	Annual procurement plan in place Updated asset registers in place		
Enhance implementation of communication policy and communication strategy	i. PPRA communication policy reviewed and implemented by June 2024 ii. PPRA communication strategy reviewed and implemented by June 2026	Communication policy in place Communication strategy in place		
	i. 45 flier, 30 brochures, 150 video clips and 80 audio contents prepared and disseminate by June 2026	Number of fliers developed and distributed Number of brochures developed and distributed Number of video clips developed and aired Number of audio contents developed and aired Number of geographical areas reached		

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

STRATEGIES	TARGETS	KEY PERFORMANCE INDICATORS		Actual (TZS '000)
			Budget (Revised Budget) (TZS '000)	
Enhance strategic stakeholders' engagement in matters related to the Authority's functions	i. 6 stakeholders meeting with editors conducted by June 2026	Number of stakeholder's meetings conducted		
	ii. 6 strategic meeting with NGOs and CSOs conducted by June 2026			
	i. 36 press conferences conducted and press releases published	i. Number of press conferences conducted ii. Number of press conferences conducted		
	i. Participate in 100% of identified public events by June 2026	i. Number of public events and exhibitions identified and participated		
	ii. Five (5) annual procurement weeks organized by June 2026	ii. Number of exhibitions participated iii. Number of procurement weeks organized and implemented and		
	iii. 156 Publications designed, printed and disseminated by June 2026	iv. Number of Tanzania Procurement Journal prepared and published		
	Authority's Website and Social Media c updated by June 2023	i. Number of updates uploaded into the website ii. Number of contents uploaded into social media accounts		

2.17. GENDER BALANCE AND DISABLED PERSONS

As at the end of the period 30 June 2024 the Authority's staff compliment stood at 123 as compared to 115 in the preceding financial year (2022/23). The approved establishment of the Authority is 171. The staff compliment as at 30 June 2023 is shown below.

Staff complement as at 30 June 2024

S/N.	Staff Category	Number of Staff		Total
		Male	Female	
1.	Managerial Staff	18	9	27
2.	Technical Staff	103	18	121
3.	Support Staff	19	5	24
	Total	140	32	172

Gender balance and disabled persons

The Authority's recruitment policy is based on certain fundamental principles which among others includes equality under which we observe equal opportunity and refrain from

discrimination during recruitment process. As such, equal opportunity is given to all qualified Tanzanian regardless of race, colour, religion, disability, gender or status. Recruitment and engagement are therefore based on merit; therefore, transparency and patriotism are maintained throughout the process. Special services are facilitated to disabled and challenged staff who happen to declare their status or those with physical disabilities.

The Authority strives to retain and develop professionals through succession planning and staff development implemented annually. Staff affairs are of high priority such that equitable staff incentive policy, improved working environments and facilitation of periodic staff meeting and workers council pave way to teamwork and organizational common goal realization. This makes the Authority to be one of the most attracting Government employers recently through equal investment in workforce.

2.18. EMPLOYEES' WELFARE

(a) Management and Employee Relationship

Relations between employees and management continued to be good during the year. A healthy relationship continues to exist between management and trade union. The Authority is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion and disability which does not impair ability to discharge duties.

The Authority places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees. This is achieved through formal and informal meetings.

(b) Training Support

The Authority enhanced educational levels and skills of its employees in managerial, regulatory and technical areas. During the period under review, 76 employees attended seminars and workshops organized by professional bodies and short-term training; and 8 staff attended long-term training. Details of the training are presented below: -

Training attended up to June 2023

S/N	Description of training	Number of staff		
		Female	Male	Total
1.	Long term training	3	5	8
2.	Short term training, Professional seminars and workshops	29	47	76

(c) Medical Assistance

All staff in the Authority are members of the National Health Insurance Fund (NHIF) and when a staff does not get required medical facility under NHIF cover, the Authority refunds the

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

staff costs incurred where appropriate. The Authority pays mandatory contribution each month to NHIF and for the period ended 30 June 2024 the Authority incurred TZS 137,247,330 as medical expenses under NHIF.

(d) Health & Safety

The Authority takes all reasonable and practicable measures to safeguard health, safety and welfare of its staff. A safe working environment is ensured to all staff by providing protective gears, training and supervision where necessary.

(e) Interventions against COVID -19

During the year under review, PPRA adhered to Government's directives on how to protect and reduce transmission of COVID -19 pandemic to staff. The Authority provided sanitizers in the office, hand sanitizers and face masks to its staff. Furthermore, staff were continuously appraised on the government guidelines and measures to be taken against the pandemic while they are in the office as well as out of the office.

(f) Employees Benefit Plan

The Government through Treasury pays mandatory contributions to a publicly administered pension scheme (PSSSF) which qualifies to be a defined contribution plan. The amount incurred for the period ended 30 June 2024 was TZS 914,982,203 (2022/23 was TZS 661,917,000)

2.19. CHALLENGES AND WAY FORWARD

During the year under review, the Authority encountered a number of challenges including the following:

S/N	Challenge	Description	Recommendation
1.	Inadequate transparency	Only 18.5% of tenders advertised through TANEPS completed the entire process, from start to tender award, within the system. The remaining 81.5% of advertised tenders were only partially processed through TANEPS each year.	<ul style="list-style-type: none"> i. Authority initiated a Business Process Re-engineering (BPR) which once implemented through electronic procurement system (NeST) will enhance controls that will compel PEs to use e-procurement system in the entire procurement cycle. ii. The development of NeST will enhance the use of the system and hence promote the transparency in the public procurement. iii. Amendment of the Public Procurement Act, Cap. 410 to address the use of e-procurement to increase transparency.
2.	Non-compliance with the Public Procurement	reluctance of some PEs to submit mandatory reports to the Authority	i. In collaboration with the Internal Auditor General (IAG), Internal auditors are to submit their related reports through GARI-ITS

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

S/N	Challenge	Description	Recommendation
	Act, CAP 410.		ii. To enhance controls in the electronic procurement system that will facilitate access of information required in routine monitoring.
		Failure by some suppliers, contractors and service providers to meet their contractual obligations	To continue reminding PEs to institute provisions which are in the contracts in order to ensure suppliers, contractors and service provider comply with contractual terms and conditions.
		Failure for PEs to implement procurement audit recommendations	The Authority recommend to the competent Authority to take appropriate actions as stipulated in Section 20 of the Public Procurement Act, CAP 410

2.20. PREJUDICIAL ISSUES

During the period ended 30 June 2024, there were no serious prejudicial matters to report which were outside the control of the Authority in achieving its objectives, as required by the Tanzania Financial Reporting Standard No.1.

2.21. RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions and balances are disclosed in Note 25 to the financial statements.

2.22. STATEMENT OF COMPLIANCE

The Report by Those Charged with Governance is prepared in compliance with the new Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as issued by the National Board of Accountants and Auditors (NBAA) and became effective from 1 January 2021. The Authority's financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSASs) as issued by the International Public Sector Accounting Standards Board (IPSASB).

2.23. EVENTS AFTER REPORTING DATE

On 21 July 2024 Mr Dennis Simba was appointed as Director General of the PPRA replacing Mr Eliakim Maswi, the former Director General. The directors are not aware of other events after the reporting date which require adjustment to or disclosure in the financial statements.

2.24. SOLVENCY

The Authority's state of affairs as at 30 June 2024 is reflected in these financial statements. The Authority's Liquidity gap which is the excess of current assets over current liabilities for the financial year ended 30 June 2024 was TZS 2,262,828,000 compared to TZS 817,173,000 of previous year. This shows that the Authority was able to meet its current obligations when due. The Board considers the Authority to be solvent.

2.25. APPOINTMENT OF INDEPENDENT AUDITORS

The Controller and Auditor General is the statutory auditor of PPRA by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified by section 10 (1) of the Public Audit Act, Cap 418 (R.E. 2021).

Controller and Auditor General,
National Audit Office,
Audit House,
4 Mahakama 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

2.26. APPROVAL

This Report was approved and authorized for issue by the Board of Directors and signed on its behalf by:

BY ORDER OF THE BOARD

Dr: Leonada R. Mwangike
Chairperson of the Board

Date 12/03/2025

Dennis K. Simba
Director General

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

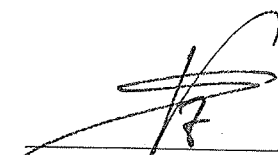
The Board is required by Section 26 of the Public Procurement Act, CAP 410 to prepare financial statements that give a true and fair view of the state of affairs of the Authority as at the end of the financial year and of the surplus or deficit of the Authority for that period. The Board confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the period ended 30 June 2024.

The Board also confirms that the International Public Sector Accounting Standards (IPSAS), have been followed. The Board is responsible for keeping proper accounting records, for safeguarding the assets of the Authority and hence taking reasonable steps for prevention of fraud and other irregularities.

By order of the Board



Dr: Leonada R. Mwagike
Chairperson of the Board



Dennis K. Simba
Director General

Date _____

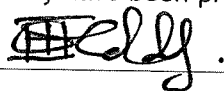
4.0 DECLARATION OF THE DIRECTOR OF CORPORATE SERVICES

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

It is the duty of a Professional Accountant to assist the Board of Directors and Management to discharge the responsibility of preparing financial statements of the Authority showing a true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of the financial statement's rests with the Board of Directors as under Directors Responsibility statement on item No.2 on Report of the Directors.

I, Salmin Y. Malole being the Director of Corporate Services of the Public Procurement Regulatory Authority (PPRA), hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and Public Finance Act, [CAP.348 R.E.2020].

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

Signed by: 

Name: Salmin Y. Malole

Position: Director of Corporate Services

NBAA Membership No: ACPA 2488


PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)


5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

		2023/24	Restated 2022/23
	Note	TZS'000	TZS'000
ASSETS			
Current Asset			
Cash and Cash Equivalents	11	1,658,993	307,656
Prepayments	12	1,444,660	577,367
Receivables	13	12,150	12,150
Total Current Asset		3,115,803	897,173
Non Current Asset			
Property, Plant and Equipment	14	9,822,021	2,423,302
Work in Progress - Software	15	7,604,802	4,336,572
Work in Progress - Building	16	-	1,706,451
Intangible Assets	17	113,762	-
Total Non Current Asset		17,540,586	8,466,325
TOTAL ASSETS		20,656,389	9,363,498
LIABILITIES			
Current Liabilities			
Deposits	18	1,011,789	-
Payables and Accruals	19	1,841,186	80,000
Total Current Liabilities		852,975	80,000
Non-Current Liabilities			
Deferred Income (Capital)	20	1,000,936	1,005,821
Total Non-Current Liabilities		1,000,936	1,005,821
TOTAL LIABILITIES		3,853,911	1,085,821
Net Assets		16,802,478	8,277,677
NET ASSETS/EQUITY			
Capital Contributed by:		-	-
Accumulated Surpluses		16,802,478	8,277,677
TOTAL NET ASSETS		16,802,478	8,277,677

Notes form part of the financial statements which were approved and signed on behalf of the Board of Directors by;


Dr: Leonada R. Mwangi
Chairperson of the Board


Dennis K. Simba
Director General


Date 12/03/2025

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

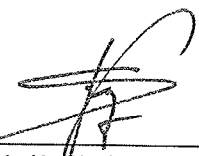
5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

		2023/24	Restated 2022/23
	Note	TZS'000	TZS'000
REVENUE			
Revenue from non-exchange transactions			
Amortization of Revenue Grants from Government	22(i)	20,690,291	14,233,058
Fees, Fine, Penalties and Forfeits	22(ii)	7,786,702	6,556,108
Other Revenue	22(iii)	3,479,392	1,768,639
		<u>31,956,385</u>	<u>22,557,805</u>
Revenue from exchange transactions		-	-
Receipts from training and examination fee	23	4,424,290	1,634,150
		<u>4,424,290</u>	<u>1,634,150</u>
TOTAL REVENUE		<u>36,380,675</u>	<u>24,191,954</u>
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	24	13,013,545	8,542,146
Use of goods and services	25	14,052,576	8,311,738
Maintenance Expenses	26	278,273	938,054
Other Expenses	27	137,966	1,203,302
Expected Credit Loss	5	17,882	3,876
Depreciation of Property, Plant and Equipment	14	245,147	265,338
Amortization of Intangible Assets	17	10,484	-
Total Expenses		<u>27,755,874</u>	<u>19,264,454</u>
Grants, Subsidies and other Transfer Payments	28	100,000	-
Total Transfer		<u>100,000</u>	<u>-</u>
TOTAL EXPENSES AND TRANSFERS		<u>27,855,874</u>	<u>19,264,454</u>
Surplus / Deficit		<u>8,524,801</u>	<u>4,927,501</u>

Notes form part of the financial statements


Dr: Leonada R. Mwangi
Chairperson of the Board

Date 12/03/2025



Dennis K. Simba
Director General

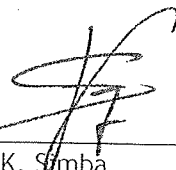
PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

5.3 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 June 2024

	Accumulated Surplus	Total
Opening Balance as at 01 July 2023	8,277,677	8,277,677
Surplus/ Deficit for the Year	8,524,801	8,524,801
Closing Balance as at 30 June 2024	<u>16,802,478</u>	<u>16,802,478</u>
Opening Balance as at 01 July 2022	3,350,176	3,350,176
Surplus/ Deficit for the Year	4,927,501	4,927,501
Closing Balance as at 30 June 2023	<u>8,277,677</u>	<u>8,277,677</u>

Notes form part of the financial statements


Dr: Leonada R. Mwangi
Chairperson of the Board


Dennis K. Simba
Director General

Date 12/03/2025

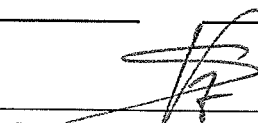
PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	Note	2023/24 TZS (000)	2022/23 TZS (000)
CASH FROM OPERATING ACTIVITIES			
RECEIPTS			
Revenue from non-exchange transactions			
Amortization of Revenue Grants from Government	32(a)	20,695,493	13,752,003
Fees, Fine, Penalties and Forfeits	32(b)	7,786,702	6,556,108
Other Revenue	32(c)	3,479,392	995,056
Revenue from exchange transactions			
Receipts from training and examination fee	32(d)	4,424,290	1,634,150
Deposit received but not yet expended	32(e)	1,011,789	-
Total Receipts		37,397,666	22,937,317
PAYMENTS			
Wages, Salaries and Employee benefits	32(f)	13,013,545	8,542,146
Use of Goods and Service	32(g)	14,042,383	8,741,089
Other Expenses	32(h)	137,967	1,203,302
Maintenance Expenses	32(i)	278,273	938,054
Grants, Subsidies and other Transfer Payments	32(j)	100,000	100,000
Total Payment		27,572,168	19,524,591
NET CASH FLOW FROM OPERATING ACTIVITIES		9,825,498	3,412,726
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of property, Plant and Equipment	14	(3,845,794)	(926,768)
WIP Building - Monetary		-	(937,870)
WIP Software	15	(3,268,230)	(4,336,572)
Advance payment for Acquisition of Property Plant and equipment	12	(1,342,255)	(474,962)
Total Investing Activities		(8,456,279)	(6,676,172)
NET CASH FLOW USED IN INVESTING ACTIVITIES		(8,456,279)	(6,676,172)
Net Change in Cash and cash equivalents		1,369,219	(3,263,446)
Cash and Cash equivalent at beginning of Period		311,532	3,474,978
Cash and cash equivalent at end of period		1,680,751	311,532



Dr: Leonada R. Mwangi
Chairperson of the Board




Dennis K. Simba
Director General

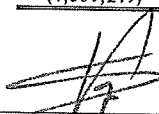
Date 12/03/2025

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

5.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024

	Original Budget TZS (000)	Reallocations/Carry over TZS (000)	Final Budget (B) TZS (000)	Actual Amount (A) TZS (000)	Variance (B-A) TZS (000)	Percentage %
RECEIPTS						
Revenue from non-Exchange transactions	38,239,963	5,944,900	44,184,863	32,973,376	11,211,487	25
Revenue from Exchange transactions	2,415,000	-	2,415,000	4,424,290	(2,009,290)	-83
Total Receipts	40,654,963	5,944,900	46,599,863	37,397,666	9,202,197	20
PAYMENTS						
Wages, Salaries and Employee Benefits	10,372,722	3,538,510	13,911,232	13,013,545	897,687	6
Use of Goods and Service	21,685,246	125,920	21,811,166	14,042,383	7,768,783	37
Other Expenses	473,980	-135,000	338,980	137,967	201,013	59
Maintenance Expenses	1,762,992	-460,855	1,302,137	278,273	1,023,864	79
Grants and Transfers	115,192	-	115,192	100,000	15,192	13
Advance Payment for Acquisition of Property Plant and Equipment	-	1,400,000	1,400,000	1,342,255	57,745	4
Acquisition of Property, Plant and Equipment	2,544,831	1,476,325	4,021,156	3,845,794	175,362	4
Acquisition of Intangibles (Work in Progress)	3,700,000	-	3,700,000	3,268,230	431,770	12
Total	40,654,963	5,944,900	46,599,863	36,028,447	10,571,416	23
Net Receipts/Payments	-	-	-	1,369,219	(1,369,219)	


Dr: Leonada R. Mwagike
Chairperson of the Board


Dennis K. Simba
Director General

Date 12/03/2025

Controller and Auditor General

AR/PA/PPRA/2023/24

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5.6 NOTES TO FINANCIAL STATEMENTS

1. ESTABLISHMENT AND PRINCIPAL ACTIVITIES

i) Establishment of the Authority

The Public Procurement Regulatory Authority was established by the Public Procurement Act, No. 21 of 2004 (as repealed by Act No 7 of 2011). The Act stipulates in detail the objectives, functions and powers of the Authority. The Authority offices are located at Ununuzi Street, P. O. BOX 2865, Dodoma.

The overall management of PPRA is vested in the Board of Directors as the Governing body under the supervision of the Ministry of Finance. The Director General carries out the day-to-day operations of the Authority.

ii) Principal Activities of the Authority

- (a) advise Government, local government authorities and statutory bodies on procurement and supply principles and practices;
- (b) monitor and report on the performance of the procurement and supply management systems in the United Republic and advise on desirable changes;
- (c) regulate procurement of consultancies, transaction advisors and private parties in respect of public private partnership projects in accordance with the regulations made under the Public Private Partnership Act and guidelines issued by the Authority in collaboration with the Public Private Partnership Unit;
- (d) in collaboration with the office of Attorney General and professional bodies, prepare, update and issue authorised versions of the standardised tendering documents, procedural forms and any other authorised documents to procuring entities;
- (e) approve the use of tendering documents, procedural forms and any other attendant documents other than standardised documents issued by the Authority;
- (f) organise and maintain a system for the publication of data on public procurement opportunities, awards and any other information of public interest as may be determined by the Authority;
- (h) conduct periodic inspections of the records and proceedings of procuring entities to ensure full and correct application of Public Procurement Act

2. AUTHORISATION OF FINANCIAL STATEMENTS

The Authority's financial statements for the year ended 30 June 2024 were adopted and authorized for issue by the Audit Committee of the Board on 23 August 2024.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) accrual basis. The measurement basis applied in the preparation of these financial statements is the historical cost and accrual basis, except where otherwise stated (for example, the Statement of Cash Flows).

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

Budget is prepared on cash basis while the statement of financial position and performance are Prepared on accrual basis. The variation between the accrual items versus cash items are reconciled through preparation of reconciliation statements of budget versus actual as per IPSAS 24 requirement.

The statement of cash flow is prepared using direct method.

The complete set of the financial statements comprises a statement of financial position, a statement of financial performance, a statement of changes in net assets, a cash flow statement, a comparison of budget and actual amounts, and notes comprising a summary of significant accounting policies and other explanatory notes.

4. GOING CONCERN

The Authority's Management has assessed the Authority's ability to continue as a going concern and is satisfied that the Authority has the resources to continue its operations for the foreseeable future. Moreover, Management has not found any suspicious information that may have impact on the Authority's ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

5. STATEMENT OF COMPLIANCE WITH IPSAS AND LAWS

The Authority's financial statements have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB). The Report by Those Charged with Governance has been prepared in line with the requirements of the Tanzania Financial Reporting Standard (TFRS) No. 1 as issued by the National Board of Accountants and Auditors (NBAA).

6. NEW AND AMENDED STANDARDS ADOPTED BY THE AUTHORITY

The Authority is aware of a number of new standards and some amendments issued but not yet effective as at 30 June 2024 and which might have impact in the Authority financial statements. These standards are those that the entity reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The entity intends to adopt these standards when they become effective. The Standards includes;

There are six (6) new Standards issued by the International Public Sector Accounting Standards Board (IPSASB) but were not yet effective up to the date of issuance of the Authority's financial statements. The new Standards are:

- a) **IPSAS 43- Leases**, which is effective on or after 1 January 2025. This standard introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, Leases. For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13. This standard will improve the transparency of lease accounting in the public sector.
- b) **IPSAS 44-Non-Current Assets Held for Sale and Discontinued Operations**, which is effective for annual periods beginning on or after 1 January 2025. This standard fills a gap in the IPSAS suite by providing guidance on how to account for public sector assets that are held for sale on commercial terms. The standard is important from a public interest perspective, as it ensures transparency and accountability when decisions to sell public sector assets have been taken. IPSAS 44 specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:
 - i) Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
 - ii) Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
- c) **IPSAS 45-Property, Plant and Equipment**, which is effective for annual periods beginning on or after 1 January 2025. This standard replaces IPSAS 17, Property, Plant, and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets, and adding new guidance on how these important types of public sector assets should be recognized and measured. The objective of IPSAS 45 is to develop enhanced guidance clarifying the recognition and measurement of infrastructure and heritage assets that are Property, Plant, and Equipment.
- d) **IPSAS 46-Measurement**, which is effective for annual periods beginning on or after 1 January 2025. The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. It identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting.

This standard provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. It brings in generic guidance on fair value for the first time, and introduces current operational value, a public sector specific current value measurement basis addressing constituents' views that an alternative current value measurement basis to fair value is needed for certain public sector assets.

e) **IPSAS 47-Revenue** which is effective for annual periods beginning on or after 1 January 2026. IPSAS 47 replaces the existing three revenue standards IPSAS 9, IPSAS 11 and IPSAS 23, and presents accounting models which will improve financial reporting and support effective public sector financial management. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions. To meet the objective, the Standard:

- i) Requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction; and
- ii) Sets out the accounting requirements to account for the revenue transaction.

f) **IPSAS 48-Transfer Expenses** which is effective for annual periods beginning on or after 1 January 2026. IPSAS 48 provides accounting guidance for transfer expenses, which account for a significant portion of expenditures for many public sector entities. This new Standard fills a significant gap in the IPSASB's literature and provides guidance to help entities account for public sector transfer expense transactions.

The objective of this Standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of cash flows arising from transfer expenses. To meet the objective above, the Standard:

- i) Requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction; and
- ii) Sets out the accounting requirements for the transfer expense transactions.

The Authority is currently assessing the impact of the above-mentioned standards and plans to adopt them on or before the required effective date.

There are no other IPSASs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Authority.

g) IFRS S1: General Requirements for Disclosure of Sustainability-related Financial information

IFRS 1 which is effective for Public Interest Entities (PIE) for annual periods beginning on or after 1 January 2025 sets out general requirements for disclosing material sustainability-related information, including risks and opportunities, across an entity's value chain. It's designed to help investors understand the connections between different sustainability-related risks and opportunities, including those set out in IFRS S2. IFRS S1 also includes qualitative characteristics for the information that needs to be provided, such as relevance and faithful representation.

h) IFRS S2: Climate-related Disclosures

IFRS 2 which is effective for Public Interest Entities (PIE) annual periods beginning on or after 1 January 2025 sets out specific disclosures for climate-related matters, including risks and opportunities. It's designed to be used with IFRS S1 and incorporates guidance on climate-related disclosure topics and metrics. IFRS S2 metrics and disclosure topics are based on SASB Standards, with amendments to improve international applicability.

7. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

7.1 CHANGE IN ACCOUNTING POLICY

The introduction of IPSAS 41 substantially modifies IPSAS 29 by classifying financial assets and liabilities through a principles-based classification model, a forward-looking expected credit loss model.

7.2 THE IMPACT OF CHANGE IN ACCOUNTING POLICY

The impact of introducing IPSAS 41 is the emergence of Expected credit loss /gain in the Financial Statements by having different Cash and Cash Equivalent figures reported in the Statement of Financial Position and the Statement of Cash flows with Exposure at Default (EAD) (Balance) at the end of the financial year.

DESCRIPTION	CASH AND BANK BALANCE TZS ('000')	ACCUMULATED SURPLUS TZS ('000')	REASON
Financial Year 2022/23	311,532	8,281,553	
EXPECTED CREDIT LOSS	(3,876)	(3,876)	Change in Accounting Policy
RESTATED BALANCE	307,656	8,277,677	Change in Accounting Policy

The Entity operates with the following Banks with global ratings and Probability of Default (PD) as provided in the tables below.

(a) COMPUTATION OF EXPECTED CREDIT LOSS FOR CASH BALANCES JUNE 2024						
BANK NAME	ACCOUNT NUMBER	BALANCE AS JUNE 2024 (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D=A*B*C	A-D
CRDB	0150500820100	27,000.00	0.0216	-	-	27,000.00
NMB	53010006786	1,014,826,676.00	0.0216	0.99	1,758,256.20	993,068,419.80

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NMB	20110031672	1,340,000.00	0.0216	-	-	1,340,000.00
BOT	9925261831	663,870,561.16	-	-	-	663,870,561.16
	Total	1,680,064,237.16			21,758,256.20	1,658,305,980.96

(b) COMPUTATION OF EXPECTED CREDIT LOSS FOR CASH BALANCES JUNE 2023

BANK NAME	ACCOUNT NUMBER	BALANCE AS JUNE 2023 (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D=A*B*C	A-D
CRDB	0150500820100	117,900,000	0.0216	0.94	2,384,640.00	115,515,360.00
NMB	53010006786	76,548,765	0.0216	0.90	1,491,453.32	75,057,311.56
NMB	20110031672	420,000	0.0216	-	-	420,000.00
BOT	9925261831	120,930,000	-	-	-	120,930,000.00
	Total	315,798,765			3,876,093.32	311,922,671.56

Where:

EAD Exposure at Default

PD Probability of Default

LGD Loss Given Default

ECL Expected Credit Loss

7.3 RECLASSIFICATION OF EXPENSES

In preparation of financial statements for the year ended 30 June 2024, expenses have been reclassified to reflect the nature of expenses incurred (Classification by Nature). This reclassification of expenses had been applied consistently as previous year.

7.4 FUNCTIONAL, PRESENTATION, CURRENCY TRANSLATION AND ROUNDING OFF

Functional and Presentation Currency

In line with IPSAS 4, items included in the financial statements are measured in Tanzanian shillings, the currency of the primary economic environment in which the Authority operates ("functional currency"). The financial statements are presented in Tanzanian Shillings, which is the Authority's functional and presentation currency and all values are rounded to the nearest thousand (TZS'000) except where otherwise stated.

Foreign Currencies Translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Financial Performance.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. On-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Balances in the Financial Position which are in foreign currency are translated at the closing rate at the date of that statement of Financial Position.

7.5 PROPERTY AND EQUIPMENT

Property and equipment that qualify for recognition as an asset will be measured at its cost. Where an asset is acquired through a non-exchange transaction, its cost will be measured at its fair value as at the date of acquisition. These assets are subsequently shown at historical cost, less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to Authority and the cost of the item can be reliably measured. Where an asset is acquired at no cost, or for a nominal cost through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

The Authority has elected to use the cost model for all classes of property, plant and equipment. Depreciation is calculated on a straight-line method so as to allocate the cost or revalued amount to its residual value over estimated useful life as follows:

Description	Useful life (Rate (%) Per Annum)
Motor vehicles	10 years (10)
Computers	8 years (12.5)
Furniture, Fittings and Equipment	10 years (10)
Buildings	50 years (2)

Major renovations are depreciated over the remaining useful life of the related assets or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditure are charged to the Statement of Financial Performance during the financial period in which it is incurred. The asset's residual values and useful lives are reviewed and adjusted if appropriate at each Statement of Financial Position date. An asset's

carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Review of Remaining Economic Life of Assets

According to Public Assets Management Guidelines 2019 together with Treasury Circular No.6 of 2018/19 and The Public Finance (Management of Public Property) Regulations, 2024 requires all Accounting Officers to review useful life of their Non-Current Assets which are still in use. Therefore, during the year ended 30 June 2024, the Authority in collaboration with the Ministry of Finance through Division of Public Asset Management reviewed remaining economic life of the Authority's Assets.

7.6 INTANGIBLE ASSETS

Expenditure which enhances and extends the computer software programmes beyond their original specifications and lives is recognized as a capital improvement and added to the original cost of the software. Computer software development costs recognized as assets are amortized using the straight-line method over their useful lives, estimated at two years.

7.7 IMPAIRMENT OF ASSETS

Assets that are subject to the depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separable identifiable cash flows (cash generating units). No impairment review for the assets was carried out by the Authority since such events or changes did not exist during the year under review.

7.8 PROVISIONS

Provisions are recognized when the Authority has a present or constructive obligation as a result of past events which it is probable that will result in an outflow of economic benefits that can be reliably estimated.

7.9 INVENTORIES

Inventories are measured at cost upon initial recognition. Inventories that are acquired through non-exchange transactions, are measured at their fair value at the date of acquisition. Subsequently inventories are valued at the lower of cost and current replacement cost. 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. Inventories are recognized as an expense when issued for consumption in the normal course of operations of the Authority.

7.10 ACCOUNTS PAYABLES AND ACCRUALS

Accounts payable and accruals are obligations arise from the goods purchased and services rendered but they are not paid for as at the reporting date. Initially Payables are recognized and measured at their fair and subsequently measured at amortized cost using the effective interest method. They are classified as current liabilities if they are due within a year or less, if not they are presented as noncurrent liabilities.

7.11 TRADE AND OTHER RECEIVABLES

Trade receivables are recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision shall be made in the financial statements against trade receivables considered to be doubtful of collection. When a trade receivable is Uncollectable, it is written off against the Provision for bad and doubtful debts accounts. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

7.12 CASH AND CASH EQUIVALENTS

The Authority's Cash and Cash Equivalents comprise cash at bank only and are subject to an insignificant risk of changes in value. They are initially and subsequently measured at their fair value.

7.13 REVENUE RECOGNITION

(a) REVENUES FROM NON - EXCHANGE TRANSACTIONS

The Authority recognizes revenues from fees when service is rendered and the asset recognition criteria are met. Other no exchange revenues are recognized when it is probable that the future economic benefits or service potential will flow to the Authority and the fair value of the asset can be measured reliably.

(i) Fees, Fines, Penalties and forfeits

The Authority recognizes revenue from fees charged from various services rendered which are advertising fees, Annual fees, and Registration fees only when it is probable that the economic benefits associated with the transaction will flow to the Authority

(ii) Amortization of revenue Grants from the Government

Revenue grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. When there are conditions attached to government grants, grants are

recognized as a liability in a Statement of Financial Position and when amortized are recognized immediately in the Statement of Financial Performance. When there no conditions attached, they are recognized in total in the Statement of Financial Performance.

Thus, according to MUSE accounting system all transfers/inflow from the government are recognized as assets and liability, then during operations the recipient reduce carrying amount of the liability recognized and recognize an amount of revenue equal to that reduction.

(iii) Other Revenue

The Authority recognizes revenue from other revenue charged from various services rendered which are miscellaneous receipts, miscellaneous income, Professional fees, receipt from Audit fees and Tender Documents only when it is probable that the economic benefits associated with the transaction will flow to the Authority

(iv) Transfer Revenue

Assets and revenue recognized as a consequence of a transfer are measured at the fair value of the assets recognized as at the date of recognition. Non-monetary assets are measured at their fair value, which is determined by reference to observable market values or by independent appraisal by a member of the valuation profession. Receivables are recognized when a binding transfer arrangement is in place, but cash or other assets have not been received.

Assets and revenue arising from transfer transactions are recognized in the period in which the transfer arrangement becomes binding, except for some services in-kind. The Authority recognizes only those services in-kind that are received as part of an organized program and for which it can determine a fair value by reference to market rates. Other services in-kind are not recognized. Where a transfer is subject to conditions that, if unfulfilled, require the return of the transferred resources, the Authority recognizes a liability until the condition is fulfilled.

(b) REVENUES FROM EXCHANGE TRANSACTION.

Revenue from Exchange Transactions is recognized to the extent that it is probable that the economic benefits will flow to the Authority and the amount can be measured reliably.

(i) Receipts from Training and Examination fees

7.14 The Authority recognizes receipts from training and examination fees charged for various services rendered only when it is probable that the economic benefits associated with the transaction will flow to the Authority.

7.15 EMPLOYEES BENEFITS

In line with IPSAS 39, the Authority had the following employee benefits:

(i) Defined Contribution Plan

The Authority contributes to statutory defined benefit for its employees under the Permanent and Pensionable term of employment at the rate of 15% of basic salary to the Public Service Social Security Fund (PSSSF) on a mandatory basis.

The Authority has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefits expense when they are due and are charged to the statement of financial performance in the year to which they relate.

(ii) Other Long - Term Employment Benefits

Gratuity arrangement is based on 25% on the monthly basic pay and qualifies as a defined benefit plan. For the period ended 30 June 2024, the Authority had Five Employees under Defined Benefit Plan Scheme. Gratuities are remitted to the Public Service Social Security Fund (PSSSF) which is responsible for keeping the funds and payment of gratuity of government contract employees. From February 2013, Treasury - Ministry of Finance and Planning remits the gratuities directly to the PSSSF (Refer Treasury Registrar Circular with Ref. No. C/BE.115/187/01/154 of 11 July 2013). Lumpsum payments are made by PSSSF to contract employees upon completion of contract period or termination.

(iii) Short - term employee benefits

Short-term employee benefits, such as leave Travel, are recognized during the period in which the employee renders the related service. The Authority recognizes the expected cost of employee rewards only when the Authority has a present legal or constructive obligation to make such payment, and a reliable estimate can be made. For the year ended 30 June 2023 all employee took their leave and they were all paid their Leave Travel. There was no leave travel outstanding for respective financial year.

7.16 FINANCIAL INSTRUMENTS

A **financial instrument** is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Authority's financial assets include cash and bank balances while financial liabilities include trade and other Payables.

Financial Assets and Liabilities

Financial assets and liabilities are recognized in the Authority's financial position when the Authority becomes a party to the contractual provisions of the instrument.

Classification of Financial Assets

The Authority shall classify financial assets as subsequently measured at amortized cost on the basis of the following criteria,

- (a) The Authority's management model for financial assets and
- (b) The contractual cash flows characteristics of the financial asset

Financial asset at Amortized cost

The Authority measures financial assets at amortized costs if, both of the following conditions are met:

- the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Classification of Financial liabilities

The Authority classifies financial liabilities as subsequently measured at amortized costs, except for:

- (a) Financial liabilities at fair value through surplus or deficit which shall be subsequently measure at fair value;
- (b) Financial liabilities that arise when a transfer of financial asset does not qualify for derecognition;
- (c) Financial guarantee contracts for which the Authority subsequently measured at the higher of the amount of the loss allowance and the amount initially recognized less accumulated amortization;
- (d) Commitments to provide a loan at below-market interest rate for which the Authority shall subsequently measures it at the higher of the amount of the loss allowance and the amount initially recognized less the accumulated amortization.
- (e) Contingent consideration recognized by an acquisition of another entity as per IPSAS 40.

Reclassification

The Authority shall reclassify its financial assets when and only when it changes its management model for the financial assets. However, the Authority shall not reclassify any financial liability.

Measurement

Initial measurement

The Authority measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction cost that are directly attributable to the acquisition or issue of the financial asset or financial liability. However, the Authority measures Short-term receivables and payables at the original invoice amount if the effect of discounting is immaterial.

Subsequent measurement of financial assets

After initial recognition, the Authority measures financial asset with respect to their classification at Amortized cost using the effective interest method. However, the Authority measures Short-term receivables at the original invoice amount if the effect of discounting is immaterial.

Subsequent measurement of financial liabilities

After initial recognition, the Authority shall measure a financial liability amortized cost or fair value according to their classification. However, the Authority measures Short-term payables at the original invoice amount if the effect of discounting is immaterial.

Impairment of Financial assets

The Authority shall recognize a loss allowance for expected credit losses on a financial asset that is measured at amortized cost, fair value through Net assets/Equity, a lease receivable, or loan commitment and a financial guarantee contract.

The Authority shall measure the loss allowance for financial instrument at an amount equal to the lifetime credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instrument has not increased significantly since initial recognition, the Authority shall measure the loss allowance for the financial instrument at an amount equal to 12-month expected credit losses.

However, the Authority shall adopt the simplified approach for Lease Receivables and Receivables from exchange and Non-exchange transactions whereby, according to IPSAS 41, the Authority shall always measure the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of a financial asset

The Authority derecognizes a financial asset, or, where applicable, a part of a financial asset or part of a group of similar financial assets, when:

The rights to receive cash flows from the asset have expired or is waived. The Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without **material delay to a third party; and either:**

- the Authority has transferred substantially all the risks and rewards of the asset, or
- the Authority has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Derecognition a financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When 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 derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

Offsetting of financial instruments Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts, and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

8. RELATED PARTIES

The key management personnel (as defined by IPSAS 20, “Related Party Disclosures”) are the members of the Board of Directors and Management, who together, constitute the governing body of PPRA. Related party transactions are disclosed under Note 29.

9. FINANCIAL RISK MANAGEMENT

In in the period ended 30 June 2024, the Authority continued to implement financial risk management activities based on the Annual Risk management Action Plan and prevailed economic, financial, social and regulatory environment in the country. The overall objectives in managing risks were to ensure that appropriate Internal Controls are in place and are effective in safeguarding the Authority’s Assets, enhancing compliance with the laws and protecting the organizational image to the public.

During the year under review, the Authority conducted financial risk management assessment and implemented mitigations measures that were designed to address prevailing risks to which the Authority was exposed. Further, financial risk management reviews were conducted and the key risks and results were reported to the Board of Directors for decision and guidance.

The key financial management risks that were identified during the reporting period include Financial, Credit risk, Liquidity, as indicated in the Authority Risk Management Register. The

risks identified during the period were mitigated by developing and implementing controls designed to minimize the likelihood of occurrence of the potential risks.

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk mainly arise from receivables with customers and cash balances held at commercial banks. The Authority is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. However, the Authority does not regard there to be any significant concentration of credit risk, thus, it mitigates the credit risk by maintaining cash and cash equivalents with reputable financial institutions; and recovering staff debts, imprest or salary advance in terms of the applicable regulations directly from the employee's salary and/or pension.

The Authority's maximum exposure to Credit Risk as at 30 June 2024 is as shown below:

	30 June 2024	30 June 2023
	TZS'000	TZS'000
Cash and Cash Equivalents	1,658,993	307,656
	<u>1,658,993</u>	<u>307,656</u>

(b) Liquidity Risk

Liquidity risk is the risk of the Authority not being able to meet its financial obligations as they fall due. The Authority's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Authority's reputation.

The Authority manages its liquidity risk to ensure it is able to meet estimated expenditure requirements based on approved budget and through the use of cash flow forecasts. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents. Furthermore, the Authority strived to ensure that receivables were settled within 30 days after the due date by introducing interest on late payments and maintaining active follow up on outstanding debts.

10. BUDGET PERFORMANCE INFORMATION

IPSAS 24 requires a public sector entity that is required or elect to make publicly available its approved budget to present budgetary information covering classification and basis adopted in the approved budget, budget period covered, explanation of changes between approved original and final budget because of reallocations within budget and material difference (variances) between the final budget amounts and actual amounts during the year for both revenue and expenditure.

10.1 BUDGETARY BASIS

The budget for financial year 2023/24 was prepared on cash basis as per requirements of the law and relevant Government Circulars. It was also prepared in line with the Medium - Term Expenditure Framework (MTEF) as one of the requirements of the Government Budget Guidelines for Preparation of 2023/24 budget.

10.2 BUDGET PERIOD COVERED

The budget for the financial year 2023/24 covered a twelve (12) months period starting 1 July 2023 to 30 June 2024.

10.3 CHANGES BETWEEN APPROVED ORIGINAL AND FINAL BUDGET

During the financial year 2023/24, the Authority revised its budget to consider the projections for the year ended 30 June 2024. Generally, re - allocation proposed covered expenditure only, and indicated no increase in total expenditure budget. The proposed reallocation was considered among expenditure line items.

10.4 BUDGET VARIANCES EXPLANATION

Funds allocated for Recurrent and Development Budget were less than what was budgeted for FY 2023/24. The Authority received during the period under review 91 percent of Government subvention for Recurrent and development Expenditure, 92 percent Own source. The Authority had on going activities and contracts as at the period end and therefore expenditure was lower than the budgeted amount

	30 June 2024 TZS'000	30 June 2023 TZS'000
NOTE 11: CASH AND CASH EQUIVALENTS		
Deposit General Cash Account	1,011,789	-
Own source Collection Account - CRDB	27	117,900
Own source Collection Account - NMB	1,258	620
BoT Own source Collection Account	664,639	151,393
Own source Recurrent Expenditure GF	3,038	41,619
	1,680,751	311,532
Provision of Credit Loss	(21,758)	(3,876)
	1,658,993	307,656
Movement for the impairments		
Opening balance	3,876	-
Charge during the year	17,882	3,876

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

21,758

3,876

NOTE 12. PREPAYMENTS AND

ADVANCE

Prepayments - Assets	1,342,255	474,962
Prepayment to Government Entities	102,405	102,405
	<u>1,444,660</u>	<u>577,367</u>

During the period ending on 30 June 2024, the Authority had prepayments totalling TZS 1,444,660,000 representing a refundable rent deposit to PSSSF TZS 102,405,000 (paid in 2018) and TZS 1,342,255,000 related to IT Equipment, Motor Vehicles and office furniture. Refer to below Prepayment Schedule.

S/n	Name of Payee	Descriptions	Amount in TZS
1	e-GA	Supply of IT Equipments	431,162,880
2	UNDP	Supply of Six Motor Vehicles	750,357,578
3	Jaffery Ind Saini Limited	Supply of Office Furniture	160,734,798
		Total	1,342,255,256

NOTE 13. RECEIVABLE

Staff salary advance

12,150

12,150

12,150

12,150

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

14. LAND, PROPERTY AND EQUIPMENT AS AT 30 JUNE 2024

	Land TZS "000"	Building TZS "000"	Motor vehicle TZS "000"	Computers TZS "000"	Office Equipment TZS "000"	Furniture TZS "000"	Total TZS "000"
Details/Cost							
Cost as at 1 July 2023	826,510	301,000	1,248,307	560,717	1,408,716	343,290	4,688,540
Additions for the Year - PPRA		5,647,650	-	173,139	453,041	1,370,037	7,643,867
As at 30 JUNE 2024	826,510	5,948,650	1,248,307	733,856	1,861,757	1,713,327	12,332,407
Depreciation							
At 1 July 2023	-	90,933	595,929	317,713	1,032,181	228,484	2,265,239
Charge for the year - PPRA	-	42,639	70,871	37,075	55,616	38,946	245,147
As at 30 JUNE 2024	-	133,572	666,800	354,788	1,087,797	267,430	2,510,386
Net book value							
At 30 JUNE 2024	826,510	5,815,078	581,507	379,068	773,960	1,445,897	9,822,021
At 30 JUNE 2023	826,510	210,067	652,378	243,004	376,535	114,806	2,423,301

*During the year, the Authority total acquisitions of Assets were TZS 7,643,867, which consist of Monetary acquisition of TZS 3,845,794 and Non-Monetary acquisition of TZS 3,798,073, the composition of Monetary acquisition consist of Building TZS 2,200,294, Office Equipment TZS 102,324, Computers TZS 173,139 and Furniture TZS 1,370,037. Additionally, Non-Monetary Office Building of TZS 3,447,356 comprises of TZS 1,706,451 as WIP for 2022/23 which was transferred to Building during year after its completion and TZS 1,740,905 was pending liability to Contractor.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

	30 June 2024 TZS'000	30 June 2023 TZS'000
15. WORK IN PROGRESS - SOFTWARE		
Opening balance	4,336,572	
Addition during the year	3,268,230	4,336,572
	<u>7,604,802</u>	<u>4,336,572</u>

During the year under review, the Authority initiated the development of a new electronic procurement system in phases. The Authority is continuing with second phase of development

16. WORK IN PROGRESS - BUILDING

During the period under review, the Authority received a total of TZS 2,200,294,000 from the Ministry of Finance for Construction of the PPRA HQ Office building which is completed in March 2024 compared to TZS 1,706,451,000 which was received at the end of financial year 2022/23. However, the Authority capitalized Office Building after receiving a Certificate of Practical Completion in March 2024.

17. INTANGIBLE ASSETS

Cost		
Cost as at 01 July 2023	588,238	588,238
Additions	124,246	-
Cost as at 30 June 2024	<u>712,484</u>	<u>588,238</u>
Accumulated Amortization	588,238	
Balance as at 01 July 2023		
Amortization during the year	10,484	
Accumulated Amortization as at 30 th June, 2024	598,722	588,238
Net Book Value	<u>113,762</u>	<u>0,</u>

The Authority has some intangible assets which are fully amortized but are still in use and generating economic benefits to PPRA while other softwares are obsolete and fully amortized. Below is the table of fully amortized assets at cost.

Asset category

Computer Software Non-Monetary	124,245,943	-
Accounting (SAGE 300ERP) and Audit (Team mated & ACL) Software's	185,765	-
Old Accounting Software (SAGE ACCPAC)	402,473	-
Total	<u>124,834,181</u>	<u>-</u>

18. DEPOSIT

	30 June 2024 TZS'000	30 June 2023 TZS'000
Deposit	1,011,789	-
	<u>1,011,789</u>	<u>-</u>

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During the year ended 30 June 2024 the Authority received a total of TZS 2,609,000,000 from Ministry of Finance for buying of Office Furniture, where a total of TZS 1,597,210,925 was paid to Jaffery Ind Saini Limited by the year end 30 June 2024, and TZS 1,011,789,075 were not paid pending delivery of remaining Furniture items.

	30 June 2024	30 June 2023
	TZS'000	TZS'000
19. ACCOUNTS PAYABLES AND ACCRUALS		
Supplies of goods and services	90,000	41,297
Withholding tax	193	-
International Contribution Payable	-	38,703
Payable - Asset Addition	1,740,906	-
Development Deferred income	10,087	-
	<u>1,841,186</u>	<u>80,000</u>
20. DEFERRED REVENUE (CAPITAL)		
Deferred Capital Grant	1,000,936	1,005,821
	<u>1,000,936</u>	<u>1,005,821</u>

During the year under review, the Authority held a Deferred Revenue (Capital) of TZS 1,000,936 which was related to the building received from the Government. This represented a decrease of 4,885 from the previous year's amount of TZS 1,005,821 with decrease attributed to amortization recognized in the statement of financial performance.

Further, the Authority received funds for Development Activities under the PFMRP local funding. In the financial year 2023/24, a total of TZS 5,200,000,000 was approved for development activities, of which TZS 4,922,500,000 was received from local funds. As of 30 June 2024, the Authority had expended a total of TZS 4,912,413,000.

Additionally, as of 30 June 2024, the Authority recognized TZS 10,087,000 as liability in relation to PFMRP local as unspent transfers (funds) from the PFMRP local funding.

Moreover, it is noteworthy that all unspent funds from PFMRP local funding during the last financial year were successfully utilized in their entirety during the period under review.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

21. LIABILITIES RECOGNISED UNDER TRANSFER AGREEMENT

(a) Liabilities Recognised Under PFMRP- Basket Funding Transfer Arrangement

The Authority also receives funds for Development Activities under PFMRP - Basket funding. In the financial year 2023/24, a total of TZS 5,200,000,000 was approved for development activities, and TZS 4,922,500,000 was received from local funds. As of 30 June 2024, the Authority had spent a total of TZS 4,912,413,000.

	30 June 2024	30 June 2023
	TZS'000	TZS'000
Transfer received		
Total Fund	4,922,500	7,050,000
Transfer revenue recognized during the year	(4,912,413)	(7,050,000)
Liability recognized under transfer arrangement	10,087	-

22. REVENUE FROM NON-EXCHANGE TRANSACTIONS

i) AMORTIZATION OF REVENUE GRANTS FROM THE GOVERNMENT

Government Grant Development Foreign	-	34,481
Government Grant Development local	8,709,917	8,467,870
Government Grant Other Charges	7,405,463	2,405,311
Government Grant Personal Emolument	4,574,911	3,325,396
	<u>20,690,291</u>	<u>14,233,058</u>

The total amortization of revenue grants amounting to TZS 20,690,291,000, while an actual amount of TZS 20,700,378,000 was received during the period. The difference of TZS 10,087,000 represents funds received but not amortized during the period under review.

ii) FEES, FINES, PENALTIES & FORFEITS

Advertising fees	2,904,235	2,221,170
Receipt from Annual Fees	1,796,950	1,399,716
Registration Fees	3,085,517	2,935,222
	<u>7,786,702</u>	<u>6,556,108</u>

	2023/24	2022/23
	TZS'000	TZS'000
REVENUE FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)		

iii) OTHER REVENUE

Miscellaneous Receipts	49,946	74,261
Miscellaneous Income	4,885	773,583

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Professional Fees	471,850	664,175
Tender Documents	2,952,711	256,620
	<u>3,479,392</u>	<u>1,768,639</u>

23 REVENUE FROM EXCHANGE TRANSACTIONS		
Receipt from training and examination fees	4,424,290	1,634,150
	<u>4,424,290</u>	<u>1,634,150</u>

24 WAGES, SALARIES AND EMPLOYEE BENEFITS	2023/24	2022/23
	TZS'000	TZS'000
Acting Allowance	-	9,706
Casual Labour Expenses	262,122	-
Civil Servants	4,574,911	3,325,396
Civil Servants Contract	11,764	-
Court Attire Allowance	12,000	4,500
Diesel Allowances	791,300	238,208
Electricity	57,180	130,903
Electricity Allowance	6,240	9,715
Extra-Duty	2,278,550	1,410,425
Facilitation Allowance	667,803	10,900
Food and Refreshment	128,025	98,007
Furniture	176,377	219,620
Honoraria	473,657	959,248
Housing Allowance	867,130	816,649
Internship Allowance	160,000	107,728
Leave Travel	437,031	413,292
Medical and Dental Refunds	190,000	12,000
Moving Expenses	368,000	48,400
Outfit Allowance	9,500	-
Professional Allowances	20,000	-
Responsibility Allowance	-	107,469
Risk Allowance	439,339	10,850
Sitting Allowance	113,690	230,447
Special Allowance	147,310	-
Subsistence Allowance	287,595	45,040
Telephone	199,550	109,981
Top up Allowance	107,930	87,070
Transport	66,000	82,530
Transport Allowance	133,820	51,660
Uniform Allowance	26,721	2,400
	<u>13,013,545</u>	<u>8,542,146</u>

*TZS 137,247 of NHIF have been included in Civil Servants (4,574,911*3%)

** TZS 914,982 of PSSSF have been included in Civil Servants (4,574,911*20%)

25 USE OF GOODS AND SERVICE	2023/24	2022/23
	TZS'000	TZS'000
Advertising and Publication	76,500	11,400
Advertising and publication	101,181	-
Air Travel Tickets	64,394	13,000
Air Travel Tickets	84,514	27,150

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Air Travel Tickets	28,686	56,068
Air Travel Tickets	46,940	3,009
Communication Network Services	30,000	23,016
Computer Software	327,935	36,086
Computer Supplies and Accessories	36,177	5,000
Conference Facilities	433,845	638,096
Consumable Medical Supplies	2,310	7,537
Courier Services	4,525	12,600
Diesel	481,531	420,715
Drugs and Medicines	4,050	1,000
Educational Radio and TV broadcasting programming	-	24,955
Electricity	79,640	39,362
Entertainment	188,720	89,285
Exhibition, Festivals and Celebrations	-	42,988
Food and Refreshments	1,427,899	693,402
Gifts and Prizes	82,286	30,500
Ground Transport (Bus, Train, Water)	6,750	40,000
Ground travel (bus, railway taxi, etc)	1,302,346	823,396
Ground travel (bus, railway taxi, etc)	60,000	-
Internet and Email connections	225,620	121,821
Newspapers and Magazines	6,724	5,755
Non Cash Expenditure-Use of Goods and Service	-	387,693
Office Consumables (papers, pencils, pens and stationaries)	221,952	263,142
Outsourcing Costs (includes cleaning and security services)	91,049	31,081
Per Diem - Domestic	7,454,018	4,174,808
Per Diem - Foreign	305,803	204,472
Posts and Telegraphs	18,905	13,200
Printing and Photocopy paper	31,004	-
Printing and Photocopying Costs	22,000	66,757
Printing Material	-	40,466
Production and Printing of Training Materials	-	44,477
Protective Clothing, footwear and gears	1,000	1,000
Publicity	-	8,100
Remuneration of Instructors	-	11,900
Rent - Office Accommodation	373,181	465,796
Software License Fees	-	2,000
Special Uniforms and Clothing	2,000	21,500
Subscription Fees	112,120	55,915
Technical Service Fees	168,820	50,510
Telephone Charges (Land Lines)	29,327	-
Telephone Charges -Utilities Supplies and Services	9,074	-
Textbooks	500	-
Training Allowances	6,000	-
Tuition Fees	82,195	76,166
Tuition fees	17,805	-
Uniforms	-	2,000
Visa Application Fees	3,250	-

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Grand Total		<u>14,052,576</u>	8,311,738
		2023/24	2022/23
		TZS'0	TZS'000
26	MAINTENANCE EXPENSES	00	
	Cement, Bricks and Building Materials	29,238	63,050
	Computers, printers, scanners, and other computer related equipment	83,520	75,372
	Direct Labour (contracted or casual hire)	1,000	17,793
	Motor Vehicles and Watercraft	142,397	169,470
	Outsource maintenance contract services	-	212,369
	Outsource maintenance contract services	-	374,000
	Paint and Weather Protection Coatings	5,004	-
	Repair and Maintenance of Furniture	8,564	-
	Tyres and Batteries	8,550	26,000
		<u>278,273</u>	<u>938,054</u>
27	OTHER EXPENSES		
	Agency fees	10,000	-
	Car Wash	10,740	-
	Parking Expenses	8,497	-
	Audit fees	-	80,000
	consultancy fees	-	6,498
	Director's Fee	42,000	72,000
	Honorariums (expert opinion)	-	5,360
	Sundry Expenses	-	975,343
	Burial Expenses	36,800	7,400
	Missing	-	56,701
	Security Services	29,929	-
		<u>137,966</u>	<u>1,203,302</u>
28	TRANSFERS		
	Grants, Subsidies and other Transfer Payments	100,000	-
		<u>100,000</u>	<u>-</u>

29. RELATED PARTY TRANSACTIONS AND BALANCES

The key management personnel (as defined by IPSAS 20, "Related Party Disclosures") are the members of the Board of Directors and Management, who together, constitute the governing body of PPRA. Details of the payments to the related parties is as shown in 30 and 31.

30. BOARD REMUNERATION

The remunerations of the Board of Directors are approved by the Treasury Registrar and are reviewed from time to time to match with what is being paid in similar Government

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organisations. During the period ended 30 June 2024, the annual Directors Fees were paid to four members of the Board of Directors at the approved rates as follows; TZS 12,000,000 for Chairman and TZS 10,000,000 to other members of the Board.

Board Remuneration

Details	Number of persons	2023/24	2022/23
		TZS '000	TZS '000
Directors' fees	4	42,000	84,000
Total Remuneration	4	42,000	84,000

31. COMPENSATION OF SENIOR STAFF

The senior staff consists of CEO, heads of divisions, heads of independent units, and heads of sections. During the year, remunerations of senior staff were as follows: -

Details	Number of Staff	2023/24	2022/23
		TZS'000	TZS'000
Salaries	29	2,194,850	1,641,518
Retirement benefit obligations	29	444,370	217,616
Utilities	29	138,770	120,150
Housing allowance	29	283,400	215,950
Total		3,061,390	2,195,234

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32. SCHEDULE TO RECONCILE REVENUE AND EXPENDITURE FROM ACCRUAL TO CASH BASIS.

Description	Note	Month Jun-24 Tshs ('000')	Month Jun-23 Tshs ('000')
Receipts			
Amortization of Revenue Grants from Government as Performance on accrual basis		20,690,291	14,233,058
Adjustments for Non cash revenue/Unamortized Revenue			
Revenue -Grants Non - Monetary		(4,885)	
Deferred Income Capital Grants Received but not yet amortized	10,087		
Last financial year fund amortized during the year			(481,055)
Actual Amount Amortization of Revenue Grants from Government as Performance on accrual basis	32a	20,695,493	13,752,003
Fees, Fine, Penalties and Forfeits as per statement of Financial performance	32b	7,786,702	6,556,108
Other Revenue		3,479,392	1,768,639
Adjustments for Non cash revenue			
Direct Payment for Construction of PPRA HQ Office building			(768,581)
Amortization of revenue of Office buildings and structures			(5,001,616)
Other Revenue receipts during the year	32c	3,479,392	(4,001,558)
Receipts from training and examination fee	32d	4,424,290	1,634,150
Deposit received but not yet expended	32e	1,011,789	-
Total cash receipts		37,397,666	17,940,702
Payments			
Wages,Salaries and Employee Benefits	32f	13,013,545	8,542,146
Use of Goods and Service		14,052,576	8,311,738
Add/Less (Change in working Capital)		-	-
With-holding Tax		193	-
Adjustments for Non cash expenses		-	-
Last financial year payables paid during the year		80,000	429,351
Accrued Audit Fee for 2023-24		90,000	-
Cash payments Use of Goods and Services	32g	14,042,383	8,741,089
Other Expenses	32h	137,967	1,203,302
Maintenance Expenses	32i		

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Grants, Subsidies and other Transfer Payments	32j	278,273	938,054
Total cash payments		100,000	100,000
		27,572,168	19,524,591

33: Reconciliation between actual amounts on a comparable basis as presented in the statement of Budget Vs Actual and net cash flows from operating, investing and financing activities in the statement of Cash Flows.

	Operating TZS 000	Investing TZS 000	Total TZS 000
Actual Amount on Comparable Basis as presented in the statement of Budget Vs Actual	9,735,499	8,456,279.00	18,191,778
Basis Differences	90,000	-	90,000
Actual amount in the statement of Cash Flows	9,825,499	8,456,279	18,281,778

34 RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES TO SURPLUS

	2023/24 TZS'000	2022/23 TZS'000
Surplus for the year:	8,524,801	4,927,501
Adjustments for Non cash item		
Depreciation and amortization		
Revenue Grants - Non Monetary	255,632	265,338
Non-Monetary revenue - Building	(4,885)	
ECL Expenses Non Monetary	17,882	(768,581)
Deposit	1,011,789	
Increase/decrease in deferred income (capital)	10,087	(486,057)
Increase/Decrease in accounts payables	10,193	(429,351)
Cash generated from / (used in) operations	9,825,499	3,508,850

35. Analysis of Cash receipts presented in Cash flow

Description	NOTE	2023/24 TZS '000'	2022/23 TZS '000'
Revenue as per statement of financial performance on accrual basis			
Amortization of Revenue Grants from Government	22(i)	20,690,291	14,233,058
Fees, Fine, Penalties and Forfeits	22(ii)	7,786,702	6,556,108
Other Revenue	22(iii)	3,479,392	1,768,639
Receipts from training and examination fee	23	4,424,290	1,634,150
Total Revenue as per statement of financial performance on accrual basis		36,380,675	24,191,955

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Adjustments for Non-cash revenue		
Amortization of deferred income during the year	-	(481,055)
Amortization of deferred capital grant during the year	(4,885)	(5,002)
Non-Monetary revenue - Construction of Office Building	-	(768,581)
Total non-cash revenue during the year (Refer to the statement of financial position for information regarding changes in deferred income).	-	(1,254,638)
Funds Received but not yet Amortized	1,011,789	-
Unamortized Development Fund	10,087	-
Total Receipts during the year	37,397,666	22,937,317

36. Analysis of cash payments presented in Cash Flow

Description	2023/24	NOTE	2022/23
Expenditure as per statement of financial performance on accrual basis	TZS' 000		TZS' 000
Wages, Salaries and Employee Benefits	13,013,545	24	8,542,146
Use of Goods and Service	14,052,576	25	8,311,738
Maintenance Expenses	278,273	26	938,054
Other Expenses	137,966	27	1,203,302
Grants, Subsidies and Other Transfer Payments	100,000	28	-
Total Expenditures as per Statement of Financial Performance	27,582,361		18,995,240
With holding Tax Payable	(193)		-
Cash out used to pay last financial year payables.	80,000		429,351
Accrual - Audit fees (NAOT)	(90,000)		-
Total Cash Payment during the year	27,572,168		19,424,591

37. ASSETS PLEDGED AS SECURITY FOR LIABILITIES

None of the Authority's assets have been pledged as security for liabilities.

38. CONTROLLING ENTITY AND ULTIMATE CONTROLLING ENTITY

The Ministry of Finance is the Controlling Entity and the Government of the United Republic of Tanzania is the Ultimate Controlling Entity of the Authority.

39. CONTINGENT ASSETS AND LIABILITIES

During the Financial Year 2023/24, the Authority in liaison with the Office of the Solicitor General (OSG) successfully handled a total of five (5) cases. The said cases include 2 civil cases which were handled before the Judicial Courts (The High Court of Tanzania); and 3 appeals which were handled at the quasi-judicial body (The Public Procurement Appeals Authority-PPAA) which emanated from debarment decisions by the Authority.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

40. COMPARATIVE FIGURES

Comparative figures have been regrouped or adjusted necessary to conform to changes in presentation in the current year.

39: INTER PUBLIC ENTITIES TRANSACTIONS

S/N	DESCRIPTION	TRANSACTION AMOUNT(TZS)	BALANCE (TZS)
1	CONTROLLER AND AUDITOR GENERAL	90,000,000	90,000,000
2	GOVERNMENT PROCUREMENT SERVICES AGENCY	248,521,900	-
3	NATIONAL HEALTH INSURANCE FUND	203,640,400	-
4	PUBLIC SERVICEEE SOCIAL SECURITY FUND	327,526,327	-
5	TANZANIA BROADCASTING CORPORATION	9,000,000	-
6	TANZANIA ELECTRIC SUPPLY COMPANY LTD	77,916,393	-
7	TANZANIA POSTS CORPORATION	20,145,300	-
8	TANZANIA REVENUE AUTHORITY	102,517,766	193,200
9	TANZANIA TELECOMMUNICATION CORPORATION	120,468,349	-
TOTAL AMOUNT		987,096,035	90,193,200