



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

**GEITA URBAN WATER SUPPLY AND SANITATION AUTHORITY**

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

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AR/PA/GEUWASA/2021/22

## About the National Audit Office

### Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the URT of 1977 (as amended from time to time) and in Section 10 (1) of the Public Audit Act, Cap 418 (R.E 2021).

### Vision

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

### Mission

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

**Motto:** "Modernizing External Audit for Stronger Public Confidence"

### Core values

In providing quality services, NAO is guided by the following Core Values:

- i. Independence and objectivity
- ii. Professional competence
- iii. Integrity
- iv. Creativity and Innovation
- v. Results-Oriented
- vi. Teamwork Spirit



### We do this by:

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

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## ABBREVIATIONS

CAG	Controller and Auditor General
GEUWASA	Geita Urban Water Supply and Sanitation Authority
ISSAIs	International Standard of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
PAA	Public Audit Act, Cap 418 (R.E 2021)
PAC	Public Accounts Committee
PFA	Public Finance Regulations, 2009
PPA	Public Procurement Act, 2011 (as amended in 2016)
PPR	Public Procurement Regulations, 2013 (as amended in 2016)
URT	United Republic of Tanzania





## **1.0. INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL**

Chairperson of the Board,  
Geita Urban Water Supply and Sanitation Authority,  
P. O. Box 477,  
GEITA.

### **1.1. REPORT ON THE AUDIT OF FINANCIAL STATEMENTS**

#### **Unqualified Opinion**

I have audited the financial statements of Geita Urban Water Supply and Sanitation Authority, which comprise the statement of financial position as at 30 June 2022, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Geita Urban Water Supply and Sanitation Authority as at 30 June 2022, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, 2001 (Revised 2004).

#### **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 Geita Urban Water Supply and Sanitation Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

#### **Key Audit Matters**

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

#### **Other Information**

Management is responsible for the other information. The other information comprises the Director's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon 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 no material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

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

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

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

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



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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 (R.E. 2021) requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, 2011 (as amended in 2016) requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

## **1.2. REPORT ON COMPLIANCE WITH LEGISLATIONS**

### **1.2.1. Compliance with the Public Procurement Laws**

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

I performed a compliance audit on procurement of works, goods and services in the Geita Urban Water Supply and Sanitation Authority for the financial year 2021/22 as per the Public Procurement Laws.

#### **Conclusion**

Based on the audit work performed, I state that procurement of works, goods and services of Geita Urban Water Supply and Sanitation Authority is generally in compliance with the requirements of the Public Procurement Act, 2011 and its underlying Regulations of 2013 (as amended in 2016).


### **1.2.2. Compliance with the Budget Act and other Budget Guidelines**

**Subject matter: Budget formulation and execution**

I performed a compliance audit on budget formulation and execution in the Geita Urban Water Supply and Sanitation Authority for the financial year 2021/22 as per the Budget Act and other Budget Guidelines.

#### **Conclusion**

Based on the audit work performed, I state that Budget formulation and execution of Geita Urban Water Supply and Sanitation Authority is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

  
Salthina M. Mkumba  
Ag. Controller and Auditor General,  
Dodoma, United Republic of Tanzania.  
April 2023





## **GEITA URBAN WATER SUPPLY AND SANITATION AUTHORITY**

### **2.0. REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2022**

#### **2.1. INTRODUCTION**

Geita Urban Water Supply and Sanitation Authority (GEUWASA) was established under The Water Works Ordinance Cap 281 through the Government Notice No. 258 published on 21 June 2002. Subject to Section 3 (1) of The Water Works Regulations, repealed by Water Supply and Sanitation Act No.12 of 2009 which was also repealed by the Water Supply and Sanitation Act No. 5 of 2019 The Minister responsible for water declared GEUWASA as an autonomous body and became a Regional Water Supply and Sanitation Authority classified as a category C Water Authority. GEUWASA started its operations with effect from 1 July 2012.

GEUWASA is charged with the overall responsibility of operations and management of water supply and sanitation services in all areas under the administration of Geita Town Council. The activities of the Authority are carried out under the terms and conditions of the Memorandum of Understanding (MoU) between Geita Urban Water Supply and Sanitation Authority and the Government of the Republic of Tanzania represented by the Ministry of Water.

GEUWASA operates according to Water Supply and Sanitation Act No. 5 of 2019 and its Regulations of 2013, Operation guidelines and the Memorandum of Understanding (MoU) signed between the Authority and the Ministry of Water. The MoU forms the basis for the monitoring and regulation whereas the Operations Guideline has been prepared to guide the Authority on the framework on which to operate. The Authority is also closely regulated by the Energy and Water Utilities Regulatory Authority (EWURA).

#### **2.2. THE BASIS FOR THE REPORT**

Pursuant to the Water Supply and Sanitation Act No. 5 of 2019, Public Corporations Act, 1992 and the Tanzania Financial Reporting Standard No. 1 on the Report by those Charged with Governance, The Directors present this report together with the Draft Financial Statements for the year ended 30 June, 2022 which disclose the state of affairs of Geita Urban Water Supply and Sanitation Authority (GEUWASA).

#### **2.3. INCORPORATION**

Geita Urban Water Supply and Sanitation Authority was declared a full autonomous public utility body by the Minister responsible for Water through Government Notice No. 258 on 21<sup>st</sup> June 2002 as per the Waterworks Regulations, 1997 (G.N. No. 371 of 1997). GEUWASA became a Regional Water Supply and Sanitation Authority in 2012. GEUWASA is classified as a category 'C' water supply body due to its inability to meet Operational and Maintenance Expenses in full.



## 2.4. CORPORATE OUTLOOK

### 2.4.1. VISION

"To be the most effective and efficient water supply and sanitation service provider in Tanzania" that protects public interest and provide exemplary services to its stakeholders using competent and highly motivated workers and aspires to have a community that enjoys better living standards and sustainable live hood.

### 2.4.2. MISSION

"To provide adequate water supply and sanitation services for sustainable development of Geita Region".

### 2.4.3. CORE VALUES

The Authority undertake its functions by focusing on Professionalism, Result orientation, Obedience, Transparency, Efficiency, Customer focus and Team spirit (PROTECT). These terms are explained here under;

No.	Core Value	Description
1.	Professionalism	The Authority's staff will be performing their duties with respect to professional skills, ethics, standards and guidelines.
2.	Results Orientation	GEUWASA staff will focus on outcome without compromising process used to deliver a service. All endeavors of the GEUWASA will focus on the outcome rather than the action taken to achieve that outcome.
3.	Obedience	GEUWASA staff will comply with the order or request from Authority.
4.	Transparency	The Authority's staff shall operate in an open manner. All their decisions shall be conducted without bias, with respect for the interests of all stakeholders and in a fair and completely transparent manner.
5.	Efficiency	GEUWASA staff will achieve their assigned duties within the desired time frame and deliver results on time.
6.	Customer Focus	The conduct of employees and that of the GEUWASA will be customer oriented. The Authority will have in place the plans to seek for paths to avoid problems and to measure the satisfaction of the customers on services provided by GEUWASA.
7.	Team spirit	Understanding that team spirit is the key to success and plays an important role both in personal and professional life. The Authority's employees will all the time work together as a team for achieving a common goal.

## 2.5. POWERS AND DUTIES OF THE AUTHORITY.

The Powers and Duties vested to the Authority by Section 21 of The Water Supply and Sanitation Act No. 5, 2019 include;



- i. To keep custody, acquire, including through compulsory purchase, construct and operate waterworks and sanitation works.
- ii. To have way leave to enter any land for the purpose of laying water mains or sewers, or erecting a public tap.
- iii. To install water meters for the purpose of measuring the amount of water supplied to a consumer.
- iv. To charge fees for services rendered.
- v. To enter into an agreement with the owner or occupier of land for more effectively collecting, conveying or preserving the purity of water which the water authority is authorized to take.
- vi. To restrict, diminish, withhold or suspend the supply of water.
- vii. To supply water fittings to any person to whom a water authority supplies water.
- viii. To enter into a trade waste agreement for the discharge of waste into a sewerage system.
- ix. To prohibit the discharge of certain wastes into a sewerage system.
- x. To enter premises for any purpose related to the provision of water supply and sanitation services to consumers.
- xi. To promulgate by-laws for the better performance of functions stipulated under the Act.

## **2.6. MANDATES AND RESPONSIBILITIES OF THE AUTHORITY**

According to the Water Supply and Sanitation Act No. 5, 2019, Water Supply and Sanitation Authorities (WSSAs) are established;

- ✓ To ensure that customers are continuously supplied with adequate water, which meets Tanzania water quality standards.
- ✓ To provide, at WSSA's expense a basic level of water supply services to the identified economically disadvantaged households.
- ✓ To carry out the functions and responsibilities of WSSA with due diligence and in strict conformity with good governance practices.
- ✓ To ensure that, water production is continuously monitored in terms of quantity and quality.

## **2.7. PRINCIPAL ACTIVITY**

The principal activity of the Authority is to provide water supply service and removal of waste water through sewerage system. The activities of the Authority are carried out under the terms and conditions of the Memorandum of Understanding between Geita Urban Water Supply and Sanitation Authority and the Government of the United Republic of Tanzania through the Ministry of Water.

## **2.8. FUNCTIONS OF THE AUTHORITY**

The Functions vested to the Authority by Section 20 of The Water Supply and Sanitation Act No. 5, 2019 include;



- i. To provide water supply for uses as are required by the Act or any other written law dealing with the management of water resources, water quality standards and the environment.
- ii. To secure the continued supply of water for all lawful purposes by continuously treating the water and monitoring the quality of water supplied at such times and in such a manner as may be prescribed in the water quality standards or rules made under the Act.
- iii. To develop and maintain waterworks and sanitation works.
- iv. To protect and maintain water sources.
- v. To advise the Government in the formulation of policies and guidelines relating to potable water standards.
- vi. To plan and execute new projects for the supply of water and the provision of sanitation.
- vii. To educate and provide information to persons on public health aspects of water supply, water conservation, sanitation, and similar issues.
- viii. To liaise with local government authorities on matters relating to water supply and sanitation and the preparation and execution of plans relating to the expansion thereof.
- ix. To collect fees and levies including any regulatory levy for water supply and sanitation services supplied to consumers by the water authority.
- x. To propose water supply and sanitation tariff.
- xi. To provide amenities or facilities which the water authority considers necessary or desirable for persons making use of the services or the facilities provided by the water authority.
- xii. To do anything or enter into any transaction which, in the opinion of the Board of the water authority, is calculated to facilitate the proper exercise of the functions of the water authority under the Act.

## **2.9. OBJECTIVES OF GEUWASA**

The Authority aim at achieving the following objectives:

- ✓ Increase quantity and quality of water supply services and infrastructure.
- ✓ Good governance and administrative services enhanced.
- ✓ Improve Water Supply, Sanitation and other related services to Geita community.
- ✓ Increase water potential sources so as cover the scarcity of water.

## **2.10. CORPORATE GOVERNANCE**

The Directors are committed to the principles of good governance, In pursuit of this commitment:

- i. The Board met regularly throughout the year as specified in its rules of procedure;
- ii. The Board accepts and exercises responsibility for strategic and policy decisions including approval of budgets and monitoring of performance of the Authority;
- iii. The Board brings skills and experience to complement those of the management team;
- iv. The positions of the Chairperson and Chief Executive are held by different persons with specified term limits; and



- v. All Directors are independent and non-executive.

## 2.11. ESTABLISHMENT AND COMPOSITION OF THE BOARD OF DIRECTORS

The Authority is governed by a Board of Directors which consists of the Chairperson and other nine members. The Board of Directors is the highest decision-making organ of the Authority.

The Authority's Board of Directors is established under section 10 of The Water Supply and Sanitation Act No. 5, 2019. The composition of members of the Board of Directors is elaborated in the Water Supply and Sanitation Act (Procedures for Nomination of Board Members), Regulations as published under Government Notice No. 828 of 2019. The Authority Board of Directors is composed of the following members:

- ✓ Board Chairperson.
- ✓ Representative of the Ministry of Water.
- ✓ Representative of Regional Administration Secretary Office.
- ✓ Town Executive Director.
- ✓ Representative of Domestic water consumers.
- ✓ Representative of Local commercial sector.
- ✓ Representative of women
- ✓ Representative of large consumers of water.
- ✓ Representative of Councilors
- ✓ Managing Director as a Secretary to the Board

The Managing Director is the Secretary to the Board of Directors and manages the day-to-day activities of the Authority, all other members are non-executive.

With exception of the representative of the Regional Administration Secretary's Office who was interchanged during the period, all other members served for the full Financial Year. For the period ending 30 June 2022, the Authority's Board had 9 members including the Chairperson, all members are Tanzanians. The profiles of these members is as tabulated below;

S/N	NAME	AGE	POSITION	REPRESENTI NG	DATE OF APPOINT MENT	GENDER	QUALIFICATION
1	PATRICIA S. KAMPAMBE	66	CHAIRPERSON	N/A	3/2/2020	FEMALE	DIPLOMA IN EDUCATION
2	FRANK J. CHANGAWA	40	SECRETARY	MANAGING DIRECTOR	3/2/2020	MALE	MSc. FINANCE AND INVESTMENT, BSc. ELECTRICAL ENGINEERING
3	ZAHARA M. MICHUZI	35	MEMBER	GEITA TOWN EXECUTIVE DIRECTOR	3/2/2020	FEMALE	BACHELOR OF ARTS IN ECONOMICS

S/N	NAME	AGE	POSITION	REPRESENTI NG	DATE OF APPOINT MENT	GENDER	QUALIFICATION
4	ROSE E. MBAI	27	MEMBER	REGIONAL ADMINISTRAT IVE SECRETARY'S OFFICE	22/2/2022	FEMALE	BSc. CIVIL ENGINEERING
5	GLADYS N. JEFTA	43	MEMBER	WOMEN	3/2/2020	FEMALE	MSc. INTERNATIONAL CONSTRUCTION MANAGEMENT AND ENGINEERING, BSc. ENVIRONMENTA L ENGINEERING
6	ASHA R. MAGANYA	38	MEMBER	DOMESTIC WATER CONSUMERS	3/2/2020	FEMALE	POSTGRADUATE DIPLOMA IN LAWS, LLB
7	AMOS S. MAGIGE	37	MEMBER	LARGE CONSUMERS OF WATER	3/2/2020	MALE	POSTGRADUATE DIPLOMA IN BUSINESS MANAGEMENT, BSc. GEOLOGY
8	EMMANUEL D. MULELA	72	MEMBER	LOCAL COMMERCIAL SECTOR	3/2/2020	MALE	DIPLOMA IN RANGE MANAGEMENT
9	RITHA F. KILUA	58	MEMBER	MINISTRY OF WATER	3/2/2020	FEMALE	MSc. ENGINEERING

## 2.12. COMMITTEES OF THE AUTHORITY'S BOARD OF DIRECTORS.

The Authority's Board functions through three committees namely;

### 2.12.1. EMPLOYMENT AND DISCIPLINARY COMMITTEE

The Employment and Disciplinary Committee was established by the Board to act and assist the Board in regard to all matters relating to employment, human resources and staff discipline which include:

- i. To interview applicants for employment who are Board appointees and to provide recommendations to the Board;
- ii. To discuss and recommend disciplinary action to be taken against staff who are Board appointees;
- iii. To review and recommend incentive Scheme and reward package for staff; and
- iv. To review and recommend renewal of employment contracts of staff who are on contract terms.



Members of Employment and Disciplinary Committee who served for the period under review were as follows:

S/N	Name	Nationality	Position
1	Eng. AMOS S. MAGIGE	Tanzanian	Chairperson
2	Eng. RITHA F. KILUA	Tanzanian	Member
3	Eng. ROSE F. MBAI	Tanzanian	Member
4	Adv. ASHA R. MAGANYA	Tanzanian	Member

#### 2.12.2. THE ACCOUNTING, FINANCE AND PLANNING COMMITTEE

The Accounting, Finance and Planning Committee was established by the Board to act and assist the Board in regard to all matters relating to Accounting, Finance and Planning which include:

- To review and recommend to the Board, GEUWASA Plan and Budget for each year;
- To review and recommend proposals on the amendment of financial Regulations, Accounting Manual and staff rules and regulations;
- To review and recommend requests for reallocation of funds;

Members of Accounting, Finance and Planning Committee who served for the period under review were as follows:

S/N	Name	Nationality	Position
1	Mr. EMMANUEL D. MULELA	Tanzanian	Chairperson
2	Eng. GLADYS N. JEFTA	Tanzanian	Member
3	Mrs. ZAHRA M. MICHUZI	Tanzanian	Member

#### 2.12.3. THE AUDIT COMMITTEE

The Audit Committee was established by the Board to act and assist the Board in regard to all matters relating to Auditing which include:

- To strengthen the internal controls of the Authority in order to reassure stakeholders that the Authority is being managed properly;
- To advise and improve GEUWASA overall governance framework;
- To enforce application of risk management policies and practices by management;
- To review and approve GEUWASA draft Accounts before submission of same to the Controller and Auditor General;
- To review and direct management accordingly on matters raised by external and internal Auditors in their reports; and
- To monitor the internal control process.

Members of Audit Committee who served for the period under review were as follows:

S/N	Name	Nationality	Position
1	CPA. ATHONY F. MERO	Tanzanian	Chairperson
2	Eng. AMOS S. MAGIGE	Tanzanian	Member
3	Mrs. ZAHRA M. MICHUZI	Tanzanian	Member

Since it is required by Public Finance Laws and Regulations that the Audit Committee should be chaired by a person who possess knowledge and experience on Accounting and Auditing, The Board Co-opted CPA. ANTHONY F. MERO after he was recommended by the Geita Region Administrative Secretary.

## 2.13. MEETINGS OF THE AUTHORITY'S BOARD AND ITS COMMITTEES

During the 2021/22 Financial Period, the Board conducted four (4) ordinary meetings; In addition, there were twelve (12) ordinary meetings of the Board Committees where by each committee conducted four meetings; Furthermore the Audit Committee conducted one extra-ordinary meeting which was used to review the Authority Financial Statements before they are signed by the Board chairperson.

During these meetings they discussed the following;

- i. To review the Authority's quarterly performance reports.
- ii. To authorize the 2022/2023 plan and budget.
- iii. To review and authorize the Authority's audited financial statements.
- iv. To review and authorize the targets entered in the Performance Contract between the Authority and the Office of Treasury Registrar.
- v. To review and recommend requests for reallocation of funds;
- vi. To strengthen the internal controls of the Authority in order to reassure stakeholders that the Authority is being managed properly;
- vii. To advise and improve GEUWASA overall governance framework;
- viii. To enforce application of risk management policies and practices by management;
- ix. To review and approve GEUWASA draft Accounts before submission of the same to the Controller and Auditor General;
- x. To review and direct management accordingly on matters raised by external and internal Auditors in their reports; and
- xi. To monitor the internal control process.
- xii. To review and approve the Authority's internal audit charter.

Below is a summary indicating the number of meetings attended by members of the Board and Committees for the year 2021/22.



S/N	Board Member's Name	BOARD	Board's Committee Meetings.		
			Employment and Disciplinary Committee	Audit Committee	Accounting, Finance and Planning Committee
1	Mrs. PATRICIA S. KAMPAMBE	4	N/A	N/A	N/A
2	Eng. FRANK J. CHANGAWA	4	N/A	N/A	N/A
3	Eng. RITHA F. KILUA	3	3	N/A	N/A
4	Eng. ROSE F. MBAI	2	2	N/A	N/A
5	Mrs. ZAHRA M. MICHUZI	2	N/A	3	2
6	Eng. GLADYS N. JEFTA	3	N/A	N/A	4
7	Eng. AMOS S. MAGIGE	3	3	3	N/A
8	Mr. EMMANUEL D. MULELA	4	N/A	N/A	4
9	Adv. ASHA R. MAGANYA	3	4	N/A	N/A
10	CPA. ANTHONY F. MERO	N/A	N/A	4	N/A

## 2.14. MANAGEMENT

The Authority is headed by the Managing Director who is appointed by the Minister responsible for Water. He is responsible for the day to day management of the Authority. Under the Managing Director, there are four departments headed by Departmental Managers namely; Technical, Finance, Commercial and Human Resources and Administration Departments. The Managing Director is also assisted by heads of independent units namely; Procurement Management Unit, Legal Unit, Internal Audit Unit as well as the Public Relation Unit.

## 2.15. FUTURE DEVELOPMENT PLANS

The authority has planned to conduct the following in both the short and the long run.

### 2.15.1. LONG TERM PLANS

- To provide our customers with adequate and clean water by;
  - ✓ Expanding water treatment facilities from 7.5 million Liters per Day to 46 million Liters per Day by June 2026.
  - ✓ Expanding water supply distribution network coverage from the current 270 Kilometers to 980 Kilometers by June 2026.

- **To move from Category C WSSA to Category A by;**
  - ✓ Improving average Monthly revenue collection from TZS 150 million to TZS 300 million by June 2026.
  - ✓ Increasing customer base from 7452 customer up to 14,000 Customers by June 2026.
- **To provide Quality Sanitation Services through;**
  - ✓ Construction of a new conventional sewerage system by June 2026.

#### **2.15.2. MEDIUM TERM PLANS**

- **To provide our customers with adequate and clean water by;**
  - ✓ Installing computerized water production and distribution system by June 2024.
- **To move from Category C WSSA to Category A by;**
  - ✓ Improve average hours of service from 8 hours to 18 hours by June 2024.
- **To provide Quality Sanitation Services through;**
  - ✓ Expansion of the existing waste water treatment plant by June 2024.
  - ✓ Procurement of new waste water truck emptier by June 2024.

#### **2.15.3. SHORT TERM PLANS**

- **To provide our customers with adequate and clean water by;**
  - ✓ Reducing Non-Revenue Water from 29 % to at most 25% by June 2023.
- **To move from Category C WSSA to Category A by;**
  - ✓ Improve average hours of service from 8 hours to 12 hours by June 2023.
- **To provide Quality Sanitation Services through;**
  - ✓ Providing the Authority laboratory with all necessary apparatus by June 2023.

#### **2.16. FINANCIAL PERFORMANCE FOR THE YEAR 2021/22**

During the financial year 2021/22, Geita Urban Water Supply and Sanitation Authority recorded a deficit of TZS 677,316,819 from its operations compared to a deficit of TZS. 904,732,220 recorded in the previous year.

#### **2.17. RISK MANAGEMENT AND INTERNAL CONTROLS**

The Authority has developed Risk Management Frame work, which was duly approved by the Board. Every individual within the Authority is required to appreciate risks inherent at his/her place of work. In addition, it is the responsibility of Management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding the effectiveness and efficiency of operations in:

- i. The safeguarding of the Entity's assets (including information);
- ii. Compliance with the applicable laws, regulations and supervisory requirements;
- iii. The reliability of the accounting records;



- iv. Business sustainability under normal as well as adverse conditions;
- v. Responsible behavior towards all stakeholders.

## 2.18. SOLVENCY

The Board of Directors confirms that applicable International Public Sector accounting standards have been followed and that the Financial Statements have been prepared on a going concern basis. The Board has reasonable expectation that the Authority has adequate resources to continue its operational effectiveness for a foreseeable future.

## 2.19. CAPITAL STRUCTURE

The capital of the Authority includes Tax Payer's Fund (Capital Fund) and accumulated surplus. GEUWASA Complied with all requirements relating to maintenance of the Capital. As at 30 June 2022 the Authority's capital balance stood at:

	2021/22	2020/21
Capital Fund	431,270,000	431,270,000
Accumulated Surplus	21,446,390,996	22,123,707,815
<b>TOTAL</b>	<b>21,877,660,996</b>	<b>22,554,977,815</b>

## 2.20. CORPORATE RELATIONSHIPS WITH STAKEHOLDERS

The Authority's operations cut across several stakeholders' interests. The Authority enjoys good and cooperative support from almost all stakeholders. Key to this relationship has been prompt and informed thorough Communications system.

## 2.21. EMPLOYEES' WELFARE

### i. Management and Employees' Relationship

Employees and Management have maintained good relationships for the year 2021/22. There were neither unresolved complaints nor conflicts.

### ii. Training facilities

In order to develop suitable personnel in all relevant fields, the Authority provides training to its staff members at both in-house and external trainings.

### iii. Medical Services

All members of GEUWASA staff are members of National Health Insurance Fund. In addition, GEUWASA meets all the uncovered medical expenses for its staff members together with their legal dependents' in accordance with staff rules and regulations. The Authority contributes 3%

while an employee contributes 3% to NHIF. For the year ended 30 June, 2022 the Authority spent TZS 9,661,575 to pay for Employees Health Insurance at NHIF in addition to TZS 2,226,000 that was used to pay for medical expenses that are not covered by the NHIF policy.

**iv. Financial Assistance to Staff**

The Authority provides salary advance to its staff members once they encounter financial difficulties.

**v. Persons with Disabilities**

It is the policy of the Government not to discriminate persons with disabilities in recruitment. The Authority has a recruitment policy and Training manual, which accommodates all staff without discrimination. The Authority is an equal opportunity employer and gives persons with disabilities opportunities for those vacancies they are able to fill.

**vi. HIV/AIDS and Non Communicable Diseases Awareness Program**

The Authority has put in place a committee that, among other things is responsible for educating staff on HIV/AIDS and Non-Communicable Diseases. The HIV/AIDS awareness program in operation encourages her employees to undergo regular voluntary HIV tests.

**2.22. GENDER PARITY**

The Authority is an equal opportunity employer. As at 30 June 2021 the Authority had the following distribution of employees by gender:

Gender	30 June 2022	30 June 2021
Male	23	26
Female	16	17
Total	39	43



## 2.23. RELATED PARTY TRANSACTIONS

Transactions with related parties during the year were in the normal course of business. A total of TZS 43,050,000 was paid to Board Members as Annual Fees in exchange to the services they offer to the Authority. With exception of the Representative of the Regional Administration who was appointed in February 2022 to replace the previous member who was transferred to another Region and the Representative of the Ministry of Water who retired from Public Service, all other members served for the whole financial period. These Fees were paid in the following tone;

POSITION	No. OF HOLDERS	ANNUAL FEE RATE	ANNUAL FEE
Chairperson	1	6,000,000	6,000,000
Other members	6	5,000,000	30,000,000
Representative of Regional Administrative Secretary's Office	1	2,500,000	2,500,000
Co-Opted Member	1	800,000	800,000
Representative of the Ministry of Water	1	3,750,000	3,750,000
<b>Total</b>	<b>10</b>		<b>43,050,000</b>

## 2.24. ENVIRONMENTAL CONTROL PROGRAM

The Authority monitors the impact of its operations to the environment, which is mainly through the use of power, water and the generation of waste. The Authority minimizes its impact through better use of its premises and inbuilt facilities to ensure that there is proper waste management.

## 2.25. POLITICAL AND CHARITABLE DONATIONS

There were neither charitable nor political donations during 2021/22.

## 2.26. COMPLIANCE TO LAWS, REGULATIONS AND GUIDELINES

In performing the activities of the Authority, various laws and regulations having the impact on the Authority's operations are observed as a tool for financial management. These are Financial Regulations; Staff Rules and Regulations; Water Supply and Sanitation Act of 2019; National Water Policy of 2002; the CCM 2020 - 2025 Election Manifesto; the Tanzania Development Vision 2025; the 2030 Agenda for Sustainable Development; the National Water Development Strategy 2006-2015; the Water Management Act 2009; Finance Act; Income Tax Act, 2004; and Public Procurement Act, 2011 and related regulations.

## 2.27. EVENTS AFTER THE REPORTING DATE

There were no subsequent events that have occurred which are either to be disclosed or to be adjusted in the financial statements that could materially affect the financial statements.

## 2.28. ACCOUNTING POLICIES

A summary of the key accounting policies for the Authority appears on Note 2 to the financial statements.

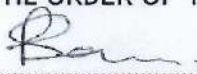
## 2.29. STATEMENT OF COMPLIANCE

The Director's report has been prepared in full compliance with requirements of the Tanzania Financial Reporting Standards No.1 the Report by those Charged with Governance.

## 2.30. AUDITORS

The Controller and Auditor General is the statutory Auditor of the Geita Urban Water Supply and Sanitation Authority (GEUWASA) by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under Section 30 of the Public Audit Act, Cap 418 (R.E 2022).

BY THE ORDER OF THE BOARD;

  
.....  
PATRICIA SAM KAMPAMBE

BOARD CHAIRPERSON

Date: 23/02/2023



  
.....  
Eng. FRANK JACOB CHANGAWA

BOARD SECRETARY

Date: 23/02/2023



### 3.0. STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

As required under section 15(1) of the Public Corporation's Act (amendment) 1992, the Board is responsible for the preparation and fair presentation of the financial statements, comprising the Statement of Financial Position as at 30 June 2022, the statement of financial performance for the year ended 30 June 2022, the statement of changes in net assets and cash flows statement for the year ended 30 June 2022 as well as the statement of comparison of budget and actual amounts and the notes to the financial statements which include a summary of significant accounting policies and other explanatory notes; in accordance with International Public Sector Accounting Standards and in the manner required by the Geita Urban Water Supply and Sanitation Authority (GEUWASA) as established by the Water Supply and Sanitation Act, 2019.

The Board confirms that suitable accounting policies have been used and applied consistently, reasonably and prudent judgments and estimates have been made in the preparation of financial statements for the year ended 30<sup>th</sup> June 2022. The Board also confirms that applicable International Public Sector Accounting Standards (IPSAS) have been followed and that the financial statements have been prepared on going-concern basis. The Board is also responsible for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Board Members have made an assessment of the Authority's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the financial year ahead.

#### Approval of the financial statements

The financial statements of the Authority, as indicated above, were approved by the Board Members on 23/03/2023 and are signed on its behalf by;

  
PATRICIA SAM KAMPAMBE

BOARD CHAIRPERSON  
Date: 23/03/2023



  
Eng. FRANK JACOB CHANGAWA

BOARD SECRETARY  
Date: 23/03/2023

#### 4.0. DECLARATION OF THE FINANCE MANAGER OF GEITA URBAN WATER SUPPLY AND SANITATION AUTHORITY.

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No.2 of 1995, requires financial statements to be accompanied with a Statement of 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/ Governing Body/ Management to discharge the responsibility of preparing financial Statements of an entity showing the true and fair view of the entity in accordance with international accounting standards and statutory reporting requirements. Full legal responsibility for financial statements rests with the Board / Governing Body as under Board Members' Responsibility statement on an earlier page.

I CPA. Fortunatus F. Masele being the Head of Finance of the Authority hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30 June 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Geita Urban Water Supply and Sanitation Authority as on that date and they have been prepared based on properly maintained financial records.

  
Signed by: CPA. FORTUNATUS F. MASELE

Position: FINANCE MANAGER

NBAA Membership No: GA 5176

Date: 23/03/2023





## 5.0. FINANCIAL STATEMENTS

### STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

PARTICULARS	NOTES	AMOUNTS IN TZS	
		2021/22	2020/21 Restated
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash equivalent	Note 3	142,182,397	570,654,568
Receivables and Prepayments	Note 4	746,525,906	110,339,642
Inventories	Note 5	264,685,071	88,508,573
<b>Total Current Assets</b>		<b>1,153,393,374</b>	<b>769,502,783</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment's	Note 6	21,452,480,962	22,589,033,399
Work In Progress (WIP)	Note 7	5,986,303,637	2,338,478,389
<b>Total Non-Current Assets</b>		<b>27,438,784,599</b>	<b>24,927,511,788</b>
<b>TOTAL ASSETS</b>		<b>28,592,177,973</b>	<b>25,697,014,571</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Provisional Liabilities	Note 8	20,250,000	20,250,000
Payables	Note 9	941,713,061	137,683,592
<b>Total Current Liabilities</b>		<b>961,963,061</b>	<b>157,933,592</b>
<b>Non-Current Liabilities</b>			
Third-Party Projects	Note 10	5,752,553,916	2,984,103,164
<b>TOTAL LIABILITIES</b>		<b>6,714,516,977</b>	<b>3,142,036,756</b>
<b>NET ASSETS/ EQUITY</b>		<b>21,877,660,996</b>	<b>22,554,977,815</b>
Capital fund/grant		431,270,000	431,270,000
Accumulated Surplus/Deficit		21,446,390,996	22,123,707,815
<b>NET ASSETS/ EQUITY</b>		<b>21,877,660,996</b>	<b>22,554,977,815</b>

Patricia S. Kampambe

Board Chairperson

Date: 23/03/2023



Eng. Frank J. Changawa

Managing Director

Date: 23/03/2023

# GEITA URBAN WATER SUPPLY AND SANITATION AUTHORITY

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022

PARTICULARS	NOTES	AMOUNTS IN TZS	AMOUNTS IN TZS
		2021/22	2020/21
<b>Revenue</b>			
Revenue from Exchange Transactions	Note 11	1,944,578,009	1,914,462,288
Revenue from Non-Exchange Transactions	Note 12	2,516,157,529	847,069,604
Fees, Fines, Penalties and Licenses	Note 13	9,766,800	26,564,510
Other Revenues	Note 14	118,114,775	46,060,000
<b>Total Revenue</b>		<b>4,588,617,113</b>	<b>2,834,156,402</b>
<b>Expenses</b>			
Water Production Expenses	Note 15	804,161,029	784,517,471
Repair and Maintenance	Note 16	219,855,099	271,677,277
Staff Expenses	Note 17	791,395,749	583,321,976
Administrative Expenses	Note 18	527,800,161	423,251,752
Board Expenses	Note 19	75,665,060	83,662,956
Information, Communication and Advertisements	Note 20	82,985,226	74,399,134
Professional Fees	Note 21	49,799,658	35,796,502
Other Expenses	Note 22	77,627,566	79,015,032
Transfer to Other Institutions	Note 23	591,599,027	5,000,000
Depreciation	Note 6	2,045,045,356	1,398,246,522
<b>Total Expenses</b>		<b>5,265,933,932</b>	<b>3,738,888,621</b>
<b>Surplus (Deficit)</b>		<b>(677,316,819)</b>	<b>(904,732,219)</b>

Patricia S. Kampambe

Board Chairperson

Date: 23/03/2023



Eng. Frank J. Changawa

Managing Director

Date: 23/03/2023



# GEITA URBAN WATER SUPPLY AND SANITATION AUTHORITY

## STATEMENT OF CHANGE IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

Changes For the Year 2020/21	Contributed Capital	Accumulated Surplus	Total Equity
Opening Balance	431,270,000	14,843,332,427	15,274,602,427
Prior Year Adjustments	-	7,280,375,388	7,280,375,388
Restated Balance	431,270,000	22,123,707,815	22,554,977,815
Changes For the Year 2021/22			
Opening Balance	431,270,000	22,123,707,815	22,554,977,815
Surplus (Deficit) for the Year	-	(677,316,819)	(677,316,819)
Closing Balance	431,270,000	21,446,390,996	21,877,660,996

Patricia S. Kampambe

.....

Board Chairperson

Date: 23/03/2023

Eng. Frank J. Changawa

.....

Managing Director

Date: 23/03/2023



**CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022**

DESCRIPTION	NOTES	AMOUNT IN TZS	AMOUNT IN TZS
<b>Cash Flow From Operating Activities</b>			
<b>Receipts</b>		<b>2021/22</b>	<b>2020/21</b>
Receipts from Exchange Transactions	Note 24	1,946,393,401	1,933,694,164
Receipts from Non-Exchange transactions	Note 25	4,011,852,636	2,780,182,200
Fees, Fines, Penalties and Licenses	Note 13	9,766,800	26,564,510
Other Receipts	Note 14	118,114,775	46,060,000
<b>Total Receipts</b>		<b>6,086,127,612</b>	<b>4,786,500,874</b>
<b>Payments</b>			
Water Production Expenses	Note 26	138,411,188	123,464,103
Repair and Maintenance	Note 27	187,450,935	254,369,618
Personnel Expenses	Note 28	788,565,749	583,321,976
Administrative Expenses	Note 29	511,249,356	404,736,628
Board Expenses	Note 30	73,215,060	84,912,956
Information, Communication and Advertisements	Note 31	72,642,825	69,799,010
Professional Fees	Note 32	49,799,658	25,796,502
Other Expenses	Note 33	80,596,856	73,144,214
Transfer to Other Institutions	Note 23	591,599,027	5,000,000
<b>Total Payments</b>		<b>2,493,530,655</b>	<b>1,624,545,007</b>
<b>NET CASH FLOW FROM OPERATIONS</b>		<b>3,592,596,957</b>	<b>3,161,955,867</b>
<b>Cash Flow from Investing Activities</b>			
Acquisition of Property, Plant and Equipment	Note 34	(767,163,459)	(591,055,798)
Cash paid on acquisition of WIP	Note 35	(3,253,905,669)	(2,061,706,289)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>(4,021,069,128)</b>	<b>(2,652,762,088)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(428,472,171)</b>	<b>509,193,779</b>
Opening Cash and Cash Equivalent	Note 36	570,654,568	61,460,789
<b>Closing Cash and Cash Equivalent</b>	<b>Note 3</b>	<b>142,182,397</b>	<b>570,654,568</b>



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2022

PARTICULARS	Amounts in TZS					Reference to Explanation
	Original Budget	BUDGET Final Budget	Actual Performance (Accrual Basis)	Prepaid (Accrued) Amount	Actual Amount (Cash Basis)	
Receipts						
Revenue from Exchange Transactions	2,795,520,000	2,795,520,000	1,944,578,009	(1,815,393)	1,946,393,4021	A
Revenue from Non-Exchange Transactions	2,034,789,000	2,705,431,857	2,516,157,529	1,495,695,106	4,011,852,636	B
Fees, Fines, Penalties and Licenses	47,365,441	47,365,441	9,766,800	-	9,766,800	C
Other Revenues	40,805,000	40,805,000	118,114,775	-	118,114,775	D
<b>Total Receipts</b>	<b>4,918,479,441</b>	<b>5,589,122,298</b>	<b>4,588,617,113</b>	<b>1,493,879,714</b>	<b>6,082,496,826</b>	<b>11%</b>
Payments						
Water Production Expenses	862,963,161	862,963,161	804,161,029	(665,749,840)	138,411,188	E
Repair and Maintenance	287,725,600	323,725,600	219,855,099	(32,404,164)	187,450,935	F
Personnel Expenses	1,084,415,680	1,074,415,680	791,395,749	(2,830,000)	788,565,749	G
Administrative Expenses	623,160,000	613,660,000	527,800,161	(16,550,805)	511,249,356	H
Board Expenses	94,320,000	94,320,000	75,665,060	(2,450,000)	73,215,060	I
Information, Communication and	71,100,000	80,600,000	82,985,226	(10,342,401)	72,642,825	J
Advertisements						
Professional Fees and Charges	65,000,000	52,000,000	49,799,658	-	49,799,658	K
Other Expenses	120,000,000	107,000,000	77,627,566	(4,332,292)	73,295,274	L
Transfer to Other Government Institutions	25,000,000	25,000,000	591,599,027	(591,599,027)	-	M
Payments for Third-party projects			3,084,158,980	(264,020,736)	2,820,138,244	N
<b>Total Payments</b>	<b>3,233,684,441</b>	<b>3,233,684,441</b>	<b>6,305,047,556</b>	<b>(1,590,279,266)</b>	<b>4,714,768,290</b>	<b>23%</b>
<b>Surplus / Deficit</b>			<b>(1,716,430,443)</b>	<b>3,084,158,980</b>	<b>1,367,728,537</b>	

(987,709,320)

STATEMENT OF RECONCILIATION BETWEEN SURPLUS AS PER STATEMENT OF BUDGET Vs ACTUAL AMOUNTS AND THAT OF THE STATEMENT OF FINANCIAL PERFORMANCE

	Amounts in TZS
Surplus as per Statement Of Budget Vs Actual Amounts	1,367,728,537
Less: Depreciation Charge for the Year	2,045,045,356
Surplus as per Statement of Financial Performance	(677,316,819)

Patricia S. Kampambe



Board Chairperson

Date: 23/03/2023



Eng. Frank J. Changawa



Managing Director

Date: 23/03/2023



## **NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

### **1. GENERAL INFORMATION**

Geita Urban Water Supply and Sanitation Authority was declared a full autonomous public utility body by the Minister responsible for Water through Government Notice No. 258 on 21 June 2002 as per the Waterworks Regulations, 1997 (G.N. No. 371 of 1997). GEUWASA became a Regional Water Supply and Sanitation Authority in 2012. The address of its registered office is;

GEUWASA BUILDING,  
BOMANI STREET,  
P. O BOX 477,  
GEITA.

### **2. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) accrual basis. 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 policies and other explanatory notes.

The preparation of financial statements in conformity with IPSAS requires the use of accounting estimates in some circumstances. It also requires management to exercise its judgments in the process of applying the Authority's accounting policies. The areas involving higher degree of complex judgments or assumptions and significant estimates to the financial statements are separately disclosed in notes to accounts.

The financial statements have been prepared on going concern basis and the accounting policies have been applied consistently throughout the period. The principal accounting policies adopted in the preparation of these financial statements are set out below.

#### **Property Plant and Equipment**

Property, Plant and equipment are initially recorded at cost. Property Plant and equipment are reported at cost less provision for accumulated depreciation (loss in value due to wear and tear resulted from the use of such asset) except land which is subsequently measured at revaluation model. The cost of assets owned by the Authority includes expenditure that is directly attributable to the acquisition of the item (s). All repairs and maintenance relating to the item(s) are charged to the income and expenditure account during the financial year in which they relate.

### Depreciation Charge

Depreciation is charged on fixed assets acquired during the year, for the period of use of such asset in the year of acquisition and subsequently to the year of disposal of an asset.

According to the Public Asset Management Guideline 2019 (Revised Edition), Depreciation on assets is calculated using the straight-line method to allocate costs to the residual values over the estimated useful lives of assets using the following rates which have been applied consistently (With exception of Light Motor Vehicles on which their useful lives was reviewed and changed, useful lives of other assets remained the same as was suggested by the Public Assets Management Guideline)

S/N	ASSET CATEGORY	EXPECTED USEFULL LIFE	DEPRECIATION RATE
1	Land	Infinite	0%
2	Office Buildings	50 Years	2%
3	Plant and Machinery	15 Years	6.67%
4	Office Equipment	5 Years	20%
5	Furniture and Fixtures	10 Years	10%
6	Light Motor Vehicles	10 Years	10%
7	Heavy Duty Motor Vehicles	10 Years	10%
8	Motor Cycles	7 Years	14.29%
9	Computer and IT Equipment	4 years	25%
10	Water Infrastructures	15 Years	6.67%

### Taxation

The Authority is an autonomous Government Authority which is non-profit making. GEUWASA depends on levies from provision of water supply and sanitation services as its main source of income. The Authority is exempted from paying income tax as per provisions of Income Tax Act, 2004.

### Receivables from non-exchange transactions

Receivables from non-exchange transactions are recognized when it is probable that the future service potential associated with the asset will flow to the entity; and the fair value of the asset can be measured reliably.



### **Receivables from exchange transactions**

Receivables from exchange transactions are carried out at anticipated realizable value. Provision for impairment (failure to pay) is made based on specific receivables considered being doubtful of recovery.

### **Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, deposits held with banks, other highly liquid investments with original maturities of three months or less.

### **Provisions**

Provisions are recognized when the Authority has constructive obligations as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and a reliable estimate of such obligations can be made.

### **Employment benefits**

Employee benefits include salaries, pensions and other employment related benefits recognized on accrual basis. The salaries of 9 staff employed by the Ministry of Water were directly paid to them by the Permanent Secretary, Ministry of Water. The amounts paid to them are not included in these financial statements. The remained 30 staff were paid by the Authority and their salaries has been included in the financial statements. The Authority also operates a defined pension benefit scheme to its employees in which it contributes 15% of employees' gross salary in the Public Service Social Security Fund (PSSSF). These amounts are charged in the Statement of Financial Performance.

### **Comparative figures**

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

### **Impairment of assets**

An impairment of an asset is recognized when its carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost to sell and its value in use and it is determined for an individual assets.

### **Provision for impairment of receivables**

Receivables are recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision is not made in the Financial Statements against receivables considered to be doubtful of recovery.

### Functional and presentation currency

Items included in the financial statements of the Geita Urban Water Supply and Sanitation Authority was measured using Tanzanian Shillings (TZS) which is the currency of the primary economic environment in which it operates.

### Events after reporting date

Events after the reporting period are those events, favorable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue.

### Reporting Period

These financial statements cover a period that runs from 1 July 2021 to 30 June 2022.

### 3. CASH AND CASH EQUIVALENTS.

Cash and cash equivalents at the end of the financial period comprised of cash, short-term deposits with maturity of three months or less. The authority balances stood at;

		2021/22	2020/21
Cash at Bank			
CRDB Collection Account	01J1061787400	1,366,464	6,876,520
GEUWASA Expenditure Account	01J1061787401	38,383,299	56,073,312
Projects Account	0150061787401	87,582,918	499,153,229
NMB Collection Account	31010026778	2,140,980	3,757,006
NBC Collection Account	046139000026	204,515	309,074
AZANIA Collection Account	012000094121	-	-
BOT Collection Account	9925266331	12,504,221	4,485,427
Cash at Hand	N/A	-	-
Short- Term Deposits	N/A	-	-
Un-deposited Cheques	N/A	-	-
<b>TOTAL</b>		<b>142,182,397</b>	<b>570,654,568</b>



#### 4. RECEIVABLES AND PREPAYMENTS.

The Authority ended the Financial Period with some amounts that were not received but all conditions pertaining to their receipts were met. Such amounts include;

	2021/22	2020/21
1 WATER SALES		
Commercial	18,993,962	15,260,298
Domestic	82,141,034	64,188,853
Institutions	20,410,619	3,457,233
Kiosk	4,419,069	1,474,674
Industries	5,763,296	6,057,740
2 Staff Receivables	250,000	-
3 MOW- Send Star (Retention Money)	19,036,178	19,036,178
4 MOW- GIPCO	393,919,579	-
5 MOW- EQUIPLUS	199,576,271	-
6 Prepaid Electricity	1,133,691	-
7 Prepaid Insurance	882,207	864,666
<b>TOTAL</b>	<b>746,525,906</b>	<b>110,339,642</b>

The aging- analysis of receivables is as follows;

S/N	PARTICULARS	TOTAL	UP TO 1 MONTH	1 TO 3 MONTHS	3 TO 12 MONTH	1 TO 3 YEARS	3 TO 5 YEARS	ABOVE 5 YEARS
1	Water Sales	131,727,980	211,267	53,212,190	30,068,590	48,235,933	-	-
	Staff							
2	Receivables	250,000	250,000	-	-	-	-	-
	Ministry of							
3	Water	612,532,028	593,495,850	-	-	19,036,178	-	-
	<b>TOTAL</b>	<b>744,510,008</b>	<b>593,957,117</b>	<b>53,212,190</b>	<b>30,068,590</b>	<b>67,272,111</b>	<b>-</b>	<b>-</b>

#### 5. INVENTORY.

Inventories are stated at the lower of cost as per IPSAS 12 para 11 and 17. They constitute low cost of pipes, fittings, stationeries, Diesel, Petrol, water meters, water treatment chemicals and pump and peripherals. The quantities of which have been tabulated as follows;

	2021/22	2020/21
1 Pipes	10,411,500	3,676,400
2 Fittings	37,469,171	50,658,900
3 Stationeries	2,561,520	5,812,714
4 Water Meters	8,067,028	20,150,627
5 Treatment Chemicals	557,069	8,209,932
6 Pump and peripherals	199,576,271	-
7 Petrol	2,039,577	-
8 Diesel	4,002,930	-
<b>TOTAL</b>	<b>264,685,071</b>	<b>88,508,573</b>

#### **6. PROPERTY, PLANT AND EQUIPMENT.**

During the period, the Authority paid for items of Property, Plant and Equipment (PPE) using funds obtained both from its internal and external sources. These items are maintained at cost less accumulated depreciation. The table in the next page shows the items of PPE that were in the books of the Authority at the year end.



Description	Land	Buildings	Motor Vehicles		Motor Cycles	Plant and Machinery	Water Infrastructures	Sewerage Infrastructures	Computers	Office Equipment	Furniture and Fittings	Total
			Light Trucks	Heavy Duty Trucks								
Opening Balance 1st July, 2020	237,960,000	449,002,123	40,600,000	502,103,662	36,449,817	6,651,841,454	19,626,141,411	896,421,710	36,701,970	128,439,022	57,694,000	28,663,355,168
Additions	78,410,000	77,601,360	24,000,000	-	2,580,000	-	537,869,536	-	11,207,000	19,683,200	4,360,000	755,711,096
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30th June, 2021	316,370,000	526,603,483	64,600,000	502,103,662	39,029,817	6,651,841,454	20,164,010,947	896,421,710	47,908,970	148,122,222	62,054,000	29,419,066,264
Depreciation for the year (2020/21)	-	10,532,070	12,920,000	50,210,366	5,575,688	443,456,097	1,344,267,366	59,761,447	11,977,243	29,624,444	6,205,400	1,974,530,152
Accumulated Depreciation as at 30th June 2021	-	29,954,183	29,160,000	393,314,535	21,721,938	2,343,465,596	3,777,554,502	119,522,895	32,462,073	62,265,343	20,611,800	6,830,032,866
Net Book Value as at 30th June, 2021	316,370,000	496,649,300	35,440,000	108,789,127	17,307,879	4,308,375,858	16,386,456,444	776,898,815	15,446,897	85,856,878	41,442,200	22,589,033,399
Opening Balance 1st July, 2021	316,370,000	526,603,483	64,600,000	502,103,662	39,029,817	6,651,841,454	20,164,010,947	896,421,710	47,908,970	148,122,222	62,054,000	29,419,066,264
Additions	-	14,508,500	-	-	-	-	809,243,823	-	2,096,940	74,868,456	7,775,200	908,492,919
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30th June, 2022	316,370,000	541,111,983	64,600,000	502,103,662	39,029,817	6,651,841,454	20,973,254,770	896,421,710	50,005,910	222,990,678	69,829,200	30,327,559,183
Depreciation for the year (2021/22)	-	10,822,240	12,920,000	50,210,366	5,575,688	443,456,097	1,398,216,985	59,761,447	12,501,478	44,598,136	6,982,920	2,045,045,356
Accumulated Depreciation as at 30th June 2022	-	40,776,422	42,080,000	443,524,901	27,297,626	2,786,921,693	5,175,771,487	179,284,342	44,963,551	106,863,476	27,594,720	8,875,078,222
Net Book Value as at 30th June, 2022	316,370,000	500,335,561	22,520,000	58,578,761	11,732,190	3,864,919,761	15,797,483,283	717,137,368	5,042,359	116,127,199	42,234,480	21,452,480,962

## GEITA URBAN WATER SUPPLY AND SANITATION AUTHORITY

### 7. WORK IN PROGRESS (WIP).

Work in progress refers to projects that remained unfinished by the time we were closing our books of Accounts, Part of this WIP represent the projects that the Authority has been entrusted to undertake by the Ministry of Water in Areas that are not part of our operational boundaries. These items are transferred to their respective Asset groups once they are completed in full. By the end Period, the Authority had the following under this category;

PARTICULARS	2021/22	2020/21
1 Expansion of Nyankanga Treatment Plant	393,919,579	-
2 Third- Part Projects	5,592,384,058	2,338,478,389
<b>TOTAL</b>	<b>5,986,303,637</b>	<b>2,338,478,389</b>

### 8. PROVISIONAL LIABILITIES.

The Authority estimated the following amounts as liabilities simply because it is certain that they will be settled after year end and they meet cut-off criteria. The basis of estimation was prior year's expenses of the same.

	2021/22	2020/21
1 BOARD MEMBERS ANNUAL FEES	10,250,000	10,250,000
2 AUDIT FEES	10,000,000	10,000,000
<b>TOTAL</b>	<b>20,250,000</b>	<b>20,250,000</b>

### 9. PAYABLES.

The Authority ended the financial period with some commitments that it needs to settle in the near future, the aging-analysis of these amounts is as follows;

PARTICULARS	2021/22	2020/21
CAR TRACK TANZANIA LIMITED	724,500	
EQUIPLUS COMPANY LIMITED	199,576,271	
EWURA	3,232,437	1,479,458
FARU AFRICAN Co. LTD	3,470,380	



GEGS STATIONERY	3,600,000	
GEUWASA	206,153	
GIPCO TANZANIA LIMITED	393,919,579	
HAGA BAKES	2,450,000	
HAGA INVESTMENT CO. LTD	37,376,996	
GEITA TOWN COUNCIL	90,000	
JUNACO (T) LTD	7,025,905	
KAHAMA OIL MILLS LTD	11,122,000	
LENNY HOTEL	5,927,500	
OFFICE CONSUMABLES	18,215,952	
MAIGE MAGANDULA	58,856,000	
MAINLAND AGENCIES LTD	11,051,720	
MANDO GROUP	2,856,900	
MULTINATIONAL PROCUREMENT SERVICES LIMITED	2,207,190	
MWANZA WATER LABORATORY COLLECTION CENTER	3,212,400	
OSHA	1,300,000	1,300,000
PAULO NTONGE	900,000	
PERITUS EXIM PRIVATE LIMITED	20,172,000	
PETROAFRICA COMPANY LIMITED	8,418,900	
PROCELL (SYSTEMS) LIMITED	70,866,648	
PSSSF	852,000	
RAS GEITA	1,000,000	
RODRICK KAZEMBE	944,000	
RUBONDO FM	3,200,000	
SEND STAR COMPANY LIMITED	19,036,178	19,036,178
STORM FM	2,826,000	
TANZANIA FOREST SERVICES AGENCY	3,835,781	
TEMESA	11,592,232	10,429,312
TTCL	195,000	864,526
VODACOM TANZANIA	2,540,025	
e-GOVERNMENT AUTHORITY	10,317,060	
WEIGHT AND MEASURES AGENCY	2,520,000	
ZHONGII PLUMBING Co. LTD	6,529,000	
MTITI GENERAL SUPPLIES	7,500,000	
JAMES RICHARD MALIMA	2,046,355	
SUPPLIES AND CONSUMABLES		93,938,270

GEGS STATIONERY	3,600,000	
GEUWASA	206,153	
GIPCO TANZANIA LIMITED	393,919,579	
HAGA BAKES	2,450,000	
HAGA INVESTMENT CO. LTD	37,376,996	
GEITA TOWN COUNCIL	90,000	
JUNACO (T) LTD	7,025,905	
KAHAMA OIL MILLS LTD	11,122,000	
LENNY HOTEL	5,927,500	
OFFICE CONSUMABLES	18,215,952	
MAIGE MAGANDULA	58,856,000	
MAINLAND AGENCIES LTD	11,051,720	
MANDO GROUP	2,856,900	
MULTINATIONAL PROCUREMENT SERVICES LIMITED	2,207,190	
MWANZA WATER LABORATORY COLLECTION CENTER	3,212,400	
OSHA	1,300,000	1,300,000
PAULO NTONGE	900,000	
PERITUS EXIM PRIVATE LIMITED	20,172,000	
PETROAFRICA COMPANY LIMITED	8,418,900	
PROCELL (SYSTEMS) LIMITED	70,866,648	
PSSSF	852,000	
RAS GEITA	1,000,000	
RODRICK KAZEMBE	944,000	
RUBONDO FM	3,200,000	
SEND STAR COMPANY LIMITED	19,036,178	19,036,178
STORM FM	2,826,000	
TANZANIA FOREST SERVICES AGENCY	3,835,781	
TEMESA	11,592,232	10,429,312
TTCL	195,000	864,526
VODACOM TANZANIA	2,540,025	
e-GOVERNMENT AUTHORITY	10,317,060	
WEIGHT AND MEASURES AGENCY	2,520,000	
ZHONGII PLUMBING Co. LTD	6,529,000	
MTITI GENERAL SUPPLIES	7,500,000	
JAMES RICHARD MALIMA	2,046,355	
SUPPLIES AND CONSUMABLES		93,938,270



WMA		5,300,000
LAKE VICTORIA WATER BOARD		714,316
TANESCO		4,621,532
Amount	941,713,061	137,683,592

#### 10. THIRD-PARTY PROJECTS

GEUWASA was entrusted by the Ministry of Water to use Force Account to implement some projects that failed to be completed by Contractors on agreed time, due to this fact they are considered as part of our financial position until when they will be transferred to third parties. The following are the said projects;

	2021/22	2020/21
1 Nyamtukuza Project	1,555,467,005	1,166,627,005
2 Katoro- Buseresere Project	4,197,086,911	1,817,476,159
<b>TOTAL</b>	<b>5,752,553,916</b>	<b>2,984,103,164</b>

#### 11. REVENUE FROM EXCHANGE TRANSACTIONS

The Authority ended the financial period earning the following revenue from its operations;

	2021/22	2020/21
1 Water Sales	1,704,964,299	1,607,841,160
3 New Connection	203,714,510	244,631,127
4 Sanitation	35,899,200	61,990,001
<b>TOTAL</b>	<b>1,944,578,009</b>	<b>1,914,462,288</b>

#### 12. REVENUE FROM NON-EXCHANGE TRANSACTIONS.

In addition to receiving funds from the Government, Geita Gold Mining Limited (GGML) supports The Authority in paying water production expenses at Nyankanga dam, these monies are recognized as in-kind revenue in one side and form part of water production expenses on the other. The following were revenue from non-exchange transactions for the period;

	2021/22	2020/21
1 Receipts from Other Government Entities	1855737734	189,866,736
3 Water Treatment Chemicals (In-kind Revenue)	300,991,979	269,397,666
4 Electricity for Water Production (In-kind Revenue)	359,427,817	387,805,201
<b>TOTAL</b>	<b>2,516,157,529</b>	<b>847,069,604</b>

### 13. FEES, FINES, PENALTIES AND LICENCES.

The monies generated under this category include;

	2021/22	2020/21
1 Reconnection Fee	6,196,800	6,394,510
2 Fines and Penalties	3,570,000	20,170,000
<b>TOTAL</b>	<b>9,766,800</b>	<b>26,564,510</b>

### 14. OTHER REVENUE

These revenues are monies earned by the Authority upon execution of other activities other than its core functions. During the period, the following monies were earned;

	2021/22	2020/21
1 Other Own Source Revenue	118,114,775	46,060,000
<b>TOTAL</b>	<b>118,114,775</b>	<b>46,060,000</b>

### 15. WATER PRODUCTION EXPENSES

These are items that were incurred by the Authority in the process of producing water. The items were;

	2021/22	2020/21
1 Plant Electricity	461,503,284	476,604,701
2 Treatment Chemicals	325,551,313	295,263,702
3 Quality Analysis	17,106,432	12,649,068
<b>TOTAL</b>	<b>804,161,029</b>	<b>784,517,471</b>

### 16. REPAIR AND MAINTANANCE EXPENSES

	2021/22	2020/21
1 Buildings	9,574,380	4,799,927
2 Transport equipment	37,613,639	68,834,776
3 Machinery, Equipment and plant	18,800,869	4,192,000
4 Office Equipment and appliances	950,000	936,000
5 Other routine maintenance expense not elsewhere classified	105,000	1,792,700
6 Water and electrical installation	152,811,211	191,121,874
<b>TOTAL</b>	<b>219,855,099</b>	<b>271,677,277</b>



## 17. STAFF EXPENSES.

In order to run our day to day operations, The Authority rewards its employees in exchange for services they offer. The following expenses were incurred;

	2021/22	2020/21
1 Salaries	312,232,745	212,337,235
2 Casual Laborers	131,065,300	127,030,921
3 Leave Passage	18,713,000	14,926,000
4 Extra Duty Allowance	26,145,000	63,490,000
5 Risk Allowance	600,000	-
6 Subsistence Allowance	-	2,560,000
7 Utility Allowance	22,260,000	20,700,000
8 Medical and Dental Refund	2,226,000	2,550,000
9 Housing Allowance	52,800,000	45,000,000
10 Communication Allowance	19,980,000	18,600,000
11 Public Sector Social Security Fund (PSSSF)	70,234,000	45,838,800
12 Transport Allowance	17,340,000	14,850,000
13 National Health Insurance Fund (NHIF)	19,323,150	14,291,400
14 Statutory Deductions	96,720,703	-
15 Workers Compensation Fund (WCF)	1,755,852	1,147,620
<b>TOTAL</b>	<b>791,395,749</b>	<b>583,321,976</b>

## 18. ADMINISTRATIVE EXPENSES

	2021/22	2020/21
1 Office consumables	33,029,772	30,530,341
2 Newspapers, magazines and periodicals	4,874,000	3,040,200
3 Security Charges	55,868,550	13,841,560
4 Cleaning Equipment	8,661,260	1,370,500
5 Office Electricity	5,946,281	3,050,000
6 Water Charges	2,892,437	2,867,875
7 Land Rent	775,000	2,688,831
8 Annual Meetings	-	1,970,000
9 Sports	28,557,500	4,399,000
10 Rewards Against Vandalism	-	2,000,000
11 Water Services to pro-poor	151,388	174,987
12 Office Tea	1,531,588	834,856
13 Protective Gears	1,950,600	2,790,190
14 Fighting against Corruption	-	2,820,000
15 Fighting against HIV/AIDS	700,000	2,550,000
16 Procurement Expenses	10,320,000	3,000,000
17 Workers Council	-	2,650,000
18 Computer supplies and accessories	810,104	-
19 Computer software	3,704,000	1,880,000
20 Software license and fees	-	341,000
21 Diesel	72,956,723	73,094,387
22 Petrol	41,998,897	23,445,592
23 Lubricants	-	2,242,840
24 Staff Uniforms	60,000	2,832,000

25	Rent of Vehicles and crafts	4,223,000	6,422,500
26	Training Expenses	53,901,440	12,415,000
27	Travelling Expenses	106,784,996	148,147,204
28	Entertainment (Hospitality)	9,679,500	6,134,500
29	Exhibitions and Festivals	46,062,100	39,421,700
30	Accommodation (Hospitality)	9,125,250	13,447,500
31	Food and Refreshments	23,235,775	12,849,190
<b>TOTAL</b>		<b>527,800,161</b>	<b>423,251,752</b>

#### 19. BOARD EXPENSES

	2021/22	2020/21
1 Annual Fees	44,337,500	42,687,500
2 Other Board Expenses	31,327,560	40,975,456
<b>TOTAL</b>	<b>75,665,060</b>	<b>83,662,956</b>

#### 20. INFORMATION, COMMUNICATION AND ADVERTISEMENTS

	2021/22	2020/21
1 Internet, Email and Communication	31,739,477	20,962,806
2 Telephone charges- Landline	7,046,922	23,246,559
3 Mobile phones- charges	32,656,827	20,350,269
4 Postal Charges	770,500	725,500
5 Promotion and Advertisement	10,771,500	9,114,000
<b>TOTAL</b>	<b>82,985,226</b>	<b>74,399,134</b>

#### 21. PROFESSIONAL FEES AND CHARGES

	2021/22	2020/21
1 Audit Fee	10,000,000	10,000,000
2 Consultancy Fees	2,520,000	6,262,000
3 Other Audit Expenses	34,127,200	16,340,000
4 Bank Charges	3,152,458	3,194,502
<b>TOTAL</b>	<b>49,799,658</b>	<b>35,796,502</b>

#### 22. OTHER EXPENSES

	2021/22	2020/21
1 Unforeseen Events (Fumigation-covid 19)	557,000	5,551,200
2 Weights and measures Instruments	220,000	9,600,000
3 Insurance Charges	9,704,281	10,289,198
4 Burial Expenses	9,480,000	433,000
Preparation of Budget, Annual Reports and Financial Statements	22,406,000	9,520,000
5	-	1,902,000
6 Employment Expenses	-	17,982,348
7 Negotiated compensation	14,616,700	23,737,286
8 Other Fees and Charges (EWURA, ATAWAS)	20,643,586	23,737,286
<b>TOTAL</b>	<b>77,627,566</b>	<b>79,015,032</b>



### 23. TRANSFER TO OTHER PUBLIC INSTITUTIONS

During the period, the Authority transferred the following amount to other Government institutions;

	2021/22	2020/21
Contribution to Consolidated Fund	-	5,000,000
Transfer to Ushirombo Water Supply and Sanitation Authority (COVID - 19)	591,599,027	-
TOTAL	591,599,027	5,000,000

### 24. RECEIPTS FROM EXCHANGE TRANSACTIONS

	2021/22	2020/21
Water Sales	1,706,779,691	1,655,122,237
New Connection	203,714,510	236,346,827
Sanitation	35,899,200	42,225,100
TOTAL	1,946,393,401	1,933,694,164

### 25. RECONCILIATION STATEMENT BETWEEN THE REPORTED AMOUNT OF REVENUE FROM NON-EXCHANGE TRANSACTIONS IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT

	2021/22	2020/21
Amount Reported in the Statement of Performance	2,516,157,529	847,069,604
Add: Receipts for Third-party projects	2,749,610,752	2,560,590,514
Add: Prior Years Receivables Paid	-	29,724,950
Less: In- Kind Revenue	660,419,795	657,202,868
Less: Receivables for the period	593,495,850	-
Amount paid during the year	4,011,852,636	2,780,182,200

### 26. RECONCILIATION STATEMENT BETWEEN THE REPORTED AMOUNT OF WATER PRODUCTION EXPENSES IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT

	2021/22	2020/21
Amount Reported in the Statement of Performance	804,161,029	784,517,471
Add: Prior Year's payables paid during the period	14,826,288	-
Add: Pre-payments made during the period	1,133,691	-
Less: Payables for the period	(21,290,024)	(3,850,500)
Less: In- Kind Revenue	(660,419,795)	(657,202,868)
Amount as Per Cash Flow Statement	138,411,188	123,464,103

**27. RECONCILIATION STATEMENT BETWEEN REPAIR AND MAINTANENCE EXPENSES IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT**

	2021/22	2020/21
Amount Reported in the Statement of Performance	219,855,099	271,677,277
Add: Prior Year's Payables paid	19,483,316	-
Less: Payables for the period	51,887,480	17,307,659
Amount as Per Cash Flow Statement	187,450,935	254,369,618

**28. RECONCILIATION STATEMENT BETWEEN THE REPORTED AMOUNT OF STAFF EXPENSES IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT**

	2021/22	2020/21
Amount Reported in the Statement of Performance	791,395,749	583,321,976
Less: Payables for the period	2,830,000	-
Add: Prior year's payables paid	-	-
Add Prepayments for the period	-	-
Amount as Per Cash Flow Statement	788,565,749	583,321,976

**29. RECONCILIATION STATEMENT BETWEEN THE REPORTED AMOUNT OF ADMINISTRATIVE EXPENSES IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT**

	2021/22	2020/21
Amount Reported in the Statement of Performance	527,800,161	423,251,752
Less: Payables for the period	24,873,405	19,379,790
Add: Prior year's payables paid	8,322,600	-
Add Prepayments for the period	-	864,666
Amount as Per Cash Flow Statement	511,249,356	404,736,628

**30. RECONCILIATION STATEMENT BETWEEN THE AMOUNT OF BOARD EXPENSES REPORTED IN THE STATEMENT OF PERFORMANCE AND THAT REPORTED IN CASH FLOW STATEMENT**

	2021/22	2020/21
Board Expenses Reported in the Statement of Financial Performance	75,665,060	83,662,956
Less: Payables for the period	12,700,000	10,250,000
Add: Prior Year Payables paid	10,250,000	11,500,000
Amount of Board Expenses paid during the period	73,215,060	84,912,956



**31. RECONCILIATION STATEMENT BETWEEN THE REPORTED AMOUNT OF INFORMATION, COMMUNICATION AND ADVERTISEMENT IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT**

	2021/22	2020/21
Amount Reported in the Statement of Performance	82,985,226	74,399,134
Add: Prior Year's payables paid	4,600,124	-
Less: Payables for the period	14,942,525	4,600,124
Amount as Per Cash Flow Statement	72,642,825	69,799,010

**32. RECONCILIATION STATEMENT BETWEEN THE AMOUNT OF PROFESSIONAL FEES REPORTED IN THE STATEMENT OF PERFORMANCE AND THE AMOUNT REPORTED IN THE CASH FLOW STATEMENT**

	2021/22	2020/21
Expenses reported in the Statement of Performance	49,799,658	35,796,502
Add: Prior Year's fees paid	-	-
Less : Unpaid Professional Fees for the period	-	10,000,000
Professional Fees paid during the period	49,799,658	25,796,502

**33. RECONCILIATION STATEMENT BETWEEN THE AMOUNT OF OTHER EXPENSES REPORTED IN THE STATEMENT OF PERFORMANCE AND THAT REPORTED IN CASH FLOW STATEMENT**

	2021/22	2020/21
Other Expenses as per Statement of Financial Performance	77,627,566	79,015,032
Add: Prior Year's payables	7,301,582	1,343,974
Total Amount Payable	84,929,148	80,359,006
Less: Payables for the period	16,130,874	7,301,582
Less: Prior Year's prepayments	864,666	777,876
Add: Prior Year Payables paid	11,781,040	-
Add: Prepayments made During the Period	882,207	864,666
Other Expenses paid for During the Year	80,596,856	73,144,214

**34. CASH FLOW FROM ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT**

	2021/22	2020/21
Property, Plant and Equipment paid for during the year	767,163,459	591,055,798

**35. CASH PAID ON ACQUISITION OF WIP**

	2021/22	2020/21
Additions on Work-In Progress	3,253,905,669	1,928,487,501
Add: Amount paid for WIP reported in prior years	-	133,218,788
Work- In Progress paid for during the year	3,253,905,669	2,061,706,289

**36. OPENING CASH AND CASH EQUIVALENTS**

	2021/22	2020/21
1 CASH AT BANK		
CRDB Collection Account	6,876,520	3,553,367
GEUWASA Expenditure A/C	56,073,312	15,219,826
Projects A/C	499,153,229	18,703,738
NMB Collection Account	3,757,006	18,632,185
NBC Collection Account	309,074	5,351,673
AZANIA Collection Account	-	-
BOT Collection Account	4,485,427	-
2 CASH AT HAND	-	-
3 SHORT-TERM DEPOSITS	-	-
4 UNDEPOSITED CHEQUES	-	-
TOTAL	570,654,568	61,460,789

**37. EXPLANATIONS ON ITEMS IN THE STATEMENT OF COMPARISON OF BUDGETED AMOUNTS AND ACTUAL AMOUNTS.**

This Statement is prepared on Cash Basis Accounting with exception of the amounts of in kind revenue. The reason for this inclusion was to give the true picture of the amount that needs to be incurred in order to produce a single unit of water. The reasons for discrepancy between Budgeted and Actual amounts is as follows;

A. We managed to collect less revenue from exchange transactions compared to what we planned because of the Authority's failure to produce and sell the targeted quantity of water during the period.

B. We collected more revenue from non-exchange transactions because the Authority received funds for third-party projects.



- C. We collected less fees, fines and penalties due to conduction of many customer engagement programs aimed at educating people on electronic payment gateway, the system enables customers to pay for their bills much easier than it used to be. This help customers to pay their bills on timely basis.
- D. We collected more of other revenue because of increased trust built in the Authority by other Institutions. This enables us to get orders to construct water infrastructure systems in many Government Institutions.
- E. We spent less in water production expenses due to the Authority failure to produce the targeted quantity of water during the period.
- F. We spent less in repair and maintenance costs due to absence of major repair(s) in main pipelines as well as in motor vehicles.
- G. We spent less on staff expenses due to the Authority's failure to apply its proposed scheme of service and salary structures.
- H. We spent less on administrative expenses due to delay of issuance of Government Notice on expansion of our area of service.
- I. We spent less on Board Expenses due to late filling of one position in the Authority's Board setup.
- J. We spent less on Information, Communication and Advertisement due to increased awareness of our customers on the use of digital platforms as means of obtaining information from the Authority.
- K. We paid less on professional fees and charges due to the use of internal capacity to develop various manuals that used to be developed by experts from outside the Authority.
- L. We spent less on other expenses due to the Authority's failure to produce the targeted units of water.
- M. The Authority transferred more funds to Other Government Institutions since it received funds that were not aimed at being utilized in our area of service hence these funds were just transferred to our accounts as they were on transit to Ushirombo Water Supply and Sanitation Authority.
- N. We paid more to third-party projects since the Authority was entrusted by the Ministry of Water to execute projects at Katoro- Buseresere and Nyamtukuza areas.

### 38. CURRENCY

These financial statements are prepared in Tanzania Shillings (TZS) as the presentation currency and the legal currency of Tanzania.

### 39. EVENTS AFTER REPORTING DATE

There were no material events, adjusting or non-adjusting, which had occurred between the reporting date and the date when the financial statements were authorized for issue by the Board of Directors.

### 40. NON-CASH ITEMS RECOGNIZED DURING THE PERIOD.

The Authority did not recognize any non-cash item during the period.

### 41. SCHEDULE OF ADJUSTMENTS

The following adjustments were done during the period;

PARTICULARS	DEBIT	CREDIT
Plant and Machinery	966,301,081	
Water Infrastructures	6,808,709,285	
Office Equipment	323,000	
Buildings		494,957,978
Retained Earnings		7,280,375,388

Being recognition and reclassification of Assets Constructed in Nyankanga Project at their respective cost values, these assets were previously recorded at fair values.

42.	Capital fund/grant	431,270,000	431,270,000
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This was startup capital for GEUWASA



#### 43. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS OR (DEFICIT)

	Amounts in TZS	
	2021/22	2020/21
Deficit From Ordinary Activities	-677,316,819	-904,732,219
Non- Cash Movements		
Depreciation	2,045,045,356	1,398,246,522
Amortization	-	-
Gain/ Loss on sale of PPE	-	-
Increase in Payables	3,037,231,182	2,528,236,114
Increase in Borrowings	-	-
Gain/ Loss on sale of Investment	-	-
Increase of Receivables and Prepayments	-636,186,264	29,638,160
Increase in Inventories	-176,176,498	110,567,290
Net Cash Flow from Operating Activities	3,592,596,957	3,161,955,867

#### 44. LIST OF TRANSACTIONS/ BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE 2022

S/ N	GOODS/ SERVICES PROVIDED	NAME OF ENTITY RECEIVED GOODS/SERVICES	AMOUNT RECEIVED	RECEIVABLE BALANCE
1	SALES OF WATER	OCD MASUMBWE	51,030.00	43,960.00
2	SALES OF WATER	GEITA DISTRICT COUNCIL	521,434.72	74,717.78
3	SALES OF WATER	GEITA PRISON	8,155,366.20	12,114,205.34
4	SALES OF WATER	GEITA REGIONAL HOSPITAL	-	18,139.60
5	SALES OF WATER	GEITA REGIONAL PRISON	1,270,202.26	0.08
6	SALES OF WATER	GEITA TOWN COUNCIL	4,540,297.44	30,358.68
7	SALES OF WATER	GEITA TOWN COUNCIL	2,011,021.10	236,871.26
8	SALES OF WATER	GEITA TOWN COUNCIL	602,511.46	7,948.70
9	SALES OF WATER	GEUWASA HQ	866,408.30	206,153.20
	SALES OF WATER	GTC- 14 KAMBARAGE PRIMARY	7,878.00	1,969.50
10		SCHOOL		
	SALES OF WATER	GTC- AGRICULTURE AND LIVESTOCK	-	390,066.30
11		DEPARTMENT		
12	SALES OF WATER	GTC- GEITA SECONDARY	2,236,764.18	197,127.76
13	SALES OF WATER	GTC- KITUO CHA AFYA NYANKUMBU	1,082,612.94	42,922.56
14	SALES OF WATER	GTC- NYAMALEMBO DISPENSARY	515,075.76	23,692.20
15	SALES OF WATER	GTC- NYANKUMBU GIRLS	692,602.03	6,358.96
16	SALES OF WATER	GTC- NYANZA SECONDARY	2,101,636.28	1,988.14
17	SALES OF WATER	GTC- OFISI YA MTAA NYAMALEMBO	220,973.86	611.30
	SALES OF WATER	GTC- OFISI YA SERIKALI YA MTAA	216,204.64	568.80
18		MKOANI		
19	SALES OF WATER	GTC- SERIKARI YA MTAA KATOMA	135,127.90	13,078.76
20	SALES OF WATER	GTC- SHULE YA MSINGI BOMBAMBILI	-	60,266.70
21	SALES OF WATER	GTC- SHULE YA MSINGI CHIGUNGA	182,820.10	7,204.92
22	SALES OF WATER	GTC- SHULE YA MSINGI NYANTINDILI	98,563.88	95,384.40
23	SALES OF WATER	GTC- SHULE YA SECONDARY KISESA	898,203.10	147,178.50
24	SALES OF WATER	GTC- SOKO LA DHAHABU	499,178.36	27,025.58

**44. LIST OF TRANSACTIONS/ BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE 2022**

S/N	GOODS/ SERVICES PROVIDED	NAME OF ENTITY RECEIVED GOODS/SERVICES	AMOUNT RECEIVED	RECEIVABLE BALANCE
25	SALES OF WATER	GTC- SOKO LA MBAGARA	4,594,348.60	462,614.34
26	SALES OF WATER	GTC- ZAHANATI [H.7]	446,716.94	23,846.10
27	SALES OF WATER	IMMIGRATION GEITA	1,352,868.74	236,812.19
	SALES OF WATER	MBOGWE DC- Kituo cha Afya - Masumbwe (Clinic	94,972.50	47,250.50
28	SALES OF WATER	MBOGWE DC- Kituo cha Afya - Masumbwe (DP	73,867.50	36,750.50
29	SALES OF WATER	MBOGWE DC- Kituo cha Afya - Masumbwe (Mortuary	8,802.50	5,267.50
30	SALES OF WATER	MBOGWE DC- Kituo cha Afya Masumbwe	137,077.50	137,077.50
31	SALES OF WATER	MBOGWE DC- Machinjio ya Masumbwe	382,620.00	154,525.00
32	SALES OF WATER	MBOGWE DC- MASUMBWE SECONDARY	98,980.00	1,204,730.00
33	SALES OF WATER	MBOGWE DC- S/M NYERERE	22,802.50	5,302.50
34	SALES OF WATER	MBOGWE DC- Shule ya Msingi Masumbwe	231,815.00	17,675.00
35	SALES OF WATER	MBOGWE DC- SHULE YA MSINGI NYAMPA	229,068.00	16,768.00
36	SALES OF WATER	OCD GEITA	5,166,655.00	448,224.64
37	SALES OF WATER	RAS GEITA -IKULU NDOGO	1,454,612.10	252,768.70
38	SALES OF WATER	RAS GEITA -MBOGWE DC	43,942.50	14,279.50
39	SALES OF WATER	RC GEITA - OFFICE	2,494,302.06	147,845.82
40	SALES OF WATER	RPC - GEITA	316,358.26	15,889.54
41	SALES OF WATER	TANROADS - GEITA	1,600,868.18	128,768.94
42	SALES OF WATER	TRA - GEITA	737,639.36	50,871.68
43	SALES OF WATER	WEIGHT AND MEASURES AGENT (WMA)	47,692.20	1,590.67
44		<b>TOTAL</b>	<b>46,441,921.95</b>	<b>17,156,657.64</b>

**45. LIST OF TRANSACTIONS/ BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE 2022**

S/N	GOODS/ SERVICES RECEIVED	NAME OF ENTITY PROVIDED GOODS/SERVICES	AMOUNT PAID	AMOUNT PAYABLE
1	Web Hosting, GMS,SMS services	e-Government Authority	12,000,000.00	10,317,060.00
2	Electricity	TANESCO	108,297,000.00	-
3	Regulatory Services	EWURA	15,489,356.45	3,232,436.86
4	Data Services	TTCL	10,582,424.92	-
	Postal Services	Tanzania Postal Corporation	575,500.00	195,000.00
5				
6	Audit Services	National Audit Office	10,000,000.00	10,000,000.00
7	Skills Development Levy	TRA	14,046,800.00	-
	Testing accuracy of Water Meters	Weight and Measures Agency	3,000,000.00	2,520,000.00
8	Social Security Services	WCF	1,755,852.00	-
9	Automobile Repair and		578,000.00	11,592,231.50
10	Maintanance	TEMESA		
11	Land Rent	TFS	775,000.00	3,835,781.00
12	Social Security Services	PSSSF	70,234,000.00	852,000.00
13	Health Insurance	NHIF	21,070,140.00	-
	<b>TOTAL</b>		<b>268,404,073.37</b>	<b>42,544,509.36</b>