



THE UNITED REPUBLIC OF TANZANIA
PRIME MINISTER'S OFFICE

DRUG CONTROL AND ENFORCEMENT AUTHORITY
(VOTE 091)

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2018





Drug Satchets

VISION

To have a society with zero tolerance on drug abuse and trafficking.

MISSION

To coordinate and enforce measures towards control of drugs, drug use and trafficking through harmonizing stakeholders' efforts, conducting investigation, arrest, search, seizure, educating the public on adverse effects of drug use and trafficking.

CORE VALUES

In order to achieve the above vision and mission the Authority has put forward the following core values which are reliability, cooperation, accountability, innovativeness, professionalism, confidentiality, efficiency and effectiveness



Heroin

Cocain

Cannabis

Miraa

Precursor Chemicals

CORE VALUES

In order to achieve the above vision and mission the Authority has put forward the following core values:

i. Integrity

We will be guided by ethical principles, honesty and fairness in decisions and judgments

ii. Cooperation

We will promote cooperation with domestic stakeholders and international community in drug control and enforcement measures.

iii. Accountability

We will strengthen the capacity of the authority and other institutions dealing with drug control for the provision of better services to the community.

iv. Creativity/Innovativeness

We will allow for flexibility and innovation in drug control and enforcement measures.

v. Professionalism

We will build a specialised team in drug control and enforcement measures and be guided by professional ethics in our work.

vi. Confidentiality

We will ensure all drug control and enforcement information are treated with confidentiality and informers are protected.

vii. Efficiency and effectiveness

We will encourage quality performance standard and proper resource utilization with optimal result output.

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LIST OF ABBREVIATIONS

AIDS	Acquire Immunodeficiency Syndrome
BAKWATA	Baraza Kuu la Waislamu Tanzania
CAG	Controller and Auditor General
CDC	Centers for Disease Control and Prevention
CPO	Central Payment Office
DCC	Drug Control Commission
DCEA	Drug Control and Enforcement Authority
GBE	Government Business Entity
HIV	Human immunodeficiency Virus
ICT	Information and Communication Technology
IEC	Information, Education and Communication
IFMS	Integrated Financial Management System
IPSAS	International Public Sector Accounting Standards
MAT	Medically Assisted Treatment
MTEF	Medium Term Expenditure Framework
NGO	Non-Governmental Organization
PG	Page
PMO	Prime Minister's Office
PMU	Procurement Management Unit
TZS	Tanzanian Shillings
URT	United Republic of Tanzania

FOR THE YEAR ENDED 30th JUNE 2017

GENERAL INFORMATION

The general information about the reporting entity.

PRINCIPAL PLACE OF BUSINESS

Drug Control and Enforcement Authority,
8 Kivukoni Front Avenue,
P.O. BOX 80327,
1148 Dar es Salaam.

RESPONSIBILITY FOR VOTE 091 ACCOUNTS

Commissioner General,
Rogers W. Siyanga,
8 Kivukoni Front Avenue,
P.O. BOX 80327,
1148 Dar es Salaam.
Tel: 255-022 2113753/7
Fax: 255-022 2113752
Email: cg@dcea.go.tz
Website: www.dcea.go.tz

a. BANKERS AND FINANCIAL INSTITUTIONS

Bank of Tanzania,
10 Mirambo Street,
P.O. Box 2939,
Dar es Salaam

National Microfinance Bank Plc.,
Bank House,
P.O. Box 9031,
Dar es Salaam.

CRDB Bank Plc,
Azikiwe Premier Branch,
P.O. Box 2302,
Dar es Salaam.

National Bank of Commerce,
Muhimbili Branch,
P.O. Box 65515,
Dar es Salaam

b. LEGAL ADVISORS

Attorney General,
Attorney General's Chamber,
P.O. BOX 9050,
Dar es Salaam.

c. AUDITORS

Controller and Auditor General,
National Audit Office,
41104 Tambukareli,
P.O. Box 950,
Dodoma.

STATEMENT BY THE MINISTER OF STATE (POLICY, PARLIAMENTARY AFFAIRS, LABOUR, YOUTH, EMPLOYMENT AND DISABLED) PRIME MINISTER'S OFFICE FOR THE YEAR ENDED 30th JUNE 2018



Hon. Jenista Joakim Mhagama (MP)

Our country has continued to experience the adverse effects of use drugs and trafficking of drugs. The abuse of drugs results into deteriorated health of individuals which in aggregate affects the production workforce, increased level of petty crimes as people who use drugs are involved in crimes to get money to sustain their drug abuse behavior. Littering of environments as drug users dispose other menace include using needles and syringes and increased risk of transmission of HIV among people who inject drugs as well as the general population as people who inject drugs are highly associated with commercial sex as a bridge of HIV to the general population.

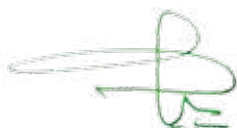
The trafficking of drugs on other hand affects the country negatively by impeding the growth of the economy. Adverse effects of trafficking of drugs include inflation which results to persistent rise in price of commodities in markets causing higher living costs that majority finds difficult to afford. Furthermore, trafficking of drugs results to escalated gap between the poor and the rich as those who engage in trafficking of drugs possess huge amounts of money which enable them acquiring livelihood assets such as vast land leaving others with nothing. This results to inequity in sharing of the natural resources in the country.

Having recognized the hazardous effects of drugs, the new law which is The Drug Control and Enforcement Act, 2015 (Act No. 5 of 2015) was amended. This law establishes The Drug Control and Enforcement Authority which lead the efforts against drugs abuse and trafficking. The authority is not the sole actor to the problem as it needs support from other stakeholders like Ministries, Departments, Agencies, Non-Government Organizations, Development Partners and other domestic and international institutions including potential individuals and groups of people.

The Government extends its appreciation to all stakeholders that have been working collaboratively with the Government on addressing the problem of drug abuse and trafficking of drugs. Neither single organization nor approach can lead to successful addressing of the drug problem, hence Stakeholders are encouraged to participate in efforts toward addressing the challenges.

**STATEMENT BY THE MINISTER OF STATE (POLICY, PARLIAMENT AFFAIRS,
LABOUR, YOUTH, EMPLOYMENT AND DISABLED) PRIME MINISTER'S OFFICE
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

Our Government needs to work collaboratively with other stakeholders to fight against the drugs abuse and trafficking. Financial resources and other resources have to be shared and well managed to minimize chances of duplication of efforts which in turn minimizes outputs. The Government appreciates all stakeholders that have been providing financial resources as well as other resources such as human and materials in the fight against drug problem. I would like to use this opportunity to call upon all stakeholders domestically and internationally to work collaboratively with the Government of the United Republic of Tanzania in strengthening efforts towards fighting drug problem.



Hon. Jenista Joakim Mhagama (MP)
Minister of State (Policy, Parliamentary Affairs,
Labour, Youth, Employment and Disabled)

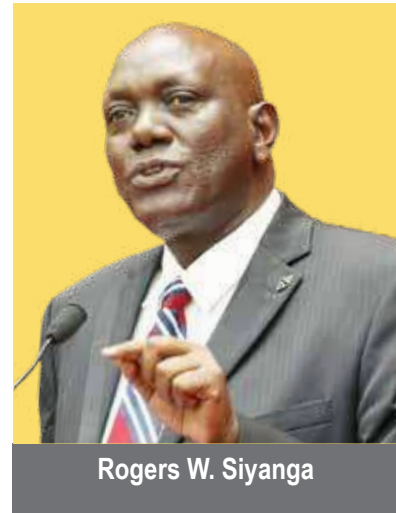
30/09/2017
Date

STATEMENT BY THE ACCOUNTING OFFICER FOR THE YEAR ENDED 30th JUNE 2018

1.0 INTRODUCTION

It's my pleasure to present the Drug Control and Enforcement Authority (Vote 091) Financial Statements for the year ended 30th June 2018 to the Stakeholders. These have been prepared in accordance with the requirements of Section 25(4) of the Public Finance Act Cap 348 and presented based on Accrual basis of International Public Sector Accounting Standards (IPSAS) pursuant to Public Finance Regulations 2001, Regulations 53

However, additional details have been included to promote understanding and comparison of data as required and in compliance with the International Public Sector Accounting Standards (IPSAS) under accrual basis of accounting.



Rogers W. Siyanga

The Financial statements for the year ended 30th June, 2018 includes; The Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net Assets, The Statement of Cash Flow, The Statement of Budget and Actual amount, as well as other Schedules, Summary Statements and Notes as provided in IPSAS 1.

1.2 THE NATURE, OBJECTIVES AND STRATEGIES OF THE AUTHORITY

1.2.1 THE NATURE OF THE AUTHORITY

The Authority was established by "The Drug Control and Enforcement Act, 2015 (Act No. 5 of 2015)" to lead the efforts against drugs abuse and trafficking in the Country. The authority is not the sole actor to the problem as it needs support from other stakeholders like Ministries, Departments, Agencies, Non-Government Organizations, Development Partners and other domestic and international institutions including potential individuals and groups of people.

1.2.2 OBJECTIVE OF THE AUTHORITY

According to DCEA Act 2015 Para 4(1) the objective of the Authority shall be to define, promote, coordinate and implement all measures geared towards control of drugs, drug abuse and trafficking in drugs.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

1.2.3 PRINCIPAL ACTIVITIES OF THE AUTHORITY

The functions of the Authority as stipulated in the Drug Control and Enforcement Act No. 5 of 2015 shall be to define, promote, coordinate and implement all measures geared towards control of drugs, drug abuse and trafficking in drugs, especially to:-

- i. Implement the provisions of international conventions, bilateral and multilateral agreements on control of narcotic drugs and psychotropic substances;
- ii. Develop and implement a national plan of action for drug control;
- iii. Develop guidelines for addressing drug problem and its consequences to the general public;
- iv. Update and adapt drug control laws and regulations;
- v. Promote the prevention of drug abuse and trafficking including education, dissemination of information to the general public and other drug initiatives;
- vi. Take measures to combat drug trafficking including arrest, search, seize and investigate on drug related matters;
- vii. Prevent, detect and investigate the diversion of controlled pharmaceuticals and precursor chemicals from legitimate sources while ensuring an adequate and uninterrupted supply for legitimate medical, commercial and scientific needs;
- viii. Establish a viable data collection and analysis system at the national level on drug abuse and trafficking;
- ix. Coordinate and support Stakeholders on control of Drug abuse and trafficking;
- x. Promote and ensuring international cooperation in drug control measures;
- xi. Undertake, support and coordinate research on drug related issues;
- xii. Sensitize and mobilize the community to participate in the fight against drug abuse and trafficking and;
- xiii. Train personnel dealing with control of drug abuse, trafficking, money laundering and chemical precursors.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

1.2.4 STRATEGIES OF THE AUTHORITY

The strategies of the Authority are the coordination and enforcement measures towards control of drugs, drug use and trafficking through harmonizing stakeholders' efforts, conducting investigation, arrest, search, seizure, educating the public on adverse effects of drug use and trafficking in order to have a society with zero tolerance on drug abuse and trafficking.

1.2.5 KEY PERFORMANCE INDICATORS

The Authority are used six criteria for performance indicators such as comprehensiveness; validity; reliability (the accuracy of indicators is acceptable); and consistency (validity over time). Performance indicators clearly need to be measurable, although measurement in some cases may need to be qualitative. If indicators are to be useful in changing the mix of activities to achieve the most desirable social outcomes, then the responsibility for affecting different indicators and incentives for achieving good performance needs to be established.

1.2.6 Types of indicators: input, process, output and outcome

a. Input

Analysis of input is concerned with the level of resources. The inputs for the Authority's activities include the amount of equipment available and total whole-time equivalent staff. The volume of input should be adjusted for quality factors, such as surveillance training received by officers and the standard of the equipment available.

b. Process

Given a level of input, management and organizational decisions will affect how those resources are used to create different types of process. Process measures will include concepts such as: the number of person-hours of surveillance undertaken, target identification processes, and briefing and de-briefing sessions.

c. Outputs

Outputs are the intermediate results of police activity. Successful anti-drug operations will result in arrests and seizures of drugs. The output of providing an arrested and cautioned drug user with information on drugs services could be measured by their entry into treatment. Other output measures may reflect the 'turning' of informants for future operations, or seizures of assets under the Drug Control and Enforcement Act, 2015 (Act No. 5 of 2015)

STATEMENT BY THE ACCOUNTING OFFICER FOR THE YEAR ENDED 30th JUNE 2018-Continued

d. Outcomes

The outcomes of drug enforcement and diversion interventions represent the ultimate end-products of these activities. Improvements in outcome may be measured by reductions in drug-related harm or in the social costs of illicit drug use.

1.3 CURRENT AND FUTURE DEVELOPMENT

In the next financial year, the authority will continue to improve the cooperation with stakeholders and the societies at a large in order to have a society with zero tolerance on drug abuse and trafficking in our country. The Authority further shall continue to receive new staff to fill the vacant position and to establish one zonal office.

1.4 MANAGEMENT AND ORGANISATION STRUCTURE

1.4.1 MANAGEMENT

According to DCEA act 5 of 2015 Para 6 (1,2 and 3) The Authority is headed by the Commissioner General who is the Accounting Officer, who is vested with the overall powers of Management of daily activities of the Authority. The Commissioner General reports directly to the National Drug Control Council, and the Prime Minister of the URT is the Chairman of that Council. Administratively the Commissioner General reports to the Permanent Secretary of the PMO where the Authority office is structurally positioned. The Commissioner General is assisted by Commissioners and Heads of Units.

The Authority comprises five divisions , five independent Units and Zonal offices namely;

a. DIVISIONS

- i. Intelligence Division;
- ii. Investigation and Operation Division;
- iii. Prevention and Treatment Division;
- iv. Forensic and Inspection Division
- v. Corporate Services Division;

b. UNITS

- i. Finance and Accounts Unit;
- ii. Internal Audit Unit;
- iii. Government Communication Unit;
- iv. Procurement Management Unit;
- v. Legal Services Unit; and

c. Zonal Offices.-not yet established.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

1.4 MANAGEMENT AND ORGANISATION STRUCTURE-Continued

d. KEY MANAGEMENT PERSONNEL OF THE AUTHORITY

The key management personnel of the Authority are as follows:-

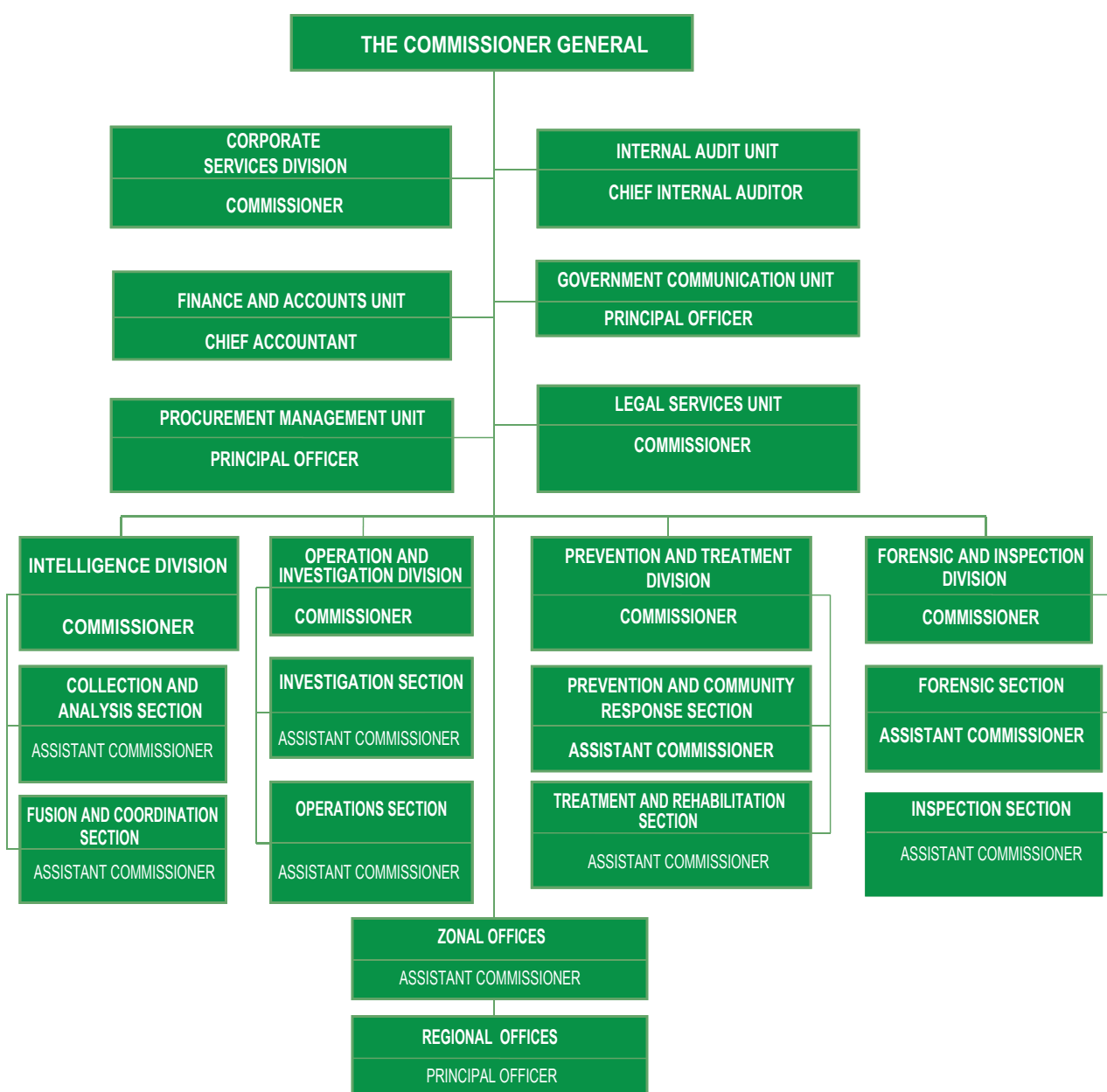
- i. Commissioner General
- ii. Commissioner of intelligence
- iii. Commissioner of Prevention and Treatment
- iv. Commissioner of Investigation and Operations
- v. Commissioner of Forensic and Inspection
- vi. Commissioner of Corporate Services
- vii. Commissioner of Legal services
- viii. Chief Accountant
- ix. Chief Internal Auditor
- x. Head of Procurement Management
- xi. Head of Government Communication

**STATEMENT BY THE ACCOUNTING OFFICER
 FOR THE YEAR ENDED 30th JUNE 2018-Continued**

1.4.2 ORGANIZATION STRUCTURE

The organisation structure of the Authority was approved by the His Excellency President of URT on 21st May, 2018.

Figure 1: Organization Structure



**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

1.5 RESOURCES

The Authority depend on Government Budget which is approved each year by the Parliament. Also the Authority is continued receiving support from the Development Partners such as USA, China and India to fight against naortic drugs. For the year under review the Authority has 97 staff.

1.6 PRINCIPAL RISKS AND UNCERTAINTIES

The Authority is subject to a number of risk such as strategic, operational and financial risks, which may significantly affect the auhtority's strategies and development. The Authority is responsible for ensuring appropriate risk management strategies and policies are in place within any mandate provided by legislation. For more Clarification refers page 64 on **Risks Management**

1.7 RELATIONSHIPS WITH STAKEHOLDERS

The Authority need support from stakeholders like Ministries, Departments, Agencies, Non-Government Organizations, Development Partners and other domestic and international institutions including potential individuals and groups of people to fight against Naortic drugs. Without support of the stakeholders the mission and vision of the authority will not be achieved.

2.0 CORPORATE GOVERNANCE

The Authority management accepts final responsibility for the risk management and internal control system of the Authority. Furthermore Accounting System is operating under Integrated Financial Management System (IFMS) using the Epicor Accounting Software package controlled by the Central Payments Office (CPO) in Dodoma.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

2.0 CORPORATE GOVERNANCE-Continued

Accounting procedures revolve around the Public Finance Act No. 6 of 2001 (Revised 2004) and the Public Procurement Act No. 21 of 2004, (Revised 2011). It is the task of management to ensure that adequate internal financial and operational controls are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:-

- i. The effectiveness and efficiency of operations;
- ii. Safeguarding of the Authority's assets (including information);
- iii. Compliance with the applicable laws, regulations and supervisory requirements and;
- iv. The reliability of accounting records.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non compliance by staff with such measures. Consequently, even a strict and efficient internal control system can provide no more than a reasonable measure of assurance in respect of the above mentioned objective. The Authority Management assessed the internal control system throughout the financial year and is of the opinion that it is at an acceptable level.

2.1 INTERNAL AUDIT

The Public Finance Regulations 2001 (Regulation 28) requires Accounting Officer to establish an effective Internal Audit Unit. The Internal Audit Unit is required to appraise the soundness and application of accounting financial and operational controls within the Authority

2. 2 COMMITTEE OF THE AUTHORITY

The Authority has one committee, one Board and one council as shown below

- a. Audit Committee;
- b. Tender Board;
- c. National Drugs Control Council.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

a. AUDIT COMMITTEE

The Audit Committee members of the Authority were appointed by the Commissioner General as an Accounting Officer in accordance with the Public Finance Regulations No. 31 (1) of 2001 as (amended in 2010) and one member from outside appointed by Permanent Secretary Treasury. The Audit Committee met Three (3) times during the period covering July 2017 to June 2018. The Authority's Audit Committee has been in operation since July 2017.

Table 1: The Audit Committee members are:-

S/No.	Name	Position	Age	Qualifications/Displine	Nationality	Date of Appointment
1.	Fredrick Kibuta	Chairman	50	Master of Community in Economic Development (MCED)	Tanzanian	July 2017
2.	Dr. Peter Mfisi	Member	51	Master of Medicine (Med). Doctor	Tanzanian	July 2017
3.	Emmanuel Subbi	Member	49	Master Degree of Business Administration (Finance and Banking), Master in Security and Strategic studies and Bcom Accounting.	Tanzanian	July 2017
4.	Salmin Shelmoh	Member	48	Bachelor of Laws (L.L.B)	Tanzanian	July 2017
5.	Edwin Kakolaki	Secretary	43	Masters Degree of Laws (L.L.M) Bachelor of Laws (L.L.B),	Tanzanian	July 2017
Secretariat						
1.	Eusechus Mtaki	secretariat	42	Masters Degree of Science in Finance, ADA and CPA (T)	Tanzanian	July 2017
2.	Dominic Domician	secretariat	43	Masters Degree of Environment Science and Technology and Bachelor of Science in Chemistry and Micro Biology	Tanzanian	July 2017
3.	Christina Rweshabura	secretariat	49	Masters Degree of Business Administration (MBA) and Bachelor of Laws (L.L.B),	Tanzanian	October 2017

**STATEMENT BY THE ACCOUNTING OFFICER
 FOR THE YEAR ENDED 30th JUNE 2018-Continued**

a. Audit Committee- Continued

The roles and Responsibilities of Audit Committee:-

The role of Audit committee has been defined in the Audit committee charter. The Authority's Audit Committee has conducted its meetings as per action plan scheduled. During the reporting period ended 30th June 2018, the Committee has achieved the following:-

Table 2: Activities undertaken by Audit Committee

Meeting	S/No	Planned activities	Issued discussed / Attended
The Audit Committee met Four (4) times for a year	i	Review the Internal and External Audit report of the Authority.	<ul style="list-style-type: none"> ❖ The Audit committee reviewed the Internal Quarterly Audit reports of the Authority for the year 2017/2018 and weakness on ICS revealed and the AO wa advised to the Accounting officer. ❖ Review internal Control systems, including financial controls, accounting and reporting ❖ Be responsible for approval of Annual Internal Audit plan. ❖ Review that the Internal Audit Function is adequately resourced and have proper standing.
	ii	Response to Management Letter	<ul style="list-style-type: none"> ❖ Review the External Auditors Management letter replied up to the closure of the financial year 2016/2017 and the management Response.
	iii	Advise to the Accounting Officer on matters raised in the financial reports.	<ul style="list-style-type: none"> ❖ The Committee in the financial year 2017/2018 managed to advise the Accounting Officer on matters which pertain to finances. ❖ Review the Interim and Annual Financial statements before submitted to the Accounting Officer
	iv	Response in Good Governance issues	<ul style="list-style-type: none"> ❖ The committee gave recommendations on matters relating good governance which were observed by the Internal Audit concerning Value for Money. ❖ Review of the compliance with Code of Ethics ❖ Review PAC directives once raised

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

b. TENDER BOARD

The Public Procurement Act 7 of 2011 Sections 31 and 37 requires each MDA to form a Tender Board. The Authority had strong and independent Tender board. The Tender Board met four (4) times during the period covering July 2017 to June 2018. The functions of the Tender Board has been stipulated in the Public Procurement Act No.7 of 2011 Section 33(1)

Roles and Responsibilities

- i. Adjudication of recommendations from the procurement Management Unit and award of Contracts;
- ii. Approving Tendering and Contract documents;
- iii. Ensure compliance with Procurement Act No.7 of 2011 and
- iv. Review all applications for variations, addendum or amendments to ongoing contracts.

Table 3: The Board Members are:-

S/No.	Name	Position	Age	Qualifications/Displine	Nationality	Date of Appointment
1.	Ms. Bertha Mamuya	Chairperson	59	Masters Degree in Analytical Chemistry and MBA in Cooperate Management.	Tanzanian	July 2017
2.	Col.Fredrick Milanzi	Member	46	Masters Degree International Relations.	Tanzanian	July 2017
3.	Mr. Mikidadi Omari	Member	49	Bachelor of Laws (L.L.B)	Tanzanian	July 2017
4.	Dr. Cassian Nyandindi	Member	39	Masters Degree of Medicine in Psychiatry and Mental Health (Mmed Psy)	Tanzanian	July 2017
5.	Mr. Lupakisyo Mwakitalima	Member	53	Postgraduate Diploma in Finance and Management, Bcom and CPA (T) / Professional Accountant	Tanzanian	July 2017
6.	Mrs. Kijoli Said	Secretary	50	Masters Degree of Science in PSCM and CPSP.	Tanzanian	July 2017

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

c. The National Drugs Control Council ¹

According to DCEA act 5 of 2015 Para 5 (1) states that there shall be a National Drug Control Council and shall consist of eleven members.

Para 4, The Principal functions of the Council shall be to oversee the implementation of the National Drug Control Policy. The council met two (2) times in the financial year ended 30th June 2018.

Table 4: The National drugs Control Council members are:-

S/No.	Name	Position	Age	Qualifications/Displine	Nationality
1	Honorable Kassim Majaliwa	Chairman	56	Prime Minister	Tanzanian
2	Honorable, Dr. Augustine Mahiga	Member	72	Minister of Foreign Affairs and International Co-operation	Tanzanian
3	Honorable Dr.Mwigulu L. Nchemba	Member	43	Minister of Home Affairs	Tanzanian
4	Honorable Dr. Philip Mpango	Member	60	Minister Finance and Planning	Tanzanian
5	Honorable Professor Makame Mnyaa Mbarawa	Member	57	Minister Works, Transport and Communication	Tanzanian
6	Honorable Umyy Mwalimu	Member	44	Minister of Health, Community Development, Gender, Seniors and Children	Tanzanian
7	Honorable Dr Charles Tizeba	Member	56	Minister of Agriculture, Food Security and Cooperatives	Tanzanian
8	Honorable Professor Palamagamba Kabudi	Member	62	Minister of Constitutional Affairs and Justice.	Tanzanian
9	Honorable Professor Joyce Ndalichako	Member	53	Minister of Education, Science and Technology.	Tanzanian
10	Honorable Selemani Jafo	Member	44	Minister of State in the President's Office Regional Administration, Local Government, Civil Service and Good Governance	Tanzanian
11	Honorable Jenista Mhagama	Member	50	Minister of State in the Prime Minister's Office Policy, Parliamentary Affairs, Labour, Employment, Youth and the Disabled	Tanzanian
12	Honorable Dr.Hussein Mwinyi	Member	51	Ministry of Defense and National Service	Tanzanian
13	Rogers W. Siyanga	Secretary	59	Commissioner General Drug Control and Enforcement Authority	Tanzanian

¹ All members are entered to National Drug Control Council by virtue of Appointment to be Minister for the selected Ministry

² The unspent balance of TZS 11,207,540.35 shown in the financial year 2017/18 included the balance

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

3.1 ACCOUNTING POLICIES

The accounting policies used in preparing the financial statements have been disclosed in note 2-7 of the financial statements. These policies are all considered to be critical to an understanding of the performance and financial position of the Authority.

3.2 SOLVENCY

The management confirms that the International Public Sector Accounting Standards have been adhered to in the preparation of financial statements and also they have been prepared on a going concern basis. Management has reasonable expectation that the Authority will continue to be in operational for the foreseeable future.

**4.0 THE PERFORMANCE OF THE FINANCIAL YEAR BUDGET
2017/2018**

During this financial year 2017/2018, implementation of the Plan and Budget experienced some achievements and challenges as follows:-

4.1 Achievements

- i. Numerous, reliable and accurate information relating to drug trafficking and abuse were collected;
- ii. Several Heroin and Cocaine Drug Importers, Exporters, Local Distributors, Vendors and Producers of cannabis and khats were identified;
- iii. Intelligence collected enabled the Authority to arrest drug dealers and drugs as the meaningful data is shown in the part of Operation division;
- iv. Entry and Exit (Official and non official) routes in the country used by drug traffickers were identified and counter operations were conducted;
- v. Various facilitation entities enabling drug trafficking and distribution within and outside the country were identified and counter measures are continuously being taken accordingly;

**STATEMENT BY THE ACCOUNTING OFFICER
 FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

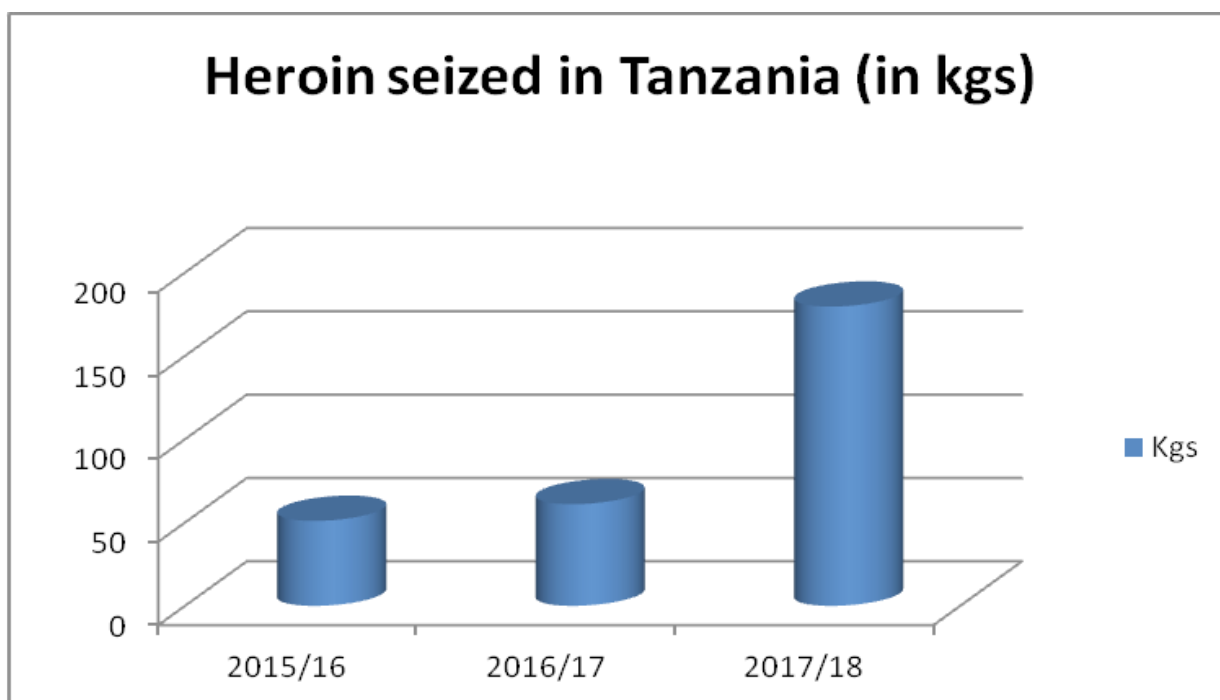
vi. Heroin seized

Heroin is a semi-synthetic drug which is derived from opium. It comes out in a variety of colours, ranging from white & ivory to dark grey. The Heroin enters in Tanzania through the south Eastern route by Indian Ocean to Swahili Coast which includes Kenya Tanzania and Mozambique. The supply of Heroin seizures in Tanzania has increased during the years of 2017/18. In 2018, slight increasing trend in the quantity of Heroin seized in Tanzania has been noticed compared to previous years.

Seizure of Heroin during the last 3 years (Figure in Kgs.)

Financial year	Kgs
2015/16	51
2016/17	69
2017/18	197.11

Figure 2: Heroin seized



**STATEMENT BY THE ACCOUNTING OFFICER
 FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

vii. Cocaine seized

Cocaine is a narcotic drug prepared from the leaves of the coca plant. It is widely used as a recreational drug all over the world. Cocaine abuse in Tanzania is however more prevalent among the rich and the influential.

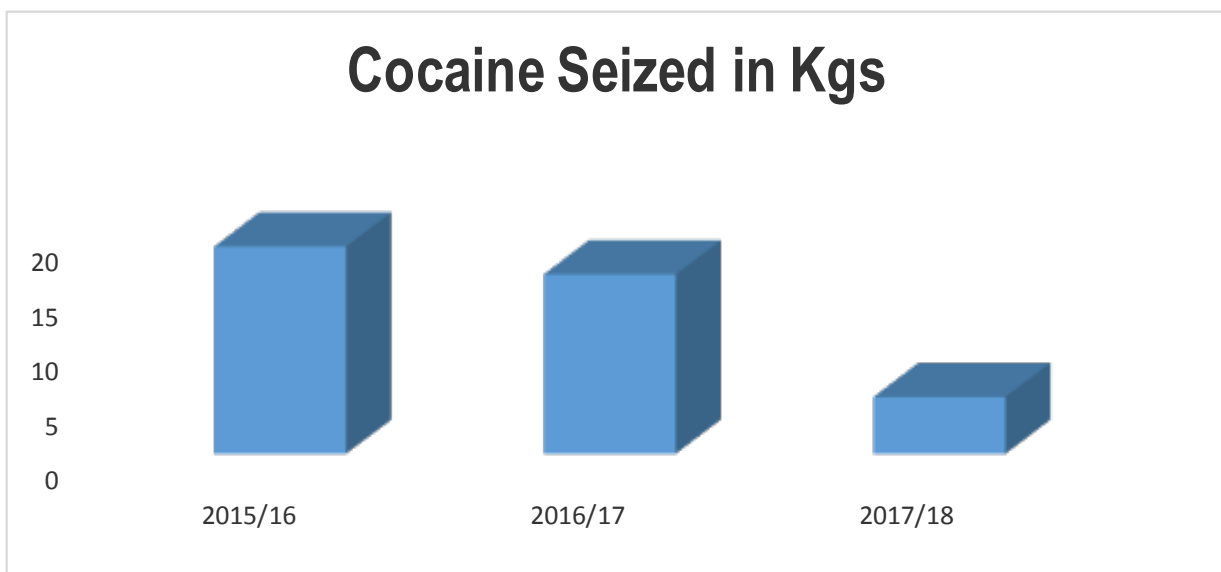
It is primarily grown and cultivated in the South American countries viz. Brazil, Colombia, Bolivia and Peru. From there it is trafficked throughout the world. In Tanzania, the drug is mainly smuggled as transit destination by Tanzanian drug traffickers and foreigners.

The rate of Cocaine which is currently seized has been decreased to 1.54 kg in 2017/18 from 16.44 Kgs in 2016/17 which is due to increased number of operations done by the Authority.

Seizure of Cocaine for the last 3 years (Figure in Kgs.)

Financial year	Kgs
2015/16	19
2016/17	16.44
2017/18	5.20

Figure 3: Cocaine seized



**STATEMENT BY THE ACCOUNTING OFFICER
 FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

viii. Cannabis Seized

According to the UNODC, “cannabis is the most widely abused illicit substance in the world”. The typical herbal form of cannabis consists of the flowers, the subtending leaves and the stalks of mature pistils of the female plant. The resinous extract of the plant is known as hashish. Cannabis plant is grown everywhere in the world.

It is worthy to note that cannabis farm destruction operations are not easy. They are hazardous and challenging as the farms are located within the forests, Mountains etc. It was observed that cannabis is the predominant drug abuse and trafficking in the year under review. This is quite understandable because cannabis are now grown all over the country. In 2017/18 the Authority destroyed cannabis plantations nationwide, the data shown in the table below:-

Table 5: Cannabis Seized

Description	Financial year		
	2017/18	2016/17	2015/16
Cannabis Sack	47,745.33Kgs	44,630.66kgs	22,022kgs
Cannabis Seeds	600 Kgs	0	0
Cannabis farms	318 hectares	557.9 hectares	183.5 hectares

There are no estimates regarding the cultivation and production of cannabis in Tanzania. In 2017/18, the following trends were however noticed in the trafficking of Cannabis. The seizures of Cannabis in the country are on an average of around 20 tons every year. During the year 2017/18, seizures of Cannabis witnessed the increase in comparison to the previous year.

The statistics available for the last three years show that the seizures of Cannabis have increased compared to the previous year.

viii. Hashish and Miraa seized

Hashish is the resinous extract derived from the plant, cannabis sativa. Generally hashish is extracted from the plants by rubbing the flowering tops of the plant between the palms of the hand or on rubber sheets. The seizure of hashish in the country is on an average of around 48gm last year. On the other hand the Authority seized 7,345.9 kg and 32 hectares of Khat

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

ix. Statistics of Suspects Arrests Nationwide

The figures below indicate there is decrease in the number of drug suspects arrested by 39.52 % (12,679 compared to the previous years (17,690). The quantity of drugs seized in the year under review also increased especially Heroin, Cannabis, Hashish and Khat compared to the previous year. It has been noted that an overall drugs arrested in 2017/18 have decreased by 5,011 suspects compared to 2016/17. Appreciable amounts were noticed in the increased quantity of Heroin, Cannabis, Cannabis seeds, Hashish and Khat confiscations. The table 8 below shows the mentioned data.

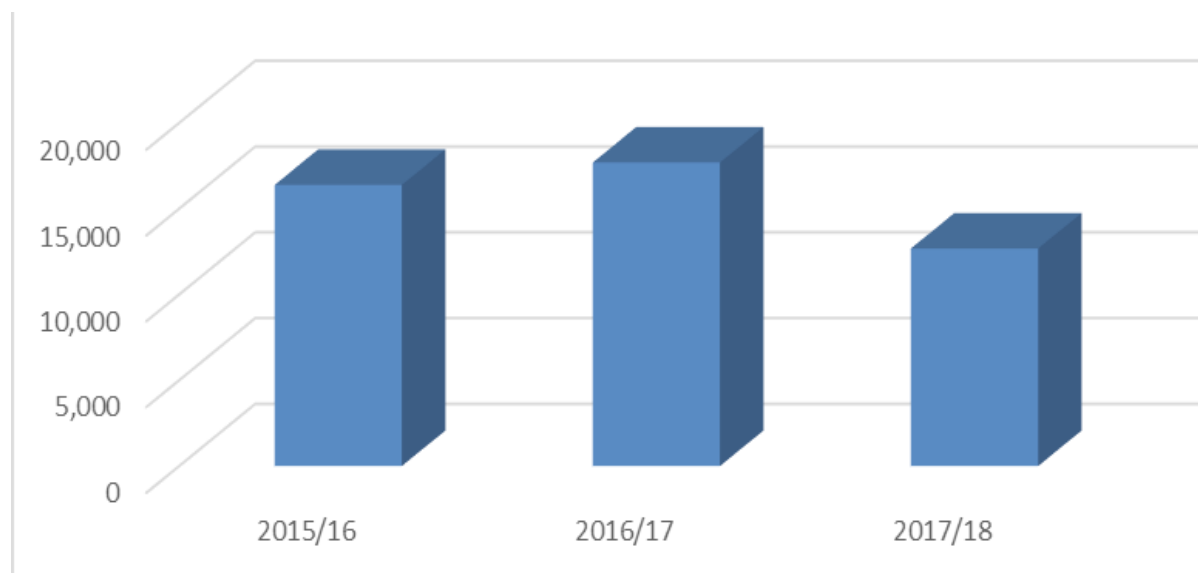
Table 8: Statistics of Suspects Arrests Nationwide

Types of Drugs	2015/2016		2016/2017		2017/18	
	Weight	Suspect	Weight	Suspect	Weight	Suspect
	Kgs		Kgs		Kgs	
Cocaine	19	283	16.43	247	5.20	107
Heroin	69	347	51.27	1,252	197.11	884
Morphine	0	0	0	2		0
Cannabis	22,022	13,319	44,630	15,372	47,745.33	10,168
Cannabis Resin	0	0	5	1	0.048	12
Khat	19,599	2,436	15,258	816	7,345.9	1508
Totals		16,385		17,690		12,679

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

Figure 4: Statistics of Suspects Arrests Nationwide



The figure above showed that the number of suspects arrested decreased in the financial year 2017/18.

x. Inspection

During the period under review from July 2017 to June 2018, The Inspection and Forensic Science conducted inspection to 75 companies, 5 hospitals in 7 regions of mainland Tanzania dealing with precursor chemicals, narcotic and psychotropic drugs. The regions include Dodoma, Arusha, Kilimanjaro, Dar es Salaam, Tanga, Mwanza and Mara. Inspection was also conducted at entry Points including Dar es Salaam port, Tunduma and Sirari a total of 182, 520 Liters and 22,034.5 Kilograms precursor chemicals were seized.

It was revealed through inspection that, there was diversion of precursor chemical Pseudo-ephedrine at Shelly's Pharmaceutical Company. The chemical Pseudo-ephedrine is commonly used in the preparations of cough syrups such as Coldril, the diverted amount was 8.358 kilograms. Investigation is underway and the culprits will be taken to court when all necessary measures are done.

Moreover through joint inspection with at Sirari entry point, the Authority noted that there was illegal importation of 500 vials (of 2ml each) of narcotic drug Pethidine from Kenya. The culprit was taken to court and charged with "Unlawfully possession of imported restricted goods" as per East African Community Customs Management Act, 2004; instead of trafficking of narcotics as per Drug Control and Enforcement Act, 2005.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

xi. Electronic surveillance

The authority made follow up electronically to about 40 companies, and through sharing of information with local and international institutions, we were able to take actions (allow or objection to entry) on importation of 1,252 tones of precursor chemicals from different countries.

xii. Meeting with stakeholders in precursor chemicals

The Division conducted one meeting and participated in other three meetings with key stakeholders in precursor chemicals and narcotic and psychotropic drugs. The meetings discussed best control measures of precursor chemicals, narcotic and psychotropic drugs by sharing information through electronic systems. The authority was encouraging Public-Private partnership to control and manages precursor chemicals through INCB. By sharing information, it enables the Authority to identified 2000 registered companies dealing with industrial chemicals and 170 deal with precursor chemicals. It was also noted that 1,503 pharmacies, 12,714 ADDO and 211 hospitals and health centers should be monitored because of diversion of Narcotic and psychotropic.

xiii. Amended the Drug Control and Enforcement Act No. 5 of 2015. It was amended via the Drug Control and Enforcement (Amendment) Act No. 15 of 2017.

xiv. 25 Members of Parliament, 261 Law Enforcers and Prosecutors were sensitized and trained on the Drug Control laws in particular the Drug Control and Enforcement Act as amended, and its Regulations. The exercise is ongoing for the financial year 2018/2019.

xv. Number of Staff Trained

During financial year 2017/2018 seventy one (71) staff attended short courses outside the Country in different countries including China, India, Switzerland, Austria and Egypt.

xvi. Promotions

In the same financial year three (3) staff was promoted to different cadres. Promotion decision based on personal emoluments budget and employee's performance and merit.

xvii. Office working tools

Different working tools were procured during 2017/2018 to support accomplishment of the Authority tasks. Some tools were procured to support implementation of daily duties includes Cooking gas cylinders, Freezers, office table and Chairs.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.1 ACHIEVEMENTS-CONTINUED

- xviii. Obtained a spacious office building which have five floors and 77 office rooms.
- xix. Development of the Authority Scheme of Service and updating of the organization structure.
- xx. Facilitated the collection of views regarding the development of the National Drug Policy from two zones namely Lake Zone (Mwanza, Kigoma, Geita, Kagera and Shinyanga) and Northern Zone (Arusha, Manyara, Kilimanjaro and Tanga).
- xxi. Well management of finance led to the Authority to maintain four years clean audit report issued by the office of the Controller and Auditor General (CAG);
- xxii. Implementation of IPSAS into the Authority Financial Statements;
- xxiii. Participation in the Best Presented Fincial Statements Awards competition undertaken by National Board of Accountant and Auditors.
- xxiv. There has been a good working relationship between the Authority and the National Audit Office (the office of the Controller and Auditor General);
- xxv. The Unit achieved 80% of its Planned activities;
- xxvi. Internal Audit Unit facilitated development of the Audit Committee and Internal Audit Charter (draft);
- xxvii. As part of Capacity building, the three officers attended Seminar and training conducted by the National Board of Accountants and Auditors (NBAA) and Institute of Internal Auditors (IIA);
- xxviii. Internal Audit Unit facilitated training for Audit Committee members;
- xxix. Establishing DCEA office at International airport has enable to catch Citizen and foreigners drug traffickers;

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.2 CHALLENGES

The following were significant challenges which the Authority encountered during the financial year 2017 / 2018.

- i. Lack of some technical facilities / Equipments for collecting, analyzing and disseminating of drug trafficking information;
- ii. Inadequacy of motor vehicles for collecting information on drug trafficking;
- iii. Lack of enough and skilled personnel for collecting information on drug trafficking;
- iv. Existence of extensive drug trafficking facilitations which fuels the continuance of the business;
- v. Limited/Lack of knowledge to some of the stakeholders on the use of the new law (the Drug Control and Enforcement Act, No. 5/2015 as amended by Act No. 15 of 2017) and its regulations in particular the application of various forms in the course of gathering evidence;
- vi. Lack of sufficient personnel to carry out planned activities;
- vii. Inadequate budget for implementing the three pillars, demand reduction, supply reduction and harm reduction;
- viii. Trend of drug dealers shifting from common drugs to synthetic drugs by using precursor chemicals;
- ix. Alarming illegal use of narcotic and psychotropic drugs;
- x. Low compliance level of dealers in precursor chemicals and narcotic and psychotropic drugs;
- xi. The use of forged/fake documents by chemical dealers to legalize their dealings;
- xii. Lack of statistics for national needs of precursor chemicals;
- xiii. Slow rate of prosecuting cases especially those of diversion of precursor chemicals and prescribed drugs (psychoactive drugs)

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.2 CHALLENGES-CONTINUED

- xiv. Identification of exhibits does not satisfy the current trend as there are many emerging New Psychoactive Substances;
- xv. Lack of accurate and timely availability of information from some stakeholders of precursors chemicals and narcotic drugs;
- xvi. Lack of control mechanisms for some of psychotropic drugs (ketamine, tramadol, phenobabitone, fentanyl and benzodiazepines).

4.3 THE WAY FORWARD

To be more effective, it is expected that in the financial year 2018/2019 the Authority activities will focus on the following key issues:-

- i. In the financial year 2018/19 the management will procure motor vehicles for illicit drug operations and also the Development partner has promised to provide Motor Vehicles and Technical facility equipments;
- ii. New technical facility equipments will be procured in the financial year 2018/19
- iii. Sensitization of stakeholders on the use and application of the new law i.e. the Drug Control and Enforcement Act, No. 5/2015 as amended by Act No. 15 of 2017 and its regulations;
- iv. Prosecution of drug cases under directives of Director of Public Prosecutions;.
- v. To compile and consolidate the scattered amendments of the Drug Control and Enforcement Act, No. 5/2015;
- vi. Recruitment of staff and capacity building to provide them with sufficient knowledge to competently perform the Authority's functions;

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

4.3 THE WAY FORWARD-CONTINUED

- vii. Provide greater assurance to Accounting Officer, management and the Audit Committee that systems of internal control are effective, efficient and economical and that its operations are performed properly;
- viii. Improve the quality of management's understanding of internal control and risk management through training and provide assistance to management on the clear identification of risks across the total spectrum of the Authority;
- ix. Strengthen human resource by recruiting and capacity building to the existing staff;
- x. Establish public-private partnership in the management and control of precursor chemicals;
- xi. To have Laboratory that is able to identify new evolving drugs and for carrying out research;
- xii. Strengthen information sharing among stakeholders in drug control;
- xiii. To cooperate with other agencies to develop mechanisms in order to include the above drugs in the schedule of controlled drugs.
- xiv. To strengthen cooperation among national and international institutions and enhance electronic surveillance.
- xv. To strengthen joint inspection for better control of drugs and precursor chemicals, narcotic and psychotropic's
- xvi. Strengthen the financial management discipline, control environments and operational controls within the Authority;
- xvii. Improve organizational performance by taking timely corrective actions based on evaluations and recommendations;
- xviii. Ensure more efficient and economical application of resources (e.g. through the identification of surplus or under-utilized assets);
- xix. Strengthen the control-conscious culture within the Authority by providing feedback on the quality of operations and control as well as recommending improvements where necessary; and;
- xx. Improve compliance with good governance requirements, such as ethics, standards and performance

STATEMENT BY THE ACCOUNTING OFFICER FOR THE YEAR ENDED 30th JUNE 2018-Continued

5.1 EMPLOYEE WELFARE

The Authority believes that its employees should find working for the Authority a stimulating and personally enriching experience and consequently accept co-responsibility for development of each employee to his/her full potential, career progress is based on the contribution made by the individual towards the fulfillment of the responsibilities of the Authority and initiative innovative thinking and professional expertise are therefore systematically developed.

The Authority is convinced that equal opportunities for all irrespective of ethnicity, race, gender, disability or religion should be pursued. The Authority accepts that only through the loyalty and dedication of its employees will be able to achieve its goal and fulfill its objectives.

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, tribes, religion and disability which does not impair ability to discharge duties.

5.2 EMPLOYEE BENEFIT PLANS

Some employees are members of the Public Service Pension Fund (PSPF) and others are members of National Social Security Fund (NSSF), GEPF and Local Authority Provident Fund (LAPF). The Government contributes 15% of basic salary of each employee to PSPF and 10% of gross salary of each employee to NSSF on behalf of all permanent employees.

All these plans are defined contribution plans. The Authority's employment terms are regularly reviewed to ensure that they continue to meet statutory requirements and prevailing market conditions. The Authority communicates with its employees through regular management and staff meetings and through circulars. The Authority has continued to maintain a favourable working environment.

5.3 TRAINING FACILITIES

During the year, the Authority spent a sum of TZS 141.01 million and (2017 was TZS 19.9 million). for staff training in order to improve employees' technical skills and effectiveness. Programs have been continue to be developed to ensure that employees are adequately trained at all levels.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

5.4 MEDICAL SCHEME

All employees and up to four dependants are covered under the National Health Insurance Fund Scheme. The Authority strives to educate staff on HIV/AIDs at work place and also provides education on voluntary counseling and testing.

5.5 PERSONS WITH DISABILITIES

It remains the Authority's policy to accept disabled persons for employment for those vacancies that they are able to fill. Opportunities for advancement are provided to each disabled person when a suitable vacancy arises within the organisation and all necessary assistance is given with initial training. Where an employee becomes disabled during the course of his or her employment, the Authority will seek to provide suitable alternative employment and any necessary training.

6.0 GENDER PARITY

The Authority had 97 employees in the financial year ended 30th June 2018 (that is 33 were female and 64 were male) as compared to 75 employees of 30th June 2017, (2017: 75 employees).

7.0 PREVENTION OF CORRUPT CONDUCTS

The Authority corruption strategy is reviewed often and staff are educated on corruption issues.



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR THE YEAR ENDED 30th JUNE 2018

The management is responsible for the preparation of these Financial Statements ended 30th June, 2018, to which it gives a true and fair view of the Authority's state of affairs and its operating results in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis, in conformity with the provision of the Public Finance Act No. 6 of 2001 Section 25 (2) & (4) (as revised in 2004).

This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether on account of fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances which provide reasonable assurance that the transactions are within authority, and properly record the use of all public financial resources accordingly.

The Government budget for the Vote was approved for fiscal period from 1st July, 2017 to 30th June, 2018 and the Vote continued to operate in the same manner as in the approved budget for the period to 30th June, 2018. Financial Statements during the year under review have been prepared basing on the vote as was in the previous year provides comparative figures with the actual of the previous year 2016/2017, to serve for decision making purposes.

To the best of our knowledge, the system of internal control has operated adequately throughout the reporting period and that the records and underlying accounts provide a reasonable basis for the preparation of the Financial Statements for the year ended 30th June, 2018.

Procurement of goods, works and consultancy and non- consultancy services, reflected in these financial statements, have been done in accordance with the Public Procurement Act no. 7 of 2011 and its Regulations 2013.

The Management accepts the responsibility for the integrity of these financial statements, the information they contain and their compliance with the Public Finance Act No. 6 of 2001 as revised in 2004) and its Regulations; International Public Sector Accounting Standards (IPSAS) Accruals basis; and Guidelines issued (or may be issued) from time to time by paymaster General and Accountant General.

**STATEMENT OF MANAGEMENT RESPONSIBILITY
FOR THE YEAR ENDED 30th JUNE 2018-continued**

Management is taking responsibility of building confidence to users of these financial statements that they portray the true and fair view of the state of affairs of the Authority.

In our opinion, nothing has come to the attention of the management that the financial statements doesn't present fairly all material respect of the operation of the Authority and will remain a going concern for the next twelve months from the date of these statements.



Rogers W. Siyanga
Accounting Officer

30/09/2018
Date

**DECLARATION OF THE CHIEF ACCOUNTANT
FOR THE YEAR ENDED 30th JUNE 2018**

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No.23 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Chief Accountant responsible for the preparations of financial statements of the Authority.

It is the duty of a Professional Accountant to assist the Management to discharge the responsibility of preparing financial statements of an Authority showing true and fair view of the Authority position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements full legal responsibility for the preparations of financial statements rests with the Commissioner General.



I CPA Lupakisyo M. Mwakitalima, being the Chief Accountant of the Authority, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30th June, 2018 have been prepared in compliance with applicable accounting standards and statutory requirements.

Signed by: 

Position: **Chief Accountant**
NBAA Members No: **ACPA 1354**

30/09/2018
Date:.....

PHOTOS



INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL FOR THE YEAR ENDED 30th JUNE 2017

Commissioner General and Accounting Officer (Vote 091),
Drugs Control and Enforcement Authority,
P.O. Box 80327,
DAR ES SALAAM.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2018

Unqualified Audit opinion

I have audited the accompanying Financial Statements of Drugs Control and Enforcement Authority, which comprise the statement of Financial Position as at 30th June ,2018 and the Statement of Financial performance, the statement of Changes in Net Assets/ Equity, the 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 set out from page 33 to 61.

In my opinion, the accompanying Financial Statements present fairly in all material respects, the Financial Position of the Drug Control and Enforcement Authority as at 30th June, 2018 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 in the manner required by the Public Finance Act, 2001 revised 2004.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of Drug Control and Enforcement Authority in accordance with international Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Tanzania, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

⁶The Deemed cost of Motor vehicles amounting to TZS 658,000,000.00 is made up with the Motor received from different Govt organisation page 40 amounting to TZS 610,750,000.00 and TZS 47,250,000.00 is for the Authority Vehicles after valuation.

INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL FOR THE YEAR ENDED 30th JUNE 2018-Continued

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises of the Director's Report and the Declaration by the Head of Finance but does not include the financial statements and our auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have determined that there are no key audit matters to communicate in my report.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs, 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 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.

**INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL
FOR THE YEAR ENDED 30th JUNE 2018-Continued**

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 ISAs 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.

In addition, sect.10 (2) of the PAA No. 11 of 2008 requires me to satisfy myself that, the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Sect.48 (3) of the Public Procurement Act No.7 of 211 requires me to state in my annual audit report whether or not the audited entity has complied with the provisions of the Law and its Regulations.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS COMPLIANCE WITH
THE PUBLIC PROCUREMENT ACT, 2011**

In view of my responsibility on the procurement legislation and taking into consideration the procurement transactions and process I have reviewed as part of this audit, I state that, Drug Control and Enforcement Authority procurement transactions and processes have generally complied with the requirements of the Public Procurement Act No.7 of 2011 and its underlying Regulations of 201


Prof. Mussa J. Assad
CONTROLLER AND AUDITOR GENERAL

Prof. Mussa Juma Assad
Controller And Auditor General
March, 2018

National Audit Office of Tanzania,
P.O.Box 9080,
11101 Dar es Salaam, Tanzania.
Tel:255 (022) 2115157/8
Fax: 255 (022) 2117527
Email:ocag@nao.go.tz



COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018.

1.0 INTRODUCTION

These Financial Statements covers all the trends in the field of drug abuse, prevention, drug law enforcement and coordination during the financial year ended 30th June 2018. The Authority since its inception on February 2017 is discharging its functions by taking all responsibilities of Anti-Drug Commission, the number of a Vote remains the same (091). The implementation of 2017/2018 annual budget is based on the main objective as indicated in the Drug Control and Enforcement Act Na 5 of 2015.

The implementation of its annual budget was based on the Medium Term Expenditure Framework (MTEF) covering the period of 2016/2017 and 2017/18.

The financial statements provide information about the financial status, which is useful to the Government and other Stakeholders in measuring transparency and accountability of the Authority. It also provides comparative figures with the actual of the previous year 2016/2017, to serve for decision making purposes.

2.0 FINANCIAL AND OPERATIONAL OVERVIEW

During the financial year 2017/18, the final approved budget was TZS 4,269,245,230.00; and we had a reallocation between Votes amounting to TZS 253,333,230.00 of Personal Emoluments. The approved budget for other charges was TZS 3,448,714,000.00 and TZS 820,531,230.00 for personal Emolument. The exchequer received during the year was TZS 3,995,387,499.50 equivalent to 93.61% of the approved budget. The actual expenditure for financial year 2017/18 was TZS 3,990,218,326.63 compared to TZS 2,644,508,591.03 for 2016/17. The Actual expenditure for current year was high by TZS 1,285,882,834.17 (32.72%), because the budget for the financial year 2017/18 was increased by Tzs. 1,577,727,230.00. Because the Government of Tanzania decided to inject more fund to enhance the operations of Controlling and combating illicit drugs.

Table 9: Financial and Operational Overview for the financial year 2017/2018

ITEM	ACTUAL 2016/17 (TZS)
Total Exchequer issues Received	3,995,387,499.50
Total Expenditure	3,990,218,326.63
Cash balance	5,169,172.87

**COMMENTARY ON THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 30th JUNE 2018.**

3.0 EXCHEQUER ISSUES

Exchequer issues are moneys received from the Consolidated Fund upon the authority of Warrant under the Hand of the Pay Master General addressed to the Accountant General. However the Exchequer received in the financial year 2017/18 was TZS 3,995,387,499.50 for recurrent expenditure. Against net approved estimate of TZS 4,269,245,230.00. The exchequer received for previous financial year 2016/17 was TZS 2,650,223,970.00

The Exchequer received is 93.61% of the total approved budget, resulting to variation 6.39% equivalent to TZS 273,857,730.5. This variation resulted the authority failed to implement some planned activities. This is disclosed in the financial statement page 80 of exchequer received statements.

3.1 Exchequer issues received

Trend of the Exchequer issues received against approved budget for the past three years are as follows:-

Table 10: Exchequer issues received for the past three years.

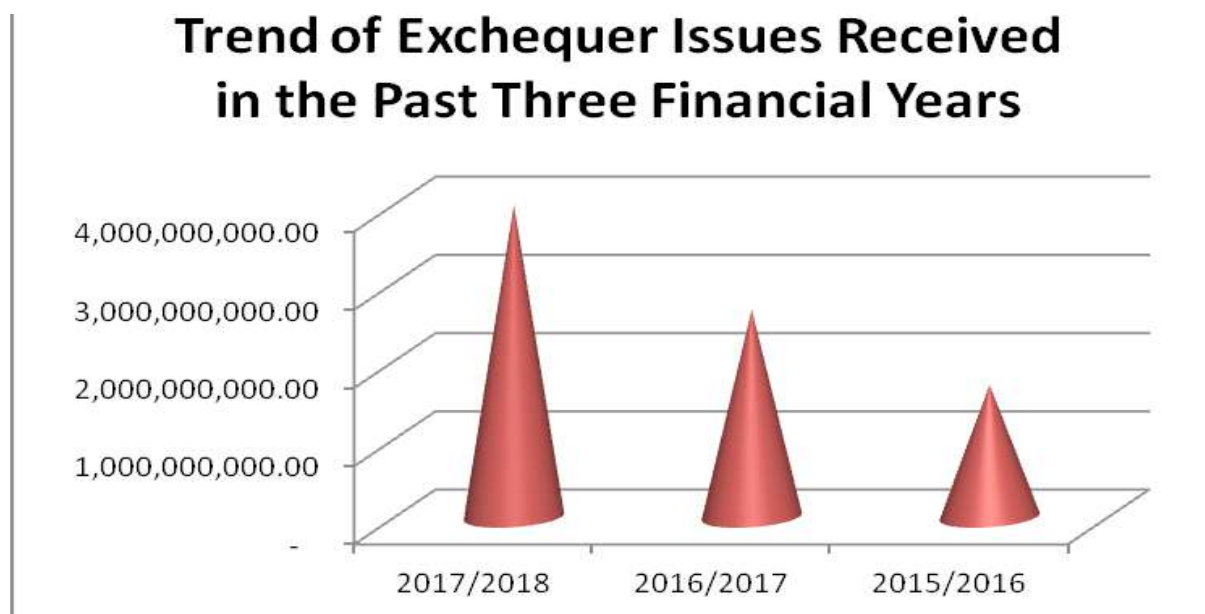
Financial Year	Approved Estimates (TZS)	Actual Released (TZS)	Under Release (TZS)	Percentage
2017/18	4,269,245,230.00	3,995,387,499.50	(273,857,730.50)	6.39
2016/17	2,690,236,000.00	2,650,223,970.00	(40,012,030.00)	1.49
2015/16	3,114,011,000.00	1,689,215,987.00	(1,424,795,013.00)	45.75

From the table above it can be noted that, the figure of TZS 273,857,730.50 (under release) equivalent to 6.39% of approved budget.. The authority did not receive the whole budget as approved by Parliament.

COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued

3.1 Exchequer issues received-Continued

Figure 4: Trend of Exchequer issues received.



3.2 Exchequer issues received against approved budget and Expenditure

The table below shows a trend of financial performance overview of the Authority on the approved budget against the Exchequer issues received for three consecutive years starting from 2015/16, 2016/17 and 2017/2018 .

Table 11: Trend of Exchequer issues received against approved budget and Expenditure for the past three years.

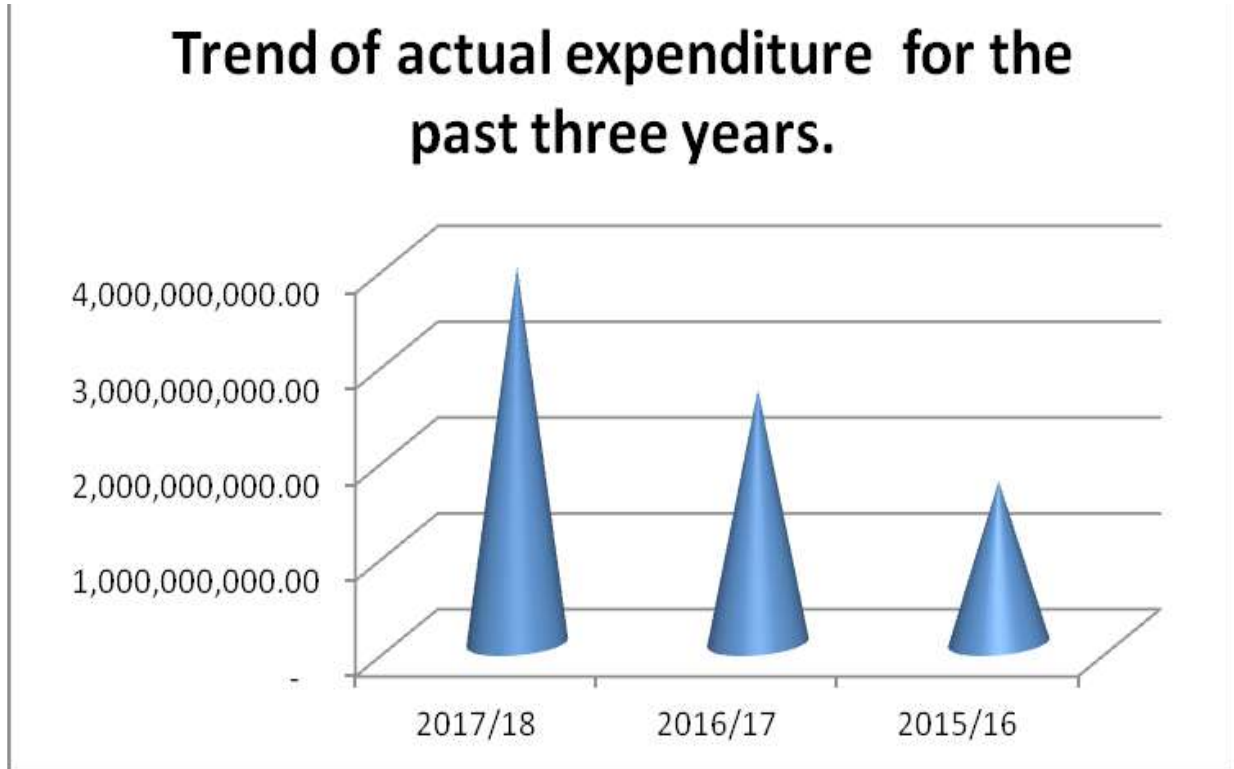
Financial year ¹	A	B	C	D	E
	Approved Estimates (TZS)	Exchequer Issues Received (TZS)	Actual Expenditure (TZS)	(A-B) Under/ Over release (TZS)	(B-C) Closing balance (TZS)
2017/18	4,269,245,230.00	3,995,387,499.50	3,990,218,326.63	5,169,172.87	5,169,172.87
2016/17	2,690,236,000.00	2,650,223,970.00	2,644,508,591.03	5,715,378.97	5,715,378.97
2015/16	3,114,011,000.00	1,689,215,987.00	1,688,892,999.44	(1,424,795,013.00)	322,987.56

From the table above it can be noted that, there was a closing balance of TZS 5,169,172.87 in the financial year 2017/18.

1 The unspent balance of TZS. 6,038,367.48 shown in the Deferred income for Financial Years 2016/17 included the balance of the previous Financial year 2015/16 amounting to TZS. 322,987.56. The whole amount of TZS. 6,038,367.48 will be transferred to the Consolidated Fund

COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued

Figure 5: Trend of actual expenditure for the past three years.



4.0 Wages, Salaries and Employee Benefits

Wages, Salaries and Employee Benefits comprises of Salaries and Other Personal Allowances such as Electricity, House allowance, Per diems, Leave travel, moving Expenses, Utilities, sitting allowances, Risk allowance, food and refreshment etc.

In the financial year 2017/18, the approved budget estimates for Wages, Salaries and Employee Benefits were TZS 1,357,094,430.00 and the actual expenditure amounted to TZS 1,357,094,430.00 compared to the last financial year 2016/17 which was TZS 1,234,034,000.00 for approved estimates and the actual expenditure amounted to TZS 1,135,522,530.73 The amount spent was increased by TZS 221,571,899.27 (16.32%) as compared to the previous financial year 2016/17. This variation was caused by Personal allowances and Civil Servants salaries paid for new appointed Commissioner General and Commissioners. Also increased the budget of allowances paid to staff such as risk, Extra duty, e.t.c This is disclosed in note 13 to the financial statements and note 91 of Related Party Disclosure.

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 -Continued

5.0 Supplies and Consumable Goods

The approved budget for Supplies and Consumable goods for financial year 2017/18 was TZS 2,199,539,142.00 and actual expenditure was TZS 2,293,291,623.78, while during financial year 2016/17 the approved budget was TZS 943,425,062.15 and actual expenditure was TZS 819,683,414.09. It's increased by TZS 1,473,608,209.69 (150.52%) caused by an increased of budget for the mentioned items in the Financial year 2017/2018 to facilitate various operations to combat illicit drugs and precursor chemicals and also the cost of maintain the office. this is disclosed in the note 14 of the financial statements.

6.0 Current Grants, Transfers and Subsidies

These are funds transferred to Non-Government Organization's (NGO's) and Drug Control Fund. The approved budget for the mentioned item was TZS 401,529,658.00 and actual expenditure was TZS 292,682,806.15, While during the financial year 2016/17 the approved budget was TZS 102,007,800.00 and actual expenditure was TZS 102,007,800.00. The current transfers and subsidies increased by TZS 190,675,006.15 (186.92%), the increase was caused by posting unpaid office maintenance amounting to TZS 44,130,858.99 This is disclosed in note 15 of the financial statements.

7.0 Exchequer Revenue

The Authority spent TZS 6,660,309,782.59 during the financial year 2017/18 as exchequer revenues. That is 3,167,620,225.82 for other charges also TZS 820,531,230.00 for personal emoluments and Non Monetary revenues was TZS 2,672,158,326.77 compared to the previous financial year 2016/17 amounting to TZS 2,643,834,396.29 . The mentioned amount was increased by TZS 4,016,475,386.3 (61.86%) due to an increase of the budget of the Authority to run the office and various operations to combat illicit drugs and precursor chemicals and also Capital Grant Revenue received due to Valuation of Assets and Assets received amounted to TZS 2,672,158,326.77. This is disclosed in note 16 of the financial statements.

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 -Continued

8.0 Routine Maintenance and Repair

The item of Routine Maintenance and Repair includes: - air conditioners maintenance, repair of computers & other related equipment, payment made to casual labour, panel & shop repair material and consultancy fees etc. The approved budget for the mentioned item during the Financial 2017/18 was TZS 203,300,000.00 and the actual expenditure was TZS 244,411,010.32, while the approved budget for the financial 2016/17 was TZS 130,158,000.00 and actual expenditure was TZS 130,101,433.77 The mentioned item above was increased by TZS 114,309,576.55 (56.26%). This increase was caused by an increased of the budget for Routine Maintenance and Repair, Also the increased consumptions of Direct labour by TZS 19,602,969.23, panel & shop repair materials and services by TZS 40,427,402.18 and spare parts by TZS 23,051,973.56. This is disclosed in note 17 of the financial statements.

9.0 Other Expenses

Other payment includes Burial expenses, consultancy fees and specialized equipments. During the Financial year 2017/18 the approved budget was TZS 27,000,000.00 and the Authority spent TZS 21,000,000.00 on Burial expenses, consultancy fees and specialized equipments .while the approved budget of the previous financial year of 2016/17 was TZS 19,390,000.00 and the actual expenditures was TZS 19,389,304.00.The amount spent in the financial year 2017/18 was increased by TZS 1,610,696.00 (8.31), due to increase the budget of the mentioned items and expenditure on consultancy fees by TZS 1,000,000.00 and specialized equipment by TZS 3,100,000.00. This is disclosed in note 18 of the financial statements.

10.0 Cash and Cash Equivalents

These are cash balances at end of the financial year which include bank balances of recurrent and deposit account. During the financial year the cash and cash equivalent was TZS 80,615,646.15 compared to TZS 230,034,996.92 of the previous financial year of 2016/17. Out of the remaining balance, TZS 69,408,105.80 is intended for procuring new Motor vehicles which were not procured in the Financial year 2017/18 and TZS 11,207,540.35 was recurrent closing balance. This is disclosed in note 20 of the financial statements.

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 -Continued

11.0 Inventories

The Authority has recorded an inventories amounting to TZS 9,016,100.00 in the financial year 2017/18 compared to TZS 22,743,430.00 of the last year 2016/17. It was decreased by TZS 13,727,330.00 (61.05%). The whole amount TZS 13,727,330.00 was consumed in the financial year 2017/18 and at the end of the financial year we did not procure more consumable goods. This is disclosed in note 22 and pg 82 of the inventories movement schedule in this financial statements.

12.0 Receivable

Accounting Circular No.7 of 2016/17 Closure of Accounts for the Financial year 2016/17 indicated that all payments made for goods and services which have not been received should be recognized as receivable. The Authority did not recorded receivable in the financial year 2017/18 compared to TZS 27,659,417.00 for the financial year 2016/17.

13.0 Purchase/Construction of Property, Plant and Equipment

Property, Plant and Equipment principally comprise Operational Buildings, Plant, Vehicles and Furniture and Equipments according to IPSAS 17. The approved budget for acquisition of PPE during the year 2017/18 was TZS 79,500,000.00 and actual expenditure was TZS 40,428,000.00 while the approved budget of PPE in the financial year 2016/17 was TZS 325,271,000.00 and the actual expenditure was TZS 320,004,297.62. The Net book Value of Property, Plant and Equipment at end of the Financial year 2016/17 was TZS 1,037,304,901.85 after deducting accumulated depreciation of TZS 698,783,993.56 while in financial year 2017/18 the NBV was TZS 3,782,982,314.12 after deducting accumulated depreciation amounting to TZS 698,783,993.56 of the previous years and TZS 99,215,838.10 of the financial year 2017/18. The value of PPE were gone up after doing valuation to find deemed cost of Land, Motor vehicles, Plant & Machinery, Office equipments and Furniture & fittings amounting to TZS 2,377,793,718.08. Also the authority received assets amounted to TZS 294,364,608.69 from the Embassy of United States of America which located in Dar es salaam Tanzania . This is disclosed in note 24 in the financial statements.

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued**

14.0 Payables / Outstanding Liabilities

An outstanding liability during the financial year 2017/18 was TZS. 276,222,374.32 compared to TZS 26,410,468.19 for the previous financial year 2016/17. The liabilities increased by TZS 249,811,906.13 because of Supplying of Data Devices, Voice System & Installation of network at the DCEA building, procured Curtains in management offices and unpaid staff claims. Disclosed in not 25 and pg. 83 of the financial statements.

15.0 Recurrent Deferred Income

Table 12: Recurrent Deferred Income

S/NO.	DESCRIPTION	2017/18	2016/17	VARIATION
1.	Receivables	5,339,390.00	27,659,417.00	22,320,027.00
2.	Unspent balance	11,207,540.35 ³	6,038,367.48	5,169,172.87
		16,546,930.35	33,697,784.48	

The Deferred income amounting to TZS 16,546,918.31 which comprised prepayments was expensed in the financial year 2017/18 except for unspent balance amounting to TZS 6,038,367.48 will be transferred to the Consolidated Funds. This also is disclosed in note 26 of the financial statement.

16.0 Taxpayers Funds

According to the Treasury Circular No 2 on Accounting Treatment of Taxpayer Funds and Recognition of revenue related to Capital Expenditure, the opening balance of Taxpayer fund The taxpayer's fund during the financial year should remain the same. Therefore the taxpayer's fund during the financial year 2017/18 was TZS 1,740,886,801.71. this amount also reported in the financial year 2016/17, note 28.

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued**

17.0 Contingent Liability

IPSAS 19 Para 100 requires an entity to make disclosure of a contingent liability. The contingent liability is the liability that an Authority is required to pay from a law suit against an individual or firm which is the Authority defendant. The Authority did not have contingent liability during this financial year 2017/18 likewise in the last financial year.

18.0 Extraordinary Items

These are non-recurring events that materially affected the Authority's financial Statements in the reporting period. No extraordinary items as at 30 June 2018.

19.0 REVENUE FROM NON EXCHANGE TRANSACTIONS⁴

In the Financial year 2016/17, we received Motor vehicles from Government and different Development Partners. The IPSAS 23 Revenue from Non Exchange Transactions (Taxes and Transfers) Para 5 (b) required the Authority to disclose goods and service in kind received. The valuation of these Motor vehicles was done in the financial year 2017/18 to find the fair value as per requirement of IPSAS 17, because they meet all the criteria to recognition as an asset of the Authority. Herewith is the list of that assets and their fair value:-

Table 13: List of Motor Vehicles received.

ITEM	ITEM DESCRIPTION	MODEL	COST	Expected useful life
1	SAUVANA	Hard Top	117,000,000.00	5
2	TOYOTA LANDCRUISER	V8 Vx	4,750,000.00	0
3.	TOYOTA LANDCRUISER	Hard Top	90,000,000.00	4
4	TOYOTA LANDCRUISER	Station Wagon	49,000,000.00	4
5	TOYOTA LANDCRUISER	Prado	105,000,000.00	4
6	TOYOTA LANDCRUISER	Prado	105,000,000.00	4
7	TOYOTA LANDCRUISER	Hard Top	108,000,000.00	4
8	TOYOTA LANDCRUISER	Hard Top	21,000,000.00	2
9	TOYOTA LANDCRUISER	Hard Top	8,000,000.00	1
10	MOTORCIRCLE	Bajaj	3,000,000.00	3
TOTALS			610,750,000.00	

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued**

20.0 REVENUE FROM NON EXCHANGE TRANSACTIONS⁵ - Continued

We have received several Items from the Embassy of the United States of America located in Dar es salaam, Tanzania in the financial year 2017/18. According to IPSAS 23 Revenue from Non Exchange Transactions (Taxes and Transfers) Para 5 (b) required the Authority to disclose goods and service in kind received. The mentioned asset was recognized at their fair value.

Table 14: List of items received

ITEM	ITEM DESCRIPTION	QUANTITY	UNIT PRICE	TOTALS
1.	Ruggedized Laptop computer (Panasonic).	5	5,677,562.52	28,387,812.60
2.	Computer Carrying Case	5	85,376.88	426,884.40
3.	Laptop Apple Mack book with smart card Reader.	2	6,288,681.24	12,577,362.48
4	Computer carrying Case, hard Back Pelican.	4	172,730.91	690,923.64
5	Large TV Display/Monitor	2	895,513.60	1,791,027.20
6	Multifunction Printer/Copier/Fax/ scan-EPSON WF-690	2	459,237.74	918,475.49
7	Sleeves, Laptop (Dell)	5	39,812.59	199,062.94
8	Projector (Optoma)	2	3,154,451.04	6,308,902.08
9	Projector Screen (Draper)	2	932,405.40	1,864,810.80
10	Wall Locker	30	912,072.22	27,362,166.66
11	Universal Power supply/ adapter 9Tripp lite)	30	384,195.96	11,525,878.80
12	Desk top Computer	20	1,707,515.13	34,150,302.65
13	Monitor Computer (Dell)	20	363,975.12	7,279,502.40
14	Server / data storage (dell)	2	26,190,481.32	52,380,962.64
15	Forensic Tactical Kit	2	29,207,880.00	58,415,760.00
16	Analysis Software (Pen link)	1	50,084,773.92	50,084,773.92
TOTALS				294,364,608.69

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 -Continued

21.0 VALUATION OF ASSETS

In the financial year 2017/18 the Authority done valuation for their Assets which has no value to find their deemed costs as per requirement of IPSAS 17. These assets were received from the Embassy of China and different Development Partners.

Deemed cost is a surrogate value for the cost or fair value of an asset at its initial acquisition, and is determined by reference to the fair value of the asset at the date of adopting the Standards or on the transfer date or the merger date (measurement date). The following assets were valued;-

- i. Land;
- ii. Motor Vehicles and Cycle;
- iii. Plant and Machinery;
- iv. Furniture and Fittings and;
- v. Office Equipments

21.1 Method of Valuation Adopted

The following methods were used to value the Authority's assets depending on the class of those assets.

21.1.1 The Current Market Cost For valuing Land and;

In this valuation, for such types of assets we have used the contractor's test by comparing the current market cost of similar buildings to date and allowing for depreciation and obsolescence as appropriate. Thereafter, the value of the land is added whereby the Valuer equates the value of the property under appraisal to the value of the known comparable property whereby the price that can be obtained by the property being valued with due allowance made for value affecting differences between the subject property and comparable property such as location, level and amount of services provided, accessibility, plot size, planning and zoning regulations, date of valuation, motive of sale and tenure

⁴According to IPSAS 17 the mentioned items were included in the Authority's Assets Register for the financial year 2017/18

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 -Continued

21.1.2 Depreciated Replacement Cost (DRC)

The Method were used in valuation of all movable assets like Furniture, Equipment, motor Vehicles, Tools etc. By this method, the value of the asset under consideration is determined by reference to its replacement cost or the cost of reinstating it as new or that of its substitute at the date of Valuation. Where the asset under consideration is not new or is obsolete, the replacement cost thus established is then depreciated to derive the asset's Depreciated Replacement Cost/ Market Value. This adopted basis is in compliance with "Statement of Assets Valuation Practice Guidance Notes" of 2005 issued by the International Assets Valuation Standards Committee. The same is in accordance with the International Public Sector Accounting Standard, IPSAS 17, "Property, Plant and Equipment" Published by the International Federation of Accountants (IFAC), currently applicable in Tanzania.

Having established the replacement cost, thereafter appropriate depreciation allowances are made for:-

- Social factors being the extent to which the asset has fallen behind socially accepted standards.
- ❖ Economic factors: Reflecting relationship between the cost of owning and operating the asset and its output and productivity, Thus higher operating costs coupled with low productivity
- ❖ Functional Factor: being the extent to which the asset no longer performs its intended function.
- ❖ Technological Factor: The extent to which the asset in question has been overtaken by newer, more efficient technologies.

21.2 Value

IPSAS 17 Para 92 requires to state the name of Valuer, date of valuation, method used in estimating fair value of the assets. The Authority's Assets were valued by Trace Associates Ltd, of P.O.Box 21752 Dar es Salaam. The effective date of the report is 30th June 2018. It means that no depreciation charged to all assets which had been valued.

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued**

Table 15: Valuation Report.

S/No	Property Type	Cur. Repl. Cost Tshs	Depr. Repl. Cost/Market Value Tshs
1.0:	Land	0.00	1,590,000,000.00
2.0	Motor Vehicles	0.00	658,000,000.00 ⁶
3.0	Plant and Machinery	0.00	105,000,000.00
4.0	Furniture and Fixtures	0.00	18,720,421.08
5.0	Office Equipments	0.00	6,073,297.00
	Total	0.00	2,377,793,718.08

22.0 DEPRECIATION EXPENSES

During the Financial year 2017/18 the depreciation charged on office equipments, Plant and Machinery, Furniture and Fixtures, Motor vehicles and operational buildings amounting to TZS 99,215,838.10 while in the previous financial year 2016/17 was TZS 153,141,910.16, the current year depreciation decrease because of the revaluation of some PPE refers to item 21 above. This is disclosed in note 19 in this financial statement.

23.0 RELATED PARTY DISCLOSURES

The Related Party Disclosures refers to salaries and other allowances paid to top management within the Authority which includes the Commissioner General, Commissioners, Chief Accountant and Chief Internal Auditor.

The Related party transactions during the financial year 2017/18 amounted to TZS 435,300,000.00 compared to last financial year 2016/17 amounted to TZS 174,395,000.00; The mentioned amount increased by TZS 260,905,000.00 (56.94%), due to the appointed Commissioner General and Commissioners. This is disclosed in note 29. Page 71 Related Party disclosure for the financial year 2017/18.

24.0 COMMITMENTS

Commitments include operating and capital commitments arising from Non cancellable Contractual, Statutory obligations and fund received and kept in the deposit account to meet specified obligations. As at 30th June 2018 the balance of funds in the deposit account amounted to TZS 69,408,105.80.

⁶ The Deemed cost of Motor vehicles amounting to TZS 658,000,000.00 is made up with the Motor received from different Govt organisation page 40 amounting to TZS 610,750,000.00 and TZS 47,250,000.00 is for the Authority Vehicles after valuation.

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 -Continued**

23.0 Losses

During the Financial year 2017/18 there were no losses which occurred or written off in the Authority (Vote 091).

24.0 Political and Charitable Donations

During the year ended 30th June 2018, payments made to Tanzania International Organisation of Good Templars (TIOGT) charitable organizations are TZS. 3,000,000.00

25.0 Environment Control Programme

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

26.0 Auditors

The Controller and Auditor General (CAG) is the statutory auditor for the Authority pursuant to the provisions of Article 143 of the constitution of the United Republic of Tanzania of 1977 (revised 2000), Sects. 26 – 37 of the Public Financial Act No. 6 of 2001 (revised 2004) and the “Drug Control and Enforcement Act No. 5 of 2015” Sec 59(2). And The Public Audit Act, 2008. This financial statement should be read in conjunction with the underlying notes and schedules for better understanding.



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

PHOTOS



THE FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL POSITION
AS AT 30th JUNE 2018**

	NOTE	2018 TZS	2017 TZS
ASSETS			
Current Assets			
Cash and Cash Equivalents	20	80,615,646.15	230,034,996.92
Receivables	21	0.00	27,659,417.00
Inventories	22	9,016,100.00	22,743,430.00
Prepayments	23	5,339,390.00	0.00
Total Current Assets		94,971,136.15	280,437,843.92
Non-Current Assets			
Property, Plant and Equipment	24	3,782,982,314.12	1,037,304,901.85
Total Non-Current Assets		3,782,982,314.12	1,037,304,901.85
TOTAL ASSETS		3,877,953,450.27	1,317,742,745.77
LIABILITIES			
Current Liabilities			
Payables	25	276,222,374.32	26,410,468.19
Recurrent Deferred Income	26	11,207,540.35	33,697,784.48
Deposits	27	69,408,105.80	223,996,629.44
Total Current Liabilities		356,838,020.47	284,104,882.11
TOTAL LIABILITIES		356,838,020.47	284,104,882.11
Net Assets		3,521,115,429.80	1,033,637,863.66
NET ASSETS/EQUITY			
Capital contributed by:			
Taxpayers Funds	28	1,740,886,801.71	1,740,886,801.71
Accumulated surpluses/(deficits)		1,780,228,628.09	(707,248,938.05)
TOTAL NET ASSETS/EQUITY		3,521,115,429.80	1,033,637,863.66



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

(Classification of Expense by Nature)

		2018	2017
	NOTE	TZS	TZS
REVENUE			
Exchequer Revenue	16	6,660,309,782.59	2,643,834,396.29
TOTAL REVENUE		6,660,309,782.59	2,643,834,396.29
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	13	1,357,094,430.00	1,135,522,530.73
Supplies and Consumable Goods	14	2,293,291,623.78	819,683,414.09
Current Grants, Transfers and Subsidies	15	292,682,806.15	102,007,800.00
Routine Maintenance and Repair	17	244,411,010.32	130,101,433.77
Other Expenses	18	21,000,000.00	19,389,304.00
Depreciation and amortization expense	19	99,215,838.10	153,141,910.16
TOTAL Expenses		4,307,695,708.35	2,359,846,392.75
TOTAL EXPENSES AND TRANSFERS		4,307,695,708.35	2,359,846,392.75
Surplus/(deficit) for the period		2,352,614,074.24	283,988,003.54



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF CHANGES IN NET ASSET/EQUITY
FOR THE YEAR ENDED 30th JUNE 2018**

	Tax payer's fund	Accumulated Surplus/(Deficit)	Total
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>
Opening balance as 01st July, 2017	1,740,886,801.71	(707,248,938.05)	1,033,637,863.66
Capital Fund Received	0.00	-	0.00
Adjustment of Taxpayers fund	0.00	0.00	0.00
Adjustment of Acc. Depreciation for previous years	-	0.00	0.00
Revaluation surplus	0.00	0.00	0.00
Surplus/(Deficit) during the year	-	2,352,614,074.24	2,352,614,074.24
Closing Balance at 30 th June, 2018	<u>1,740,886,801.71</u>	<u>1,780,228,628.09</u>	<u>3,521,115,429.80</u>
Opening balance as 01st July, 2016	1,740,886,801.71	(991,236,941.59)	749,649,860.12
Capital Fund Received	0.00	-	0.00
Adjustment of Taxpayers fund	0.00	0.00	0.00
Surplus/(Deficit) during the year	-	283,988,003.54	283,988,003.54)
Closing Balance at 30 th June, 2017	<u>1,740,886,801.71</u>	<u>(707,248,938.05)</u>	<u>1,033,637,863.66</u>



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30th JUNE 2018**

	2018	2017
	TZS	TZS
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Exchequer Issues	3,995,387,499.50	2,650,223,970.90
Other Receipts	0.00	220,000,000.00
TOTAL RECEIPTS	3,995,387,499.50	2,870,223,970.90
PAYMENTS		
Wages,Salaries and Employee Benefits	1,318,321,142.70	1,135,776,121.89
Supplies and Consumable Goods	2,146,104,056.49	943,425,062.15
Current Grants,Transfers and Subsidies	262,059,349.66	102,007,800.00
Routine Maintenance and Repair	202,305,777.78	123,906,005.37
Other Expenses	21,000,000.00	19,389,304.00
TOTAL PAYMENTS	3,949,790,326.63	2,324,504,293.41
Net Cash Flow From Operating Activities	45,597,172.87	545,719,677.49
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Construction of Non-Current Assets	195,016,523.64	320,004,297.62
Net Cash Flow From Investing Activities	195,016,523.64	320,004,297.62
Net increase/(decrease) in cash and cash equivalent	(149,419,350.77)	225,715,379.87
Cash to be Surrendered to Holding Account	0.00	0.00
Cash to be Surrendered to PMG	0.00	0.00
Cash and cash equivalents at beginning of period	230,034,996.92	4,319,617.05
Cash and cash equivalents at end of Period	80,615,646.15	230,034,996.92



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

THE UNITED REPUBLIC OF TANZANIA
 PRIME MINISTER'S OFFICE
 DRUG CONTROL AND ENFORCEMENT AUTHORITY (VOTE 091)

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT - RECURRENT FOR THE YEAR ENDED 30th JUNE 2018

Budget approved on the Cash Basis (Classification of Payments by Nature)

	Original Budget		Budgeted Amounts Reallocations/ Adjustment(s)		Final Budget		Actual Amounts on Comparable Basis		Difference: Final Budget and Actual	
	TZS		TZS		TZS		TZS		TZS	
RECEIPTS										
Exchequer Issues	4,015,912,000.00		253,333,230.00		4,269,245,230.00		3,995,387,499.50		273,857,730.50	
TOTAL RECEIPTS	4,015,912,000.00		253,333,230.00		4,269,245,230.00		3,995,387,499.50		273,857,730.50	
PAYMENTS										
Operations										
Wages, Salaries and Employee Benefits	1,135,110,000.00		221,994,430.00		1,357,094,430.00		1,318,321,142.70		#VALUE!	
Supplies and Consumable Goods	2,115,432,342.00		84,106,800.00		2,199,539,142.00		2,146,104,056.49		53,435,085.51	
Routine Maintenance and Repair	126,500,000.00		76,800,000.00		203,300,000.00		202,305,777.78		994,222.22	
Other Expenses	27,000,000.00		0.00		27,000,000.00		21,000,000.00		6,000,000.00	
Transfers										
Current Grants, Transfers and Subsidies	551,529,658.00		(150,000,000.00)		401,529,658.00		262,059,349.66		139,470,308.34	
Capital Expenditures										
Purchase/Construction of Non-Current Ass	60,340,000.00		20,442,000.00		80,782,000.00		40,428,000.00		40,354,000.00	
TOTAL PAYMENTS	4,015,912,000.00		253,333,230.00		4,269,245,230.00		3,990,218,326.63		#VALUE!	
NET RECEIPTS/PAYMENTS	0.00		0.00		0.00		5,169,172.87		#VALUE!	



Rogers W. Siyanga
 Accounting Officer

30/09/2018

Date

PHOTOS



NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018

1.0 INTRODUCTION

According to IPSAS 1 Presentation of Financial Statements and IPSAS 3 Accounting policies, changes in accounting estimates and errors the numbering of the notes in the financial statements should be consistent. The numbers of notes in these financial statements are consistent. It starts with note 1 up to 34.

2.0 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

a. Basis Of Preparation

The Authority financial statements have been prepared on a historical cost basis, and are prepared in Tanzanian Shillings. These financial statements cover the year ended 30th June 2018.

b. Statement Of Compliance

The Authority financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSASs) under Accrual basis as issued by International Public Sector Accounting Standards Board (IPSASB) and the requirements of the:-

- i. The provision of section 25(4) of the Public Finance Act No. 6 of 2001 (revised in 2004);
- ii. Public Procurement Act No. 7 of 2004 (Revised in 2011); and
- iii. Treasury Circulars and Guidelines issued from time to time.

3.0 AUTHORIZATION DATE

The Financial Statements were authorized for issue on ----- by:



Rogers W. Siyanga
Accounting Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th JUNE 2018 - Continued

4.0 REPORTING ENTITY

The Drug Control and Enforcement Authority took all responsibility of Anti-Drug Commission. The Anti-Drug Commission popularly known as "Drug Control Commission" was established by the Drugs and Prevention of Illicit Traffic in Drugs Act No. 9 of 1995 with the mandate of defining, promoting and coordinating the policy of the Government for control of Drug abuse and illicit trafficking. The commission came into operation since 1997.

In the year 2015 the parliament enacted the law known as "Drug Control and Enforcement Act No. 5 of 2015" which repealed the Drug and Prevention of illicit traffic in Drugs Act of 1995 cap. 95. The new law established the Drug Control and Enforcement Authority and organisation structure was approved by the President of URT on 15th April 2015. The Authority started its operations on Feb 2017 after the President appointed Commissioner General and Commissioners which take to perform all activities of the DCC.

Hence on February 2017 the DCC changed its name to be DCEA, where by the Vote number remained 091 and the Principal activities, mission, vision and core value will be updated to reflect the new formed authority DCEA after acquiring its own strategic plan.

5.0 GOVERNMENT COMMERCIAL ENTITY

IPSAS 1 describe the features of GCE such as power to contract in its own name; has been assigned the financial and operational control to carry on a business and is not reliant on continuing government funding to be a going concern (other than purchases of outputs at arm's length). Therefore the Authority is not GCE's according to the mentioned features.

6.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Accounting policies adopted in the preparation of these financial statements are consistent with those followed for the year ended 30th June, 2018 are shown below

a. Reporting Period

The reporting period for these financial statements is the financial year of the Government which runs from **1st July, 2017 to 30th June 2018**.

b. Transactions and balances

Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at 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 recognised in the statement of financial performance.6.0 Summary of significant accounting policies-continued

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued**

6.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -Continued

c. Cash and cash equivalents

Cash and bank balances in the statement of financial position comprise cash at banks and in hand and short-term deposits. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above

d. Unspent cash balances

In accordance with the requirement of the Public Finance Act No. 6 of 2001 as revised in 2004. Unspent cash balances by the Authority at the end of the financial year are reimbursed to the Consolidated Fund in the course of the following financial year.

e. Exchequer Issue

These are moneys received from the Consolidated Fund upon the authority of a warrant under the hand of the Paymaster General addressed to the Accountant General. These are recognized upon receipt.

f. Employees' benefits

Employee's benefit is guided by IPSAS 25, two types of benefits existed at Authority such as:-

i. Pension benefit

All the Authority's employees are either members of the National Social Security Fund (NSSF) the Public Service Pensions Fund (PSPF), Local Authority Pension Funds (LAPF) and GEPF, which are defined contribution plans. These plans are prescribed by law that all employees must be a member of at least one of the aforementioned. The Authority and employees both contribute the following percent on the mentioned Funds:-

Table 10: Contribution percentage

No.	Name of the Fund	Employer Contribution	Employee Contribution
1	National Social Security Fund	10%	10%
2	Parastatal Pension Fund	15%	5%
3	GEPF	15%	10%
4	PSPF	15%	5%
5	LAPF	15%	5%
6	WCF	0.5%	0.0%

Additionally, the Government operate insured (health benefit) plan where contributions are made by the employer and employee, each contributes 3% of gross salary of the respective employee. The Authority contribution is charged to the cash flow statement and Performance statement when incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 - Continued

6.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -Continued

ii. Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Government recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy based on the number of employees expected to accept the offer.

g. Revenue from non-exchange transactions

Revenue from non-exchange transactions is governed by IPSAS 23 and mainly comprises taxes, grants and transfers.

i. Government grants

Grants are not recognized until there is reasonable assurance that the Authority will comply with the conditions attaching to them and the grants will be received. Grants whose primary condition is that the Authority should purchase, construct or otherwise acquire non-current assets are recognized as deferred income in the statement of financial position and transferred to statement of financial performance on a systematic and rational basis over the useful lives of the related assets. Other government grants are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Government with no future related costs are recognized in the statement of financial performance in the period in which they become receivable.

ii. Value Added Tax

Revenues, expenses and assets are recognized net of the amount of Value Added Tax, except:

- Where the Value Added Tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the Value Added Tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of Value Added Tax included. The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Authority Financial Statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

6.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -Continued

h. Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Authority recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Likewise, when valuation is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of performance and cash flow statement as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset, (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Performance statement and cash flow statement in the year the asset is derecognized. The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively, if appropriate, after receiving instruction from Treasury.

Depreciation:

A Depreciation Policy is an internal matter of the entity. However, the Drug Control and Enforcement Authority is a public institution thus we adopted Government depreciation policy.

The Government adopted straight line method for depreciation of Public Assets which is allocated systematically over the useful life of the respective assets as issued in Government Asset Guideline on 10th December, 2012 and the accounting policies applicable. The depreciable amount of an asset shall be allocated on a systematic basis over its estimated useful life. The prevailing International Standard for depreciation shall be applied over the useful life of the assets. In accordance with the Generally Acceptable Valuation Principles (GAVP), depreciation for valuation purposes shall be the adjustment made to the replacement cost to reflect physical deterioration, functional and economic obsolescence.

Full year's depreciation is charged in the year of acquisition of a fixed asset and no depreciation is charged in the year of assets for disposal.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

6.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -Continued

Estimated Useful Life (EUL)

Assets ran an economic life peculiar to themselves depending on make, constant handling and operational use. Some assets are continued in use much beyond the EUL due to periodical maintenance and repairs. Assets expected life are projected in ranges as follows:

Classification	Life Span	Rate of Dep. per annum
Land	100 years	0%
Buildings	25 years	4%
Motor Vehicles (Light Duty)	5 years	20%
Plant and machinery	10 years	10%
Computer Hardware	5 years	20%
Furniture and Equipment	10 years	10%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued**

i. Assets held for sale

The assets amounted to TZS 4,000,000.00 was held for sale in the financial year 2017/18.

Assets Held for sale / Obsolute Stock								
Asset Description	Code Numbe	Qty	Factor	Cond.	Repl. Cost	Depre. Repl. Cost	LS	Erel
Furniture and Fittings								
Principle of legal office								
Computer monitor Dell,E179WFPc	T91*000231	1	0.05	V.Poor	450,000.00	22,500.00	5	0
Computer Processor Dell,Optiplex 360	T91*000232	1	0.05	V.Poor	500,000.00	25,000.00	5	0
A9-room								
Computer monitor Dell,		1	0.05	V.Poor	450,000.00	22,500.00	5	0
Printer Hp,laserjet p1102		1	0.05	V.Poor	450,000.00	22,500.00	5	0
Computer monitor Dell,E1912hc		1	0.05	V.Poor	450,000.00	22,500.00	5	0
Computer monitor Hp,9201-F		1	0.05	V.Poor	500,000.00	25,000.00		0
Mobile Pedestal MDF with 3 drawers		1	0.05	V.Poor	150,000.00	7,500.00	5	0
G7-room								
Televission Sumsung,flat panel		1	0.05	V.Poor	700,000.00	35,000.00	5	0
B-08								
Scanner Hp scanjet G2710		1	0.05	V.Poor	350,000.00	17,500.00	5	0
Tatol For Disposal					4,000,000.00	200,000.00		

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2018 - Continued

6.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES -Continued

j. Impairment of non-financial assets

The Authority assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Authority estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's, or cash-generating unit's (CGU), fair value, less costs of disposal and its value in use, and is determined for an individual asset, Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

k. Inventories

Inventories are stated at the low of costs and current replacement cost – cost is determined on first in first out. However, a Memorandum record is maintained in the Inventory Registers at cost. Inventories are disclosed in the statement of stores and other assets in accordance with IPSAS 12.

l. Taxpayers Funds

For the Authority Taxpayers funds are presented in the statement of Financial Position to represent the Net assets/ Equity in recognition of the fact that the contribution for the acquisition of assets and properties is mainly made by the Taxpayers.

m. Deferred income revenue

This relates to revenue grant received in which the related expenses have not been incurred, therefore the amount has been deferred to the next financial period. Grants received in monetary form for recurrent expenditure are recognized as deferred income revenue in the Statement of Financial Position and are released to the statement of performance when recurrent expenditure is incurred, however, under the current government procedures/policies the unspent balances as at the end of the financial year are transferred to the Pay Master General account.

n. Impairment of non-cash generating financial assets

The Government assesses at each statement of financial position date whether a financial asset or group of financial assets is impaired. Impairment of non-cash generating assets is guided IPSAS 21 However, the revalued assets are subjected to testing for Impairment and charging depreciation.

An asset is subject to impairment test when conditions that drive the purpose exist and these are external indicators and internal indicators that the asset is not performing as desired or its purpose for constructions ceased. Therefore, an asset is said to be impaired when the carrying amount of the asset exceed its recoverable services amount. Carrying Amount is the amount at which an asset is recognized in the statement of financial position, after deducting any accumulated depreciation / amortization and accumulated impairment losses thereon. Whereas, recoverable service amount is the higher of a non- cash generating asset's fair value less costs to sell and its value in use. Fair value less costs to sell is the amount obtainable from the sale of an asset in an orderly transaction In addition, value in use of non-cash generating asset is the present value of the asset's remaining service potential.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

7.0 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

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

a. Judgments

In the process of applying the accounting policies management has made the various judgments, apart from those involving estimations, which has the most significant effect on the amounts disclosed in the financial statements:

b. Determination of the useful lives of PPE

The estimated useful lives and residual values of items of property, plant and equipment are reviewed annually and are in line with the rates at which they are depreciated. For the carrying amount of property, plant and equipment, refer to Note 29 and pg. 48, 61 and 62, of the PPE movement schedule and disclosures in the financial statements.

c. Estimates and assumptions

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

d. Impairment of non-financial assets

The Government assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

e. Comparatives

Where necessary, comparative figures are adjusted or reclassified to conform to changes in the presentation in the reporting period. No adjustments or reclassification have been made in the current year.

f. Expenses

In general, expenditures are recognized when are incurred.

8.0 AMENDED STANDARDS AND INTERPRETATIONS

The accounting policies adopted are consistent with those of the previous financial year. Changes from the following new or revised standards and interpretations, amendments to existing standards and interpretations and improvements to IPSASs that were effective for the current reporting period did not have material impact on the accounting policies, financial position or performance of the Authority.

The following new and amended standards are not expected to have an impact on the financial statements of the Authority:

- a. IPSAS 39 – Employment Benefits: Presentation – This Standard is effective for annual financial statements covering periods beginning on or after January 1, 2018. The entity is currently assessing the impact of the standard.
- b. Impairment of Revalued Assets (Amendments to IPSAS 21, Impairment of non-cash generating Assets and IPSAS 26- Impairment of Cash generating Assets) – This amendment will be effective for annual financial statements covering periods beginning on or before January 1, 2018. The entity is currently assessing the impact of the standard.

9.0 FUTURE CHANGES IN ACCOUNTING POLICIES

Standards issued but not yet effective up to the date of issuance and some amendment thereon which might have impact in the entities financial statements are listed below. This listing of standards issued is 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.

IPSAS 40 – Public Sector Combinations: – This Standard is effective for annual financial statements covering periods beginning on or after January 1, 2019. The entity is currently assessing the impact of the standard.

IPSAS 41- Financial Instruments establishes new requirements for classifying, recognizing and measuring financial instruments to replace those in IPSAS 29, Financial Instruments: Recognition and Measurement.

10.0 FOREIGN CURRENCY TRANSLATION

The Authority's financial statements are presented in Tanzanian Shillings (TZS), which is the Government's functional currency. According to IPSAS 4. The average exchange rate for the year ended 30 June 2018 was TZS 2,277.71

11.0 RISKS MANAGEMENT

The Authority is subject to a number of financial and operational risks, and is responsible for ensuring appropriate risk management strategies and policies are in place within any mandate provided by legislation. The Categories of risk are as follows:-

a. Credit risk

Credit risk is the risk that the counterpart to any financial transaction may not be able to fulfill its obligation on due date. This risk relate to the availability of adequate funding for the Authority operations. The demand for our services might put excessive pressure on our budget. Risks encompassing the entire scope of general financial management, Potential factors to consider include; Cash flow adequacy and management thereof; financial losses; Wasteful expenditure; Budget allocations; Financial statement integrity; and increasing operational expenditure.

Mitigation: Liaison with Treasury to increase the Authority Budget and disbursement on time

b. Political environment Risk

Risks emanating from political factors and decisions that have an impact on the Authority's mandate and operations.

c. Human resources Risk

Risks that relate to human resources of the Authority, these risks can have an effect on the Authority's human capital with regard to: Integrity and honesty; Employee Wellness, employee relations and retention.

Mitigation: Human resources risk can be mitigated by Proper Training and Ongoing Education, Recruiting & secondment and Certification Tracking

d. Operational risk

This is a risk resulting from the Authority's activities not being conducted in accordance with formally recognized procedures.

Mitigation: Management ensures that the Authority complies with internal policies and procedures

e. Liquidity Risk

Financial risk is a situation where by for a certain period of time the Authority does not receive enough funds from the Treasury to meet its obligations.

Mitigation: Treasury to release fund on time and provision of satisfactory budget to the Authority.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

12.0 ORIGINAL AND FINAL APPROVED BUDGET AND COMPOSITION OF ACTUAL AND BUDGET AMOUNTS

According to IPSAS 24, Presentation of Budget information in Financial Statements uses the terms Actual amount to describe the amounts that result from execution of the budget. The approved budget is the annual budget approved by Member of Parliament for one year developed on the same accounting basis (Cash basis IPSAS), for the period from 1 July 2017 to 30 June 2018 as for the financial statements. The original budget was approved by legislative on May, 2017.

12.1 Presentation of a Comparison of Budget and Actual Amounts

During the financial year 2017/18, the final approved budget was TZS 4,269,245,230.00, that is, the approved budget for other charges was TZS 3,448,714,000.00 and TZS 820,531,230.00 for personal Emolument.

The approved budget for the financial year 2016/17 was TZS 2,340,236,000.00, Therefore in the financial year 2017/18 the budget increased by TZS 1,929,009,230.00 (82.45%). The increase of budget was caused by the Government decision to inject more funds to enhance the operations of Controlling and combating illicit drugs.

12.2 Changes from original to Final Budget

In the financial year 2017/18, the original approved budget was TZS 4,015,912,000.00; and we had a reallocation between Votes amounting to TZS 253,333,230.00 of Personal Emoluments which result the final approved budget to be TZS 4,269,245,230.00.

12.3 Comparable basis

The comparison of budget and actual amounts has been presented in the Statement of Comparison of Budget and Actual amount page 51, Statement of Appropriation Account page 75 and Statement of Vote Account page 76 in this Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

	<u>2018</u>	<u>2017</u>
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 13 - Wages, Salaries and Employee Benefits		
Acting Allowance	1,735,428.00	1,000,000.00
Civil Servants	820,531,230.00	570,786,970.00
Court Attire Allowance	1,200,000.00	1,200,000.00
Electricity	25,708,997.38	24,300,000.00
Extra-Duty	113,352,293.13	79,035,000.00
Food and Refreshment	10,799,999.60	1,200,000.00
Furniture	19,141,000.00	0.00
Honoraria	2,000,000.00	8,000,000.00
Housing Allowance	42,723,323.25	7,500,000.00
Leave Travel	20,000,000.00	12,789,000.00
Outfit Allowance	3,800,000.00	30,000.00
Risk Allowance	180,136,999.91	128,500,000.00
Sitting Allowance	38,621,872.41	34,600,000.00
Special Allowance	16,949,999.02	255,841,560.73
Telephone	21,620,000.00	6,683,180.00
Unpaid Housing Allowance	0.00	4,056,820.00
Unpaid Staff Claims	38,773,287.30	0.00
Total	<u>1,357,094,430.00</u>	<u>1,135,522,530.73</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

	2018	2017
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 14 - Supplies and Consumable Goods		
Advertising and Publication	1,316,000.00	3,000,000.00
Air Travel Tickets	53,440,897.59	32,827,500.00
Computer Supplies and Accessories	3,490,000.00	6,282,104.00
Conference Facilities	7,580,510.00	0.00
Consumables	7,199,320.00	20,370,108.00
Courier Services	1,199,999.59	600,000.00
Diesel	251,121,499.57	92,932,567.58
Electricity	35,999,999.95	7,720,000.00
Entertainment	31,060,000.00	6,500,000.00
Exhibition, Festivals and Celebrations	66,500,000.00	0.00
Food and Refreshments	85,565,128.00	49,930,636.00
Fuels Spare Parts and Tyres	2,304,810.00	0.00
Fumigation	40,000.00	2,000,000.00
Gifts and Prizes	382,511,519.98	42,000,000.00
Ground Transport (Bus, Train, Water)	0.00	780,000.00
Ground travel (bus, railway taxi, etc)	75,454,070.00	56,410,254.69
Newspapers and Magazines	7,557,461.25	50,334.00
Office Consumables	60,350,424.86	20,899,668.82
Outsourcing Costs	33,218,507.85	35,841,952.00
Per Diem - Domestic	630,293,455.35	314,328,554.91
Per Diem - Foreign	123,135,011.58	36,189,569.96
Pre Payment of GPSA	0.00	6,938,101.87
Printing and Photocopying Costs	11,468,464.00	10,585,000.00
Printing Material	13,941,375.81	17,200,000.00
Programs Transmission Fees	3,000,000.00	8,400,000.00
Remuneration of Instructors	12,341,959.25	0.00
Research and Dissertation	2,000,000.00	3,800,000.00
Sewage Charges	300,000.00	219,966.66
Special Operations	190,000,000.00	0.00
Stationery	13,239,300.00	0.00
Subscription Fees	3,102,000.00	1,847,102.00
Telephone Charges (Land Lines)	10,017,857.11	8,000,000.00
Training Materials	3,600,000.00	5,000,000.00
Tuition Fees	9,204,476.20	24,900,000.00
Unpaid Consumables	89,612,017.29	0.00
Unpaid Telephone Charges(Land Lines)	57,575,550.00	377,850.30
Water Charges	3,024,051.45	3,752,143.30
Wire, Wireless, Telephone, Telex Services	11,525,957.20	0.00
Total	2,293,291,623.78	819,683,414.09

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

	2018	2017
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 15 - Current Grants, Transfers and Subsidies		
Drug Control Fund	219,569,349.66	102,007,800.00
Non-Government Organizations (NGOs)	28,982,597.50	0.00
Unpaid Contributions	44,130,858.99	0.00
Total	<u>292,682,806.15</u>	<u>102,007,800.00</u>
Note 16 - Exchequer Revenue		
Recurrent Exchequer Received-OC	3,167,620,225.82	2,073,047,426.29
Recurrent Exchequer Received-PE	820,531,230.00	570,786,970.00
Non Monetary Revenue	2,672,158,326.77	0.00
Total	<u>6,660,309,782.59</u>	<u>2,643,834,396.29</u>
Note 17 - Routine Maintenance and Repair		
Computers & other computer related equip	1,500,000.00	11,000,000.00
Direct Labour (contract, casual hire)	44,752,969.23	25,150,000.00
Direct labour (contracted/casual hire)	600,000.00	0.00
Motor Vehicles and Water Craft	8,399,999.04	8,000,000.00
Panel & shop repair materials & services	96,227,402.18	55,800,000.00
Small tools and equipment	0.00	208,000.00
Spare Parts	46,799,978.93	23,748,005.37
Unpaid Air Travel Tickets	5,019,650.82	0.00
Unpaid Computer and other Computer related equip	0.00	1,510,000.00
Unpaid Motor Vehicle and Water Craft	41,111,010.12	4,685,428.40
Total	<u>244,411,010.32</u>	<u>130,101,433.77</u>
Note 18 - Other Expenses		
Burial Expenses	1,000,000.00	3,489,304.00
Consultancy Fees	10,000,000.00	9,000,000.00
Specialized Equipment and Supplies	10,000,000.00	6,900,000.00
Total	<u>21,000,000.00</u>	<u>19,389,304.00</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

	<u>2018</u>	<u>2017</u>
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 19 - Depreciation and amortization expenses		
Depreciation of Office Equipments	28,704,810.00	39,463,606.00
Depreciation of Plant and Machinery	0.00	2,312,960.00
Depreciation of Furniture and Fixtures	20,261,929.74	13,480,759.16
Depreciation of Motor Vehicle	15,458,852.36	60,943,827.00
Depreciation of Operational Building	34,790,246.00	36,940,758.00
Total	<u>99,215,838.10</u>	<u>153,141,910.16</u>
Note 20 - Cash and Cash Equivalents		
Ep.9.CPS Misc.Deposit	69,408,105.80	223,996,629.44
Ep.9.CPS Recuee.Expend.Electronic	11,207,540.35	6,038,367.48
Total	<u>80,615,646.15</u>	<u>230,034,996.92</u>
Note 21 - Receivables		
Receivables	0.00	27,659,417.00
Total	<u>0.00</u>	<u>27,659,417.00</u>
Note 22 - Inventories		
Consumables	664,800.00	7,199,320.00
Fuels Spare Parts and Tyres	0.00	2,304,810.00
Stationery	8,351,300.00	13,239,300.00
Total	<u>9,016,100.00</u>	<u>22,743,430.00</u>
Note 23 - Prepayments		
Prepayments	5,339,390.00	0.00
Total	<u>5,339,390.00</u>	<u>0.00</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

	2018	2017
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 24 - Property, Plant and Equipments		
Acc Depreciation of Furniture and Fittings	(83,875,568.90)	(63,613,639.16)
Acc Depreciation of Motor Vehicle	(320,177,986.56)	(304,719,134.20)
Acc Depreciation of Office Equipment	(171,489,489.00)	(142,784,679.00)
Acc Depreciation of Operational Building	(210,891,987.20)	(176,101,741.20)
Acc Depreciation of Plant and Machinery	0.00	(11,564,800.00)
Furniture and Fittings	219,162,251.17	139,867,793.00
Land	1,788,000,000.00	198,000,000.00
Motor Vehicles	1,117,307,657.84	304,719,134.00
Office Equipments	470,191,291.78	189,051,423.42
Operational Buildings	869,756,144.99	869,756,144.99
Plant Machinery and Equipment	105,000,000.00	34,694,400.00
Total	<u>3,782,982,314.12</u>	<u>1,037,304,901.85</u>

PPE - Disclosures

- a. All Property, Plant and Equipments have been reported at cost.
- b. The Assets amounting to TZS 4,000,000.00
- c. No item of Property, Plant and Equipment was temporarily idle or not in use as at 30 June 2018;
- d. At the date of acquisition, the fair values of assets were considered to be equal to their carrying amount;
- e. No Authority's assets were put under collateral security
- f. During the financial year the Authority received Non Monetary Assets amounting to TZS 294,364,608.39 from the Embassy of USA located in Tanzania. Refers page 41 and PPE movement Schedule page 91 Appendix I.
- g. The Authority procured the Assets amounting to TZS 195,016,523.6. That is Motor vehicles amounted to TZS 154,588,523.64, Office Equipments and Furniture and Fittings amounting to TZS 40,428,000.00. The mentioned items were recorded in the Authority's assets registers. Refers page 91 PPE movement Schedule Appendix I.
- h. On December 2017 the authority were transferred to the building owned by Ministry of Health, Community Development, Gender, Elderly and Children (MoHCDEC) located at 8 Kivukoni Front Avenue. The Authority did not know the value of the building, there is communication between the Authority and the management of the Ministry of Health (MoHCDEC) to transferred the mentioned building. The building will be included in the Assets register of the Authority in the next financial year 2018/19.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued**

	Receipts/Expenditure	Receipts/Expenditure
	TZS	TZS
Note 25 - Payables		
Construction WIP	0.00	19,837,189.49
Staff Claims	42,220,932.50	0.00
Supplies of Goods/Services	234,001,441.82	6,573,278.70
Total	<u>276,222,374.32</u>	<u>26,410,468.19</u>
Note 26 - Recurrent Deferred Income		
Recurrent Deferred Income	11,207,540.35	33,697,784.48
Total	<u>11,207,540.35</u>	<u>33,697,784.48</u>
Note 27 - Deposits		
Ep.9.CPS Misc.Deposit	69,408,105.80	223,996,629.44
Total	<u>69,408,105.80</u>	<u>223,996,629.44</u>
Note 28 - Taxpayers Funds		
Tax Payers Fund Adjustment	0.00	0.00
Opening Tax payers Fund	1,740,886,801.71	1,740,886,801.71
Computers and Photocopiers	0.00	0.00
Total	<u>1,740,886,801.71</u>	<u>1,740,886,801.71</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018 - Continued

29.0 RELATED PARTY DISCLOSURES

The related party transaction is guided by IPSAS 20. Two types of related party exist at the Authority.

29.1 Control

The Authority was established by the "Drug Control and Enforcement Act No. 5 of 2015" which repealed the Drug and Prevention of illicit traffic in Drugs Act of 1995 cap. 95. The Authority is an independent organisation under the Prime Minister's Office. The Authority started its operation on February 2017. The Authority has the powers to arrest, search, and seizure and investigates on drug related matters. The Authority receive administration direction from Permanent Secretary Prime Minister's Office

29.2 Disclosure of related party transactions

Key Management Personnel are those having Authority and Responsibility for planning, directing and controlling the activities of the Authority whether is directly or indirectly an interest in the reporting of the Authority including close members of the family of any such individual. In the financial year 2017/18 no transactions have been occurred by related party.

29.3 Key Management Personnel

Para 34 (a) of IPSAS 20 on Related Party Disclosures for the Key Management Personnel require an entity to disclose the aggregate remuneration of key management Personnel and the number of individual determined on a full Time equivalent basis and by showing separately major classes and including a description of each class.

The Authority has eight (8) Key Management Personnel such as Commissioner General who is the head of the Authority, Commissioners, Chief Accountant and Assistant Commissioners. Some of the Authority's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

29.4 Remuneration of Key Management Personnel

Salaries of Key Management Personnel are drawn as per Government circulars and their letters of appointment. Benefits drawn by Key Management Personnel include electricity, telephone and housing allowances which are paid monthly according to Government circulars. Furthermore no loans advanced or repaid by the key management Personnel even the close members during the financial year 2017/18

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2018 - Continued**

	2017/2018	2016/2017
	TZS	TZS
Aggregate Remuneration drawn was	435,300,000.00	174,395,000.00
Number of persons	8 persons	8persons
Description	Amounts	Amounts
Salaries	337,200,000.00	145,900,000.00
Housing allownce	50,400,000.00	7,200,000.00
Electricity	24,960,000.00	10,265,000.00
Telephone	22,740,000.00	11,030,000.00
Totals	435,300,000.00	174,395,000.00

30.0 NUMBER OF EMPLOYEES

	2017/2018	2016/2017
The number of permanent employees for the year	97	75

31.0 SEGMENTAL REPORTING

Segment reporting is the reporting of the operating segments of authority in the disclosures accompanying its financial Statements. Segment reporting is intended to give information to investors and creditors regarding the financial results and position of the most important operating Divisions and Units of an authority, which they can use as the basis for decisions related to the Authority. The nature of entity's service means it does not have separate reportable segments.

32.0 CONTINGENT LIABILITIES

Contingent liabilities are recorded/disclosed in the Statement of Contingencies Liabilities when the contingency becomes evident Contingent assets are neither recognized nor disclosed. There were no known material contingencies at 30th June 2018 and is governed by IPSAS 19

33.0 CONTINGENT ASSETS

Contingent Asset is a possible asset that arises from past event, and whose existence will be confirmed only by occurrence or non occurrence of one or more uncertain future events not wholly within the control of the entity. During the financial year ended 30th June 2018 there were no any material contingencies. This is governing by IPSAS 19.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2018 - Continued

34.0 EVENTS AFTER REPORTING DATE

According to IPSAS 14 -Post balance sheet events are those events, favourable and unfavorable, that occur between the end of the reporting period and the date when the financial statements are authorized for issue. Two types of events can be identified

- ❖ Those that provide evidence of conditions that existed at the end of the reporting period (Adjusting events after the reporting period)
- ❖ Those that is indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

There were no any post balance sheet events neither to be disclosed nor warrant adjustment of the financial statements during the financial year 2017/18



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

PHOTOS



SUPPLEMENTARY INFORMATION

**STATEMENT OF APPROPRIATION ACCOUNT RECURRENT
 FOR THE YEAR ENDED 30th JUNE 2018**

STATEMENT OF APPROPRIATION ACCOUNT RECURRENT FOR THE YEAR ENDED 30th JUNE 2018

Sub Vote Code	Description	2017/2018			2016/2017
		Budget 1	Actual Expenditure 2	Variance 3=(1-2)	Actual Expenditure 'June 2017 4
1001	Recurrent	4,269,245,230.00	3,990,218,326.63	279,026,903.37	2,644,508,591.03
TOTAL		4,269,245,230.00	3,990,218,326.63	279,026,903.37	2,644,508,591.03



Rogers W. Siyanga
 Accounting Officer

30/09/2018

Date

**STATEMENT OF VOTE ACCOUNT
FOR THE YEAR ENDED 30th JUNE 2018**

STATEMENT OF VOTE ACCOUNT FOR THE YEAR ENDED 30th JUNE, 2018

Description	2017/2018		2016/2017	
	Recurrent TZS	Total TZS	Recurrent TZS	Total TZS
Original Approved Estimates	4,015,912,000.00	4,015,912,000.00	2,340,236,000.00	2,340,236,000.00
Add: Reallocation Warrant	253,333,230.00	253,333,230.00	350,000,000.00	0.00
Net Approved Estimates	4,269,245,230.00	4,269,245,230.00	2,690,236,000.00	2,690,236,000.00
Issues during the year	3,995,387,499.50	3,995,387,499.50	2,650,223,970.00	2,650,223,970.00
Net Expenditure	3,990,218,326.63	3,990,218,326.63	2,644,508,591.03	2,644,508,591.03
Unutilised Budget	279,026,903.37	279,026,903.37	45,727,408.97	45,727,408.97
Unutilised issues	5,169,172.87	5,169,172.87	5,715,378.97	5,715,378.97
Represented by:				
Outstanding Imprestss	0.00	0.00	0.00	0.00
Advances	0.00	0.00	0.00	0.00
Cash to be T ransferred to PMG	5,169,172.87	5,169,172.87	5,715,378.97	5,715,378.97
cash in hand with PMG	5,169,172.87	5,169,172.87	5,715,378.97	5,715,378.97
Balance in Hand with PMG	5,169,172.87	5,169,172.87	5,715,378.97	5,715,378.97



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF CASH FLOW - RECURRENT
FOR THE YEAR ENDED 30th JUNE 2018**

	2018	2017
	TZS	TZS
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Exchequer Issues	3,995,387,499.50	2,650,223,970.90
TOTAL RECEIPTS	3,995,387,499.50	2,650,223,970.90
PAYMENTS		
Wages, Salaries and Employee Benefits	1,318,321,142.70	1,135,776,121.89
Supplies and Consumable Goods	2,146,104,056.49	943,425,062.15
Current Grants, Transfers and Subsidies	262,059,349.66	102,007,800.00
Routine Maintenance and Repair	202,305,777.78	123,906,005.37
Other Expenses	21,000,000.00	19,389,304.00
TOTAL PAYMENTS	3,949,790,326.63	2,324,504,293.41
Net Cash Flow From Operating Activities	45,597,172.87	325,719,677.49
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Construction of Non-Current Assets	40,428,000.00	320,004,297.62
Net Cash Flow From Investing Activities	40,428,000.00	320,004,297.62
CASH FLOW FROM FINANCING ACTIVITIES		
Net increase/(decrease) in cash and cash equivalent	5,169,172.87	5,715,379.87
Cash to be Surrendered to Holding Account	0.00	0.00
Cash to be Surrendered to PMG	0.00	0.00
Cash and cash equivalents at beginning of period	6,038,367.48	322,987.61
Cash and cash equivalents at end of Period	11,207,540.35	6,038,367.48



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF CASH FLOW - DEPOSITS
FOR THE YEAR ENDED 30th JUNE 2018**

	TZS	TZS
CASH FLOW FROM OPERATING ACTIVITIES RECEIPTS		
Other Receipts	0.00	220,000,000.00
TOTAL RECEIPTS	0.00	220,000,000.00
PAYMENTS		
Purchase/Construction of Non- Current Assets	154,588,523.64	0.00
TOTAL PAYMENTS	154,588,523.64	0.00
Net Cash Flow From Operating Activities	(154,588,523.64)	220,000,000.00
Net increase/(decrease) in cash and cash equivalent	(154,588,523.64)	220,000,000.00
Cash to be Surrendered to Holding Account	0.00	0.00
Cash to be Surrendered to PMG	0.00	0.00
Cash and cash equivalents at beginning of period	223,996,629.44	3,996,629.44
Cash and cash equivalents at end of Period	69,408,105.80	223,996,629.44



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

(Classification of Expense by Function)

	2018	2017
	TZS	TZS
REVENUE		
Exchequer Revenue	6,660,309,782.59	2,643,834,396.29
TOTAL REVENUE	6,660,309,782.59	2,643,834,396.29
EXPENSES AND TRANSFERS		
Expenses		
Accrued Expenses	398,181,642.62	191,080,218.73
Administration and Human Resources Management	3,909,514,065.73	2,168,766,174.02
Total Expenses	4,307,695,708.35	2,359,846,392.75
TOTAL EXPENSES AND TRANSFERS	4,307,695,708.35	2,359,846,392.75
Surplus/(deficit) for the period	2,352,614,074.24	283,988,003.54



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF EXCHEQUER RECEIVED
FOR THE YEAR ENDED 30th JUNE 2018**

<u>DATE</u>	<u>REFERENCE NO</u>	<u>TZS</u>
RECURRENT EXCHEQUER RECEIVED		
EXISS- Other Charges		
28-Jul-2017	EB/AG/159/17/0093	279,403,200.00
28-Dec-2017	EB/AG/159/17/0864	287,379,000.00
29-Jan-2018	EB/AG/159/17/1031	287,379,000.00
27-Feb-2018	EB/AG/159/17/1204	287,379,000.00
28-Mar-2018	EB/AG/159/17/1313	317,379,000.00
26-Apr-2018	EB/AG/159/17/1527	287,379,000.00
18-May-2018	EB/AG/159/17/0532	13,507,402.50
30-May-2018	EB/AG/159/17/1663	105,000,000.00
22-Jun-2018	EB/AG/159/17/1787	287,379,000.00
26-Aug-2017	EB/AG/159/17/0225	83,689,500.00
28-Sep-2017	EB/AG/159/17/0360	364,224,167.00
27-Oct-2017	EB/AG/159/17/0481	287,379,000.00
27-Nov-2017	EB/AG/159/17/0639	287,379,000.00
Total EXISS- Other Charges		3,174,856,269.50
EXISS- Personal Emolument		
20-Dec-2017	EB/AG/159/17/0813	68,787,415.00
18-Jan-2018	EB/AG/159/17/0961	66,640,415.00
22-Feb-2018	EB/AG/159/17/1136	67,212,415.00
19-Apr-2018	EB/AG/159/17/1451	67,437,415.00
23-May-2018	EB/AG/159/17/1613	70,168,415.00
24-May-2018	EB/AG/159/17/1271	67,437,415.00
22-Aug-2017	EB/AG/159/17/0155	69,196,960.00
20-Jun-2018	EB/AG/159/17/1750	71,960,415.00
19-Jul-2017	EB/AG/159/17/0024	65,673,970.00
19-Sep-2017	EB/AG/159/17/0283	67,829,565.00
20-Oct-2017	EB/AG/159/17/0411	68,976,415.00
21-Nov-2017	EB/AG/159/17/0594	69,210,415.00
Total EXISS- Personal Emolument		820,531,230.00
TOTAL RECURRENT EXCHEQUER RECEIVED		3,995,387,499.50



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF FINANCIAL PERFORMANCE
 FOR THE YEAR ENDED 30th JUNE 2018**

**THE UNITED REPUBLIC OF TANZANIA
 DRUG CONTROL AND ENFORCEMENT AUTHORITY**

Telephone: 2152532/3
 Fax Number: 2152589
 (All official communication
 Addressed to the Commissioner)



8 Kivukoni Front Avenue,,
 P.O.Box 80327,
DAR ES SALAAM.

REF. No. CFA.70/84/01/H/78

27th September, 2018

Permanent Secretary,
 Treasury Square Building,
 18 Jakaya Kikwete Road,

P.O. Box 2802,

11468 DODOMA

RE: CONFIRMATION OF EXCHEQUER ISSUES RECEIVED FOR THE FINANCIAL YEAR 2017/2018

The heading above is concerned

With reference to your letter No. **EB/AG/159/08/59** dated 23rd August 2018. which you requested me confirm exchequer issues that I have received in the financial year ending 30th June 2018. I would like to confirm that the following exchequer I received on monthly basis as follows:-

RECURRENT EXCHEQUER RECEIVED

EXISS- Other Charges		
28-Jul-2017	EB/AG/159/17/0093	279,403,200.00
26-Aug-2017	EB/AG/159/17/0225	83689,500.00
28-Sep-2017	EB/AG/159/17/0360	364,224,167.00
27-Oct-2017	EB/AG/159/17/0481	287,379,000.00
27-Nov-2017	EB/AG/159/17/0639	287,379,000.00
28-Dec-2017	EB/AG/159/17/0864	287,379,000.00
29-Jan-2018	EB/AG/159/17/1031	287,379,000.00
27-Feb-2018	EB/AG/159/17/1204	287,379,000.00
28-Mar-2018	EB/AG/159/17/1313	317,379,000.00
26-Apr-2018	EB/AG/159/17/1527	287,379,000.00
18-May-2018	EB/AG/159/17/0532	13,507,402.5
30-May-2018	EB/AG/159/17/1663	105,000,000.00
22-Jun-2018	EB/AG/159/17/1787	287,379,000.00

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

Total EXISS- Other Charges		3,174,856,269.50
EXISS- Personal Emolument		
19-Jul-2017	EB/AG/159/17/00024	65,673,970.00
22-Aug-2017	EB/AG/159/17/0155	69,196,960.00
19-Sep-2017	EB/AG/159/17/0283	67,829,565.00
23-Oct--2017	EB/AG/159/17/0411	68,976,415.00
24-Nov -2017	EB/AG/159/17/0594	69,210,415.00
20-Dec-2017	EB/AG/159/17/0813	68,787,415.00
18-Jan-2018	EB/AG/159/17/0961	66,640,415.00
22-Feb-2018	EB/AG/159/17/1136	67,212,415.00
23-March-2017	EB/AG/159/17/1271	67,437,415.00
19-Apr-2018	EB/AG/159/17/1451	67,437,415.00
23-May-2018	EB/AG/159/17/1613	70,168,415.00
20-Jun-2018	EB/AG/159/17/1750	71,960,415.00
Total EXISS- Personal Emolument		820,531,230.00

TOTAL RECURRENT EXCHEQUER RECEIVED

3,995,387,499.50



Rogers W. Siyanga

ACCOUNTING OFFICER

DRUG CONTROL AND ENFORCEMENT AUTHORITY

30/09/2018

Date

**ANALYSIS OF OUTSTANDING LIABILITIES
FOR THE YEAR ENDED 30th JUNE 2018**

**ANALYSIS OF OUTSTANDING LIABILITIES
FOR THE YEAR ENDED 30th JUNE, 2018**

Outstanding liabilities during the year

2017/2018
TZS

2016/2017
TZS

276,222,374.32

26,410,468.19

S/NO	CATEGORIES	TOTAL TZS	<30 DAYS AMOUNT	>30 < 60 DAYS AMOUNT	>60<90 DAYS AMOUNT	>90<365 DAYS AMOUNT	>365 < 2 YEARS AMOUNT	ABOVE 2 YEARS AMOUNT
1	Supplies of Goods and Services	234,001,441.82	4,298,386.00	61,337,241.70	-	168,365,814.12	0.00	0.00
2	Utilities	-	0.00	0.00	0.00	0.00	0.00	0.00
3	office Rent	-	0.00	0.00	0.00	0.00	0.00	0.00
4	Contract works	-	0.00	0.00	0.00	0.00	0.00	0.00
5	Staff claim	42,220,932.50	11,906,392.00	29,532,540.50	0.00	782,000.00	0.00	0.00
	TOTAL	276,222,374.32	16,204,778.00	0.00	-	169,147,814.12	-	0.00



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF STORES AND OTHERS
FOR THE YEAR ENDED 30th JUNE 2018**

	2017/2018	2016/2017
	TZS	TZS
	9,016,100.00	22,743,430.00

Closing stocktakin at the end of the year.

	Consumable	Medical supplies	Household	Uniforms	Cleaning Material	Fuel spare parts & Tyre	Library Material	IT equipments and Computer accessories	Other not Classified	Totals
	9,016,100.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	9,016,100.00



Rogers W. Siyanga
Accounting Officer

30/09/2018

Date

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

Objective Code and Name: **A: Services Improved and HIV/AIDS Infections Reduced**

TARGET CODE	FYDP II	P	R	ANNUAL PHYSICAL TARGET	ACTUAL PROGRESS	CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET			EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION	
						Estimated % Completed	On Track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure		% Spent
"A01S"	✓		✓	To provide support to HIV infected staff	To train DCEA staff on HIV/AIDS prevention and support the infected ones	100	✓			3,850,000.00	3,841,980.00	100	Target achieved
Objective Code and Name: DCEA Staff trained on Anti-corruption													
B01S01	✓		✓	Training cost were facilitated to DCEA staff by June 2018	The Authority Staff were trained on Anti-corruption matters	100	✓			5,850,000.00	5,786,510.00	98.9	Target achieved
SUB TOTAL										9,700,000.00	9,628,490.00	198.71	

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

Objective Code and Name: :C-Human.financial and physical resources obtained and well managed

CODES AND LINKAGES			ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION
TARGET CODE	FYDP II	P R	TARGET DESCRIPTION	ACTUAL PROGRESS	Estimated % Completed	On Track	At Risk	Off Track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
CO1CO1	✓	✓	To train DCEA staff at different levels and skills	Training to DCEA staff was done by June 2018	99	✓			11,500,000	11,500,000.00	100.0	Target achieved
CO1CO2	✓	✓	To review human resource development plan and prepare PE estimate	PE estimate was reviewed and human resource development was done	99	✓			12,000,000.00	11,999,999.00	100.0	Target achieved
CO1CO3	✓	✓	To conduct four employment committees meetings	Employment committees meetings were conducted	99	✓			31,240,000.00	24,412,502.23	78.1	Target achieved
CO1CO4	✓	✓	To conduct orientation courses to DCEA Staff conducted by June 2018	Orientation courses to DCEA Staff conducted by June 2018	99	✓			11,450,000.00	11,440,276.00	99.9	Target achieved
C02S01	✓	✓	To provide reliable transport	Maintenance and repair of DCEA vehicles was done	99	✓			353,200,000.00	353,200,000.00	100.0	Target achieved
SUB TOTAL									419,390,000.00	412,552,777.23	95.61	

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES			ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION
TARGET CODE	FYDP II	P R	TARGET DESCRIPTION	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
C02S02	✓	✓	To provide office space and facilitate relocation of staff to Dodoma	Office space was obtained at the Ministry of Health Building	99	✓			240,000.00	240,000.00	100.0	Target achieved
C03S03	✓	✓	To providing working tools and safety gears for DCEA staff	Provision of working tools to DCEA staff was successful done	99	✓			109,071,000.00	109,071,000.00	100.0	Target achieved
C03S01	✓	✓	To prepare MTEF 2018/2019	MTEF for 2018/2019 was prepared and submitted	100.0	✓			6,600,000.00	6,600,000.00	100.0	Target achieved
C03S02	✓	✓	To prepare action plans, cash flows and annual plans including data entry into Epicor 9	Action plans, cash flows and annual plans including data entry into Epicor 9 was done	100.0	✓			1,500,000.00	1,500,000.00	100.0	Target achieved
C03S03	✓	✓	To prepare Financial statements (Mid and Annual)	Mid and Annual Financial statement was prepared and submitted	90.3	✓			29,580,000.00	26,721,398.00	90.3	Target achieved
SUB TOTAL									146,991,000.00	144,132,398.00	98.07	

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES		ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION	
TARGET CODE	FYDP II	P	R	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure		% Spent
Objective Code and Name:												
:C04 -Provision of working tools and safety gears for DCEA Staff by June 2018												
C04S01	✓			To provide working tools and safety gears to DCEA staff	66.5	✓			173,000,000.00	115,108,939.00	66.5	Target achieved
C04S02	✓			To conduct two Workers Council meetings	87.1	✓			16,320,000.00	14,211,829.00	87.1	Target partly achieved
C04S03	✓			To participate in May Day, TUGHE and TAPSEA forum	100.0	✓			1,500,000.00	1,500,000.00	100.0	Target achieved
C04S04	✓	✓		To facilitate administrative and personnel services	93.9	✓			221,419,200.00	207,898,120.00	93.9	Target partly achieved
C04S05	✓	✓		To provide entitlement to appropriate DCEA staff	85.8	✓			105,000,000.00	90,052,320.00	85.8	Target achieved
C04S07				To develop strategic plan for DCEA	100.0				20,760,000.00	20,760,000.00	100.0	Target achieved
C04S08	✓		✓	To provide utilities for DCEA	73.5	✓			78,000,000.00	57,327,554.00	73.5	Target achieved
TOTAL SUB-VOTE									615,999,200.00	506,858,762.00	86.68	

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES		ANNUAL PHYSICAL TARGET	CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION	
TARGET CODE	FYDP II	TARGET DESCRIPTION	Actual Progress	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
Objective Code and Name:											
:C05 -Procurement management services facilitated by June 2018											
C05S01	✓	To prepare tender document, evaluation and negotiation of bidders for procurement of goods, works and services		100.0	✓			4,470,000.00	4,470,000.00	100.0	Target achieved
C05S02	✓	To conduct tender board meetings for approval of various procurements		100.0	✓			6,000,000.00	6,000,000.00	100.0	Target achieved
C05S03	✓	To facilitate four staff to attend professional conferences and maintain professionalism membership		96.2	✓			2,600,000.00	2,500,000.00	96.2	Target achieved
C05S04	✓	To develop annual procurement plan		83.0	✓			1,380,000.00	1,145,800.00	83.0	Target achieved
C05S08	✓	To carryout inspection and codification of fixed assets		99.5	✓			10,660,000.00	10,603,613.00	99.5	Target achieved
C05S10	✓	To conduct training to tender board members		50	✓		✓	2,825,000.00	2,524,979.00	89.4	not achieved
TOTAL SUB-VOTE								27,935,000.00	27,244,392.00	94.67	
Objective Code and Name:											
C07 - Internal Audit services facilitated by June 2018											
C07S01	✓	To conduct routine auditing for the Financial year 2017/2018		100.0	✓			1,000,000.00	999,994.40	100.0	Target achieved
C07S03	✓	To facilitate Audit Committee training		94.6	✓			1,850,000.00	1,750,000.00	94.6	Target achieved
C07S04	✓	To review risk register and risk management Framework		94.9	✓			325,000.00	308,406.00	94.9	Target partly achieved

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES			ANNUAL PHYSICAL TARGET	CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION	
TARGET CODE	FYDP II	P R	TARGET DESCRIPTION	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
Objective Code and Name:												
C07S05		✓	To conduct Audit Committee meeting	Audit Committee meeting was conducted by June 2018	98.7	✓			4,360,000.00	4,305,000.00	98.7	Target achieved
C07S06		✓	To review internal Audit committee charter	Internal Audit committee charter was revised	57.8	✓			1,945,000.00	1,125,000.00	57.8	Target partly achieved
TOTAL SUB-VOTE									9,480,000.00	8,488,400.40	89.21	
Objective Code and Name:												
C08 - Management Information System operating by June 2018												
C08S01	✓	✓	To develop ICT policy	DCEA ICT policy was developed by June 2018	100.0	✓			2,117,500.00	2,117,500.00	100.0	Target achieved
C08S03	✓	✓	To maintain functional electronic communication at the Authority	Electronic communication at the Authority was maintained	64.2	✓			17,941,300.00	11,525,957.00	64.2	Target partly achieved
TOTAL SUB-VOTE									20,058,800.00	13,643,457.00	82.12	
Objective Code and Name:												
D01 - Drug demand and related consequences of drug reduced												
D01 - General population educated on drug problems by June 2018												
D01S01	✓	✓	To facilitate provision of drug prevention through Media	Provision of drug prevention through Media was facilitated	100.0	✓			3,000,000.00	3,000,000.00	100.0	Target achieved
D01S02	✓	✓	To review and produce IEC materials	DCEA IEC materials was reviewed	89.9	✓			15,000,000.00	13,491,375.00	89.9	Target partly achieved
D01S03		✓	To review guideline for providing drug prevention education to the Public	Guideline for providing drug prevention education to the Public was reviewed by June 2018	99.0	✓			14,775,000.00	14,625,434.00	99.0	Target achieved
Objective Code and Name:												
D02 -Drug prevention education among primary and secondary school pupils by June 2018												
D02S01		✓	To develop guideline for provision of drug prevention educations in schools	Guideline for provision of drug prevention educations in schools was developed	96.9	✓			9,325,000.00	9,035,000.00	96.9	Target achieved



**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES			ANNUAL PHYSICAL TARGET	CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION	
TARGET CODE	FYDP II	P R	TARGET DESCRIPTION	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
Objective Code and Name:												
D03 Drug prevention training to trainers by June 2018												
D03S01	✓	✓	To educate Uhuru touch racing team on drug issues	Uhuru touch racing team was educated on drug issues	100.0	✓			9,650,000.00	9,650,000.00	100.0	Target achieved
D03S02	✓	✓	To educate music artist and sportsmen	Various artist and sportsmen were educated on drug issues	100.0	✓			5,200,000.00	5,200,000.00	100.0	Target achieved
D03S03	✓	✓	To educate religious leaders on Drug issues	Religious leaders were educated on Drug issues	100.0	✓			9,650,000.00	9,647,930.00	100.0	Target achieved
D03S04	✓	✓	To educate leaders of civil society organization on Drug issues	Leaders of civil society organization on Drug was educated	99.9	✓			10,450,000.00	10,435,900.00	99.9	Target achieved
Objective Code and Name:												
D04 - General population educated and promoted involvement in Drug control and prevention through Drug Day Commemoration by June 2018												
D04S01		✓	To conduct press conference to promote general public involvement on Drug Day	Press conference on Drug commemoration day was conducted		✓			3,400,000.00	3,400,000.00		
Objective Code and Name:												
G02 - NATIONAL DRUG SITUATION REPORT DEVELOPED BY JUNE 2018												
D04S02		✓	To facilitate involvement of civil society in Drug Day commemoration	Involvement of civil society in Drug Day was facilitated	59.7	✓			6,778,342.00	4,050,000.00	59.7	Target achieved
D04S03		✓	To facilitate involvement of civil society in Drug Day	Civil society in Drug Day were involved	100.0	✓			91,310,000.00	91,309,096.00	100.0	Target achieved
D04S04		✓	To educate Parliamentary committee on Drug issues	Drug issues were addressed to the Parliamentary committee by June 29 th 2018	100.0	✓			6,275,000.00	6,275,000.00	100.0	Target achieved
D04S05		✓	To provide support to NGO's involving in Drug related issues	Various NGO's involving in drug issues were supported by June 2018	100.0	✓			13,675,000.00	13,675,000.00	100.0	Target achieved
TOTAL SUB-VOTE									198,488,342.00	193,794,735.00	88.11	

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES			ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION
TARGET CODE	FYDP II	P R	TARGET DESCRIPTION	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
Objective Code and Name:												
D05 - Information on drug demand and harm reduction intervention from stakeholders gathered by June 2018												
D05S01	✓		✓ To conduct stakeholders meeting	Stakeholders meeting was conducted	95.6	✓			3,600,000.00	3,441,800.00	95.6	Target achieved
D05S02	✓		✓ To conduct TWG meetings to monitor Methadone services	TWG meetings to monitor Methadone services was conducted	100.0	✓			8,400,000.00	8,400,000.00	100.0	Target achieved
D05S03	✓		✓ To develop National Drug situation report	National Drug situation report was developed	98.4	✓			17,525,000.00	17,250,000.00	98.4	Target achieved
Objective Code and Name:												
D06 - 1000 people who use drugs provided with drug dependence treatment by June 2018												
D06S01		✓	✓ To sensitize Tanga and Mbeya regional authorities to establish Methadone services	sensitization to the regional authorities to establish Methadone services was done such Mwanza, Tanga and Iringa	100.0	✓			12,600,000.00	12,598,000.00	100.0	Target achieved
D06S02		✓	✓ To develop guidelines for establishments and maintenance of Sober House	Guidelines for establishments and maintenance of Sober House in the country was developed	96.7	✓			15,125,000.00	14,625,000.00	96.7	Target achieved
TOTAL SUB-VOTE									29,525,000.00	29,091,800.00	98.34	-

**STATEMENT OF PERFORMANCE
 FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES		ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION
TARGET CODE	FYDP II	P	R	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
Objective Code and Name:											
E - Availability of Drugs reduced											
Objective Code and Name:											
E01 - Information on drug trafficking available by June 2018											
E01S01	✓	✓		100.0	✓			69,530,000.00	69,520,997.00	100.0	Target achieved
E01S02				99.9				122,700,000.00	122,539,000.00	99.9	Target achieved
E01S03	✓		✓	100.0	✓			690,800,000.00	690,792,656.00	100.0	Target achieved
Objective Code and Name:											
E02 - Anti drug operations conducted by June 2018											
E02S01	✓		✓	100	✓			260,077,000.00	260,076,999.00	100	Target achieved
E02S02			✓	100	✓			81,560,000.00	81,560,000.00	100.0	Target achieved
E02S03	✓		✓	78	✓			630,879,658.00	491,409,349.00	77.9	Target achieved
TOTAL SUB-VOTE								1,855,546,658.00	1,715,899,001.00	92.5	

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES			ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION
TARGET CODE	FYDP II	P R	TARGET DESCRIPTION	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure	% Spent	
Objective Code and Name:												
E03S01	✓		To review regulations for the new drug control act no 5 of 2015	Regulations for the new drug control act no 5 of 2015 was reviewed	99.5	✓			15,000,000.00	14,927,556.00	99.5	Target achieved
E03S02	✓		To make follow-up and facilitate prosecution of drug cases in the courts of Law by June 2018	Followup and facilitation of prosecution of drug cases in the courts of Law was done by June 2018	100.0	✓			19,000,000.00	19,000,000.00	100.0	Target achieved
E03S03	✓		To sensitize stakeholders(member of parliament,LEA) on the Drug control and Enforcement Act of 2015 and its regulations	Sensitization to stakeholders(member of parliament,LEA) on the Drug was done by June 2018	92.9	✓			30,800,000.00	28,600,000.00	92.9	Target achieved
E03S04	✓		To facilitate legal officers to attend professional meetings	Legal officers was facilitated to attend professional meetings	56.3	✓			11,200,000.00	6,302,000.00	56.3	Target partly achieved
Objective Code and Name:												
E04S01	✓		To conduct two Drug Control Council meetings and two advisory committee meetings	Two Council meetings and advisory committee meetings was conducted	100.0	✓			21,600,000.00	21,600,000.00	100.0	Target achieved
E04S02	✓		To prepare the drug control policy and its implementation strategy	Drug control policy and its implementation strategy was prepared	99.5	✓			15,200,000.00	15,123,328.00	99.5	Target achieved
Objective Code and Name:												
E05S01	✓		To develop guidelines for the control of drugs for medical and scientific purpose	Guidelines for the control of drugs for medical and scientific purpose was developed	99.2	✓			19,922,342.00	19,769,545.00	99.2	Target achieved
E05S02	✓		To conduct inspection and situational assessment	Inspection and situational assessment was done by June 2018	100.0	✓			1,800,000.00	1,800,000.00	100.0	Target achieved
TOTAL SUB-VOTE									114,600,000.00	107,352,884.00	93.7	

**STATEMENT OF PERFORMANCE
 FOR THE YEAR ENDED 30th JUNE 2018**

CODES AND LINKAGES		ANNUAL PHYSICAL TARGET		CUMULATIVE STATUS ON MEETING THE PHYSICAL TARGET				EXPENDITURE STATUS			REMARKS ON IMPLEMENTATION	
TARGET CODE	FYDP II	P	R	ACTUAL PROGRESS	Estimated % Completed	On track	At Risk	Off track	Cumulative Budget	Cumulative Actual Expenditure		% Spent
	√	√		Personal Emoluments	100.0	√			821,531,230.00	821,531,230.00	100.0	Target achieved
				TOTAL SUB-VOTE					821,531,230.00	821,531,230.00	100.0	
				TOTAL VOTE					4,269,245,230.00	3,990,218,326.63		


Rogers W. Siyanga
 Accounting Officer

30/09/2018

Date

**PROPERTY, PLANT AND EQUIPMENT MOVEMENT SCHEDULE
FOR THE YEAR ENDED 30th JUNE 2018**

DESCRIPTION	Cost/Revaluation					Accumulated Depreciation and Impairment							Carrying Value At 30 June 2018				
	At 01 July 2017	Additions (monetary)	Additions (non-monetary)	Adjustments/Transfers	Valuation of PPE	Disposal	At 30 June 2018	At 01 July 2017 Acc Depreciation	At 01 July 2017 Acc impairment	Charge during the year - Depreciation	Charge during the year - Impairment	Revaluation adjustments		Disposal	Acc Depreciation 30th June 2018	Acc Impairment 30th June 2018	Total Acc Depreciation & Impairment At 30 June 2018
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Leasehold Land	198,000,000.00				1,950,000,000.00	1,788,000,000.00											1,788,000,000.00
Buildings - Office	730,585,161.79			139,160,983.20		869,756,144.99		176,101,741.20		34,790,245.50				210,891,986.70		210,891,986.70	658,864,158.29
Motor Vehicles	60,945,826.80	154,588,523.64		243,775,307.20	658,000,000.00	1,117,307,657.64		304,719,134.20		15,458,852.36				320,177,986.56		320,177,986.56	797,129,671.08
Plant & Machinery	25,442,560.00			(25,442,560.00)	105,000,000.00	105,000,000.00		11,564,800.00					(11,564,800.00)				105,000,000.00
Office Equipments	85,730,349.62	9,381,000.00	265,685,571.05	103,321,073.52	6,073,297.59	470,191,291.78		142,784,679.00		28,704,809.50				171,489,488.50		171,489,488.50	298,701,805.28
Furniture & Fixings	89,734,913.20	31,047,000.00	28,679,637.34	50,980,879.55	18,720,421.08	219,162,251.17		63,613,639.16		20,261,929.74				83,875,568.90		83,875,568.90	135,286,681.27
Totals	1,190,446,811.41	195,016,523.64	294,364,608.39	511,795,683.47	2,377,793,718.67	4,569,417,345.58		689,763,993.56		99,213,837.10			(11,564,800.00)	786,435,030.66		786,435,030.66	3,782,882,314.12

**PROPERTY, PLANT AND EQUIPMENT MOVEMENT SCHEDULE
FOR THE YEAR ENDED 30th JUNE 2017**

DESCRIPTION	Cost/Revaluation						Accumulated Depreciation and Impairment								Carrying Value At 30 June 2017		
	At 01 July 2016 (monetary)	Additions (monetary)	Additions (non- monetary)	Transfers	Adjustments/ Valuation of PPE	Disposal	At 30 June 2017	At 01 July 2017 Depreciation	At 01 July 2017 Acc impairment	Charge during the year - Depreciation	Charge during the year - Impairment	Revaluation adjustments	Disposal	Acc Depreciation 30th June 2017		Acc Impairment 30th June 2017	Total Acc Depreciation & Impairment At 30 June 2017
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
30 JUNE 2017																	
Leasehold Land	198,000,000						198,000,000										198,000,000
Buildings - Office	784,357,973				(53,762,811)		730,595,162	139,160,983.20	36,940,758.00					176,101,741		176,101,741	554,493,421
Motor Vehicles	129,946,827			69,000,000			60,946,827	243,775,307.20	60,943,827.00					304,719,134		304,719,134	0
Plant & Machinery	25,442,560						25,442,560	9,251,840.00	2,312,960.00					11,564,800		11,564,800	13,877,760
Office Equipments	54,533,350	17,218,303			13,978,697		85,730,350	103,321,073.00	39,463,606.00					142,784,679		39,463,606	46,266,744
Furniture & Fixings	38,664,852	82,785,995			(32,715,934)		88,734,913	50,132,880.00	13,480,759.16					63,613,639		13,480,759	76,254,154
Totals	1,231,942,582	400,004,298		69,000,000	(72,300,048)		1,190,446,811	545,642,083.40	153,141,910.16					698,783,994		698,783,994	888,892,079

PHOTOS



Drug Control and Enforcement Authority

8 Kivukoni Front Avenue
P.O. BOX 80327,
1148 Dar es Salaam.

Tel: +255-022 2113753/7
Fax: +255-022 2113752
Email: cg@dcea.go.tz
Website: www.dcea.go.tz