



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 2017



Drug Satchets

VISION

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

MISSION

To protect the well-being of Tanzanians against drug and related effects by defining, promoting and coordinating the Policy of the Government of the URT for the control of drug abuse and illicit trafficking.

CORE VALUES

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



Heroin

Cocain

Cannabis

Miraa

Precursor Chemicals

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LIST OF ACRONYMS

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

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, 16 Samora Machel Avenue,
P.O. Box 9080, 11101 Dar es Salaam.

STATEMENT BY THE MINISTER OF STATE (POLICY, PARLIAMENTARY AFFAIRS, LABOUR, YOUTH, EMPLOYMENT AND DISABLED) PRIME MINISTER'S OFFICE FOR THE YEAR ENDED 30th JUNE 2017



Hon. Jenista Joakim Mhagama (MP)

Tanzania continues to experience the adverse effects caused by the drugs abuse and trafficking. The abuse of drugs results into deteriorated health of individuals which in aggregate affects the productive workforce, as most of the people who use drugs belong to the productive workforce age group.

Increased level of petty crimes as people who use drugs have been involved in stealing money and other properties in order to sustain their drug abuse behavior. Littering of environments as drug users dispose used injecting equipment including needles and syringes. 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 which act as a bridge to the general population.

Drugs trafficking on other hand affect the country negatively by impeding the economy growth. 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 into 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 huge land leaving others with nothing. This result to inequality and inequity in sharing of the natural resources in the country.

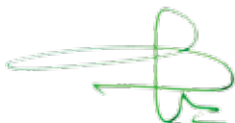
The Government has realized the threat posed by the drug problem and has been acting accordingly since 1995 when it established the first institution to coordinate the fight against drug problem. Furthermore, in recognition of the adverse effects of the drug problem, the Government took an initiative to enact a new law named The Drug Control and Enforcement Act, 2015 (Act No. 5 of 2015) which started function on September 2015.

STATEMENT BY THE FOR THE YEAR ENDED 30th JUNE 2017-Continued

The Drug Control and Enforcement Act, 2015 (Act No. 5 of 2015) establishes The Drug Control and Enforcement Authority. The authority is established to lead the fighting efforts against drug abuse and trafficking, but it is not the sole actor to the problem as it needs support from other stakeholders like Ministries, Departments, Agencies, Non-Government Organizations, and 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 hand in hand with the Government on addressing the problem of drug abuse and trafficking. Neither single organization nor single approach can lead to successful addressing of the drug problem. Stakeholders are encouraged to show up and participate in the efforts toward addressing the drug problem.

Our Government needs to work collaboratively with stakeholders in order to fight the problem of drugs abuse and trafficking. Resources such as financial are to be shared and well managed to minimize chances of duplication of efforts so as to maximize outputs. The Government appreciates all stakeholders that have been providing financial resources as well as other resources such as human and material. 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 2017

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 2017 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.



The Financial statements for the year ended 30th June, 2017 include; The Statement of Financial Position, Statement of Financial Performance, Statement of Changes in Net assets and 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.

1.1 THE HISTORY OF DCEA

Tanzania has been facing an increase in drug abuse and trafficking problem. In an effort to fight this problem, the Government of the URT has taken different measures by involving various stakeholders to address drug problem in the country. In 1995, The Drugs and Prevention of Illicit Traffic in Drugs Act Cap.95 was enacted, which established the Drug Control Commission with the responsibility of defining, promoting and coordinating drug control activities in the country.

The Commission started its operation in 1996 and ended on February 2017. In its course of implementation, the Commission faced various challenges including lack of powers to conduct investigation, arrest, search and seizure.

To address these inadequacies, The Drugs and Prevention of Illicit Traffic in Drugs Act Cap.95 has been repealed by The Drug Control and Enforcement Act, No.5 of 2015. The Act came into force on 15th September, 2015 which establishes the Drug Control and Enforcement Authority (DCEA) with powers to conduct investigation, arrest, search and seizure.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

The Authority commenced its operation on February 2017 after appointing the Commissioner General and Commissioners of Divisions by the President of URT. The Authority took all responsibilities of Commission.

1.2 Objectives of the Authority

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

1.3 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.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

1.3 PRINCIPAL ACTIVITIES-Continued

- i. Promote and ensuring international cooperation in drug control measures;
- ii. Undertake, support and coordinate research on drug related issues;
- iii. Sensitize and mobilize the community to participate in the fight against drug abuse and trafficking and;
- iv. Train personnel dealing with control of drug abuse, trafficking, money laundering and chemical precursors.

1.4 MANAGEMENT AND ORGANISATION STRUCTURE

1.4.1 Management

The Authority is headed by a Commissioner General who is the Accounting Officer. The Commissioner General is vested with the overall authority of the Management of daily activities of the Authority. The Commissioner General reports directly to the Chairman of the Authority who is the Prime Minister of the URT. 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 four divisions and five independent Units and Zonal offices namely;

a. DIVISIONS

- i. Intelligence Division;
- ii. Investigation and Operation Division;
- iii. Prevention and Treatment Division;
- iv. 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
- vi. Zonal Offices.-not yet established.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

1.4 MANAGEMENT AND ORGANISATION STRUCTURE - Continued

c. KEY MANAGEMENT PERSONNEL OF THE AUTHORITY

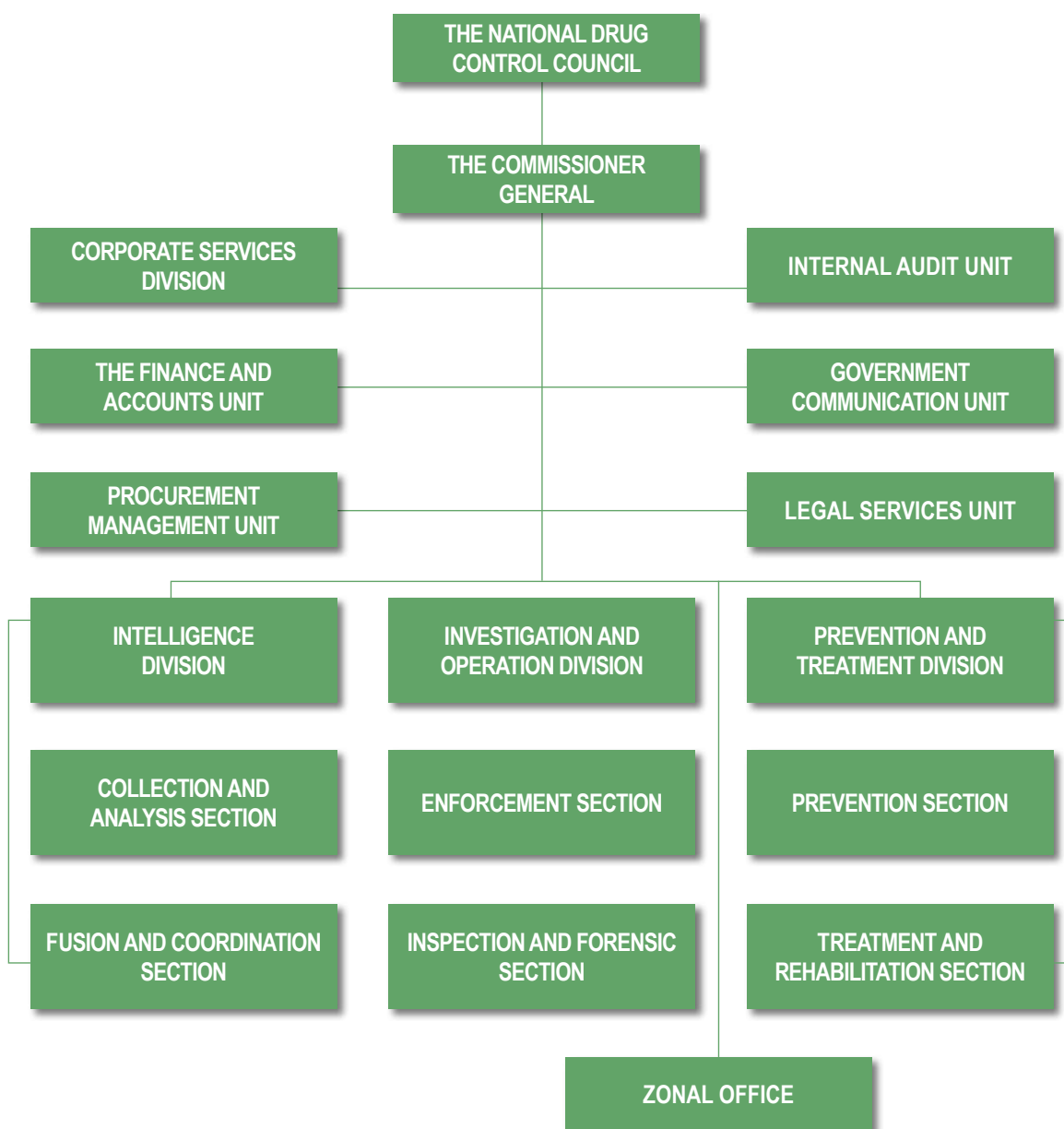
- i. Commissioner General
- ii. Commissioner of intelligence
- iii. Commissioner of Prevention and Treatment
- iv. Commissioner of Investigation and Operations
- v. Commissioner of Legal services
- vi. Chief Accountant
- vii. Chief Internal Auditor
- viii. Head of Procurement
- ix. Head of Government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

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

1.4 MANAGEMENT AND ORGANISATION STRUCTURE - Continued

d. ORGANIZATION STRUCTURE

The organization structure of Drugs Control and Enforcement Authority was approved by His Excellency the President of the United Republic of Tanzania on April 18, 2016



**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

1.5 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 Dar es Salaam.

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 noncompliance 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.

1.5.1 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. The Internal Audit Unit is in place and effective.

STATEMENT BY THE ACCOUNTING OFFICER FOR THE YEAR ENDED 30th JUNE 2017-Continued

1.5.2 Committee of the Authority

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

- Audit Committee;
- Tender Board;
- National Drugs Control Council.

a. Audit Committee

The Committee Charter approved by the Accounting Officer governs activities of the committee. The Audit Committee met four (4) times during the period covering July 2016 to June 2017.

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 revised 2004 and one member from outside appointed by Permanent Secretary Treasury. The Authority's Audit Committee has been in operation since July 2000.

Table 1: The Committee members are:-

No.	Name	Position	Age	Discipline/ Qualification	Nationality	Appointment Date
1.	Charles R. Mulamula	Chairman	48	Master of Economics	Tanzanian	July 2014
2.	Lusajo Gilbert	Secretary	36	Master of Economics and Finance for Development	Tanzanian	July 2014
3.	Moza Makumbuli	Member	41	Master in Applied Social Psychology	Tanzanian	July 2014
4.	Elibariki Funga	Member	31	Master in Human Resources Management	Tanzanian	July 2014
5.	Mwanyika M. Semroki	Member	51	Certified Public Accountant and Assistant Internal Auditor General of Local Government	Tanzanian	July 2014
The Committee secretariat are:-						
6.	Patrick Kabaitilaki	Secretariat	52	Advanced Diploma in Accountancy	Tanzanian	
7.	Dr. Syangu Mkonyi	Secretariat	34	Doctor of Medicine/ Doctor	Tanzanian	

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017- 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 2017, the Committee has achieved the following:-

Table 2: Activities undertaken by the Audit Committee

No.	Meeting	Planned Activities	Issues Discussed / Attended
i	The Audit Committee met 4 times during the year	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 2016/2017 and issued the recommendations to the Accounting officer. Review internal Control systems, including financial controls, accounting and reporting Be responsible for approval of internal Audit charter and 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 2015/2016 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 2016/2017 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

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017- 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 has strong and independent Tender board.

The Tender Board met four (4) times during the period covering July 2016 to June 2017. 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 4 of 2004 and
- iv. Review all applications for variations, addendum or amendments to ongoing contracts.

Table 3: The Tender Board comprises five (5) Members:-

S/NA	Name	Position	Age	Qualifications/Displine	Nationality	Appointment Date
1.	Mr. Aman Msami	Chairman	48	Master of Pharmacist	Tanzanian	July 2014
2.	Ms. Christina Rweshabura	Member	49	LLB and Master of Business Administration	Tanzanian	July 2014
3.	Mr. Omary Mikidadi	Member	48	LLB	Tanzanian	July 2014
4.	Mr. Lupakisyo Mwakitalima	Member	53	Postgraduate in Financial Management, Bcom and CPA	Tanzanian	July 2014
5.	Mrs. Kijoli Said	Member	50	CSP, and Master of Business Administration	Tanzanian	July 2014

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

c. The National Drugs Control Council ¹

The Principal function 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 2017.

Table 4: The National drugs Control Council consist thirteen members:-

S/NA	Name	Position	Age	Qualifications/Displine	Nationality
1	Honorable Kassim Majaliwa	Chairman	56	PGDP/ Prime Minister	Tanzanian
2	Honorable, Dr. Augustine Mahiga	Member	72	BA,MA, PhD / Minister of Foreign Affairs and International Co-operation	Tanzanian
3	Honorable Dr.Mwigulu L. Nchemba	Member	43	PhD/ Minister of Home Affairs	Tanzanian
4	Honorable Dr . Philip Mpango	Member	60	PhD / Minister Finance and Planning	Tanzanian
5	Honorable Professor Makame Mnyaa Mbarawa	Member	48	(MSc) (PhD) / Minister Works, Transport and Communication	Tanzanian
6	Honorable Umy Mwalimu	Member	44	(LL.B) LL.M / Minister of Health, Community Development, Gender, Seniors and Children	Tanzanian
7	Honorable Dr Charles Tizeba	Member	56	(BSc) (MSc) (PhD) Minister of Agriculture, Food Security and Cooperatives	Tanzanian
8	Honorable Proffesor Palamagamba Kabudi	Member	62	Minister of Constitutional Affairs and Justice	Tanzanian
9	Honorable Proffesor Joyce Ndalichako	Member	53	B.sc with education, Phd, Minister of Education, Science and Technology	Tanzanian
10	Honorable Selemani Jafo	Member	44	BSc , SNHU/ Minister of State in the President's Office Regional Administration, Local Government, Civil Service and Good Governance	Tanzanian
11	Honorable Jenista Mhagama	Member	50	(DipEd) / Teacher -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	MD, PhD / Medical Doctor -Ministry of Defence and National Service	Tanzanian
13	Rogers W. Siyanga	Secretary	58	Commissioner General Drug Control and Enforcement Authority	Tanzanian

¹ All members are entered to the National Drug Control Council by virtue of Appointment by the Hon. Excellence President of the URT to be the Minister of the selected sectors in the Ministry.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

2.0 FUTURE DEVELOPMENT PLANS

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 in order to establish one zonal office.

3.0 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.

4.0 SOLVENCY

The management confirms that the International Public Sector Accounting Standards have been followed in the preparation of financial statements and also 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.

5.0 THE PERFORMANCE OF THE FINANCIAL YEAR ENDED 30Th JUNE 2017

During this financial year 2016/2017, implementation of the Plan and Budget experienced some achievements and challenges as follows:-

5.1 Achievements

- a. More than 100 names of the citizen who are involved in drug abuse and trafficking within and outside the country were identified;
- b. The Authority enabled the arrest of several drug dealers and drugs as the meaningful data is shown in the part of Division of Operation;
- c. Four businessmen of drug abuse and trafficking from Zanzibar were arrested;
- d. More reliable and accurate information relating to drug abuse and trafficking were collected;
- e. Conducting press conferences;
- f. Three press conferences have been conducted, to address the effect of drug abuse and
- g. trafficking in our society;
- h. National drug situation report for 2015 was developed and Submitted to the 11th Parliamentary session;

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

5.1 Achievements - Continued

i. Destruction of Cannabis Farms.

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 are grown in any part of the country. In 2016/17 the Authority destroyed 557.9 hectares of cannabis plantations nationwide while in 2015/16, 183.5 hectares of cannabis plantation were destroyed. The table below has shown the mentioned data.

Table 5: Cannabis farms destroyed in the financial year 2016/17

S/NO.	REGION	CASES	NUMBER OF FARMS	HECTARES	SUSPECTS	
					MALE	FEMALE
1	ARUSHA	1	1	5	0	5
2	DODOMA	4	4	12	6	0
3	GEITA	10	10	8.25	12	0
4	KAGERA	29	34	62.75	29	5
5	KATAVI	4	4	2.122	4	0
6	KIGOMA	16	16	13	18	0
7	KILIMANJARO	3	3	5	2	0
8	MANYARA	1	1	1	0	0
9	MBEYA	2	2	1.5	2	0
10	MOROGORO	3	3	26	2	0
11	MTWARA	1	1	0.5	1	0
12	MWANZA	21	9	12.25	8	0
13	NJOMBE	6	5	31	4	0
14	PWANI	3	3	3	1	0
15	RUKWA	33	25	37.25	29	2
16	RUVUMA	9	9	15	9	0
17	SHINYANGA	2	2	1.25	2	1
18	SIMUYU	10	24	64.5	22	0
19	SONGWE	14	14	14.5	14	3
20	TABORA	0	1	0.75	1	0
21	TANGA	3	2	30	2	0
22	TARIME - RORYA	42	49	184	20	8
23	WANAMAJI	8	10	27.25	6	1
	TOTALS	225	232	557.872	194	25

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

5.1 Achievements - Continued

j. Statistics of Suspects Arrests Nationwide

The figures below indicate an increase in the number of drug suspects arrested by 13.45 % and quantity of drugs seized in the year under review as against the previous year. It has been noted that an overall drugs arrested in 2016/17 have increased by 2,203 suspects compared to 2015/16. Appreciable amounts were noticed in the increases the quantity of Mandrax, Cannabis, Cannabis resin and Khat confiscations. The table below shows the mentioned data.

Table 6: The table shows the suspects arrested nationwide

2015/2016				2016/2017			
Types of Drugs	Weight		Suspect	Types of Drugs	Weight		Suspect
	Kgs	Gms			Kgs	Gram	
Cocaine	19		283	Cocaine	16	436.56	247
Heroin	69		347	Heroin	51	268	1,252
Mandrax	0		0	Mandrax	4	0	0
Morphine	0		0	Morphine	0	20	2
Cannabis	22,022		13,319	Cannabis	44,630	672	15,372
Cannabis Resin	0		0	Cannabis Resin	5	0	1
Khat	19,599		2,436	Khat	15,258	816	1,718
Total	41,709		16,385	Total	58,585	213	18,588

- k. Production of IEC materials 5,000 leaflets of five (5) types were produced by June 2017;
- l. Provision of drug prevention education in national events;
- m. Drug prevention education was provided during Youth Week in Simiyu Region, religious leaders including BAKWATA, Uhuru Touch Leaders, SCOUT Tanzania, Government Employee Pension Fund workers, and several Primary and Secondary schools;
- n. Commemoration of International Day against Illicit Drug Trafficking and abuse International Day against Illicit Trafficking in Drugs was commemorated in Dodoma region for three days. Various stakeholders including 30 NGOS were involved in giving education to the society on the effect of drug abuse and trafficking;
- o. Assessment, monitoring and support of NGOs 36 NGOs involved in drug control activities were assessed in three regions namely Dar-es-salaam, Dodoma and Iringa;
- p. Establishment of MAT clinics

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

5.1 Achievements - Continued

- q. A Draft on Stranded Operating Procedures (SOP) for Establishing and Operating Sober houses in Mainland Tanzania was reviewed;
- r. Reviewed partly the approved Drug Control and Enforcement (General) Regulations, GN No.173 of 2016. The exercise is ongoing for the financial 2017/18;
- s. Reviewed partly the DCEA act, No 5 of 2015 and produced the draft. This exercise is ongoing for the financial year 2017/18;
- t. In May 2017 one staff attended the session 26 of the Commission on crime preventions, Criminal Justice whereby so many sessions and parches went learnt from different legal systems and Nations;
- u. Successfully organized the meeting of the national Drug Control Council at Dodoma on the 28th June 2017;
- v. The Authority through the Registrar of Industrial and Consumer chemicals has been able to identify 1,800 companies that are dealing with precursor chemicals countrywide. Inspection exercise for company dealing with precursor chemicals has been conducted in four regions, Dar es Salaam, Mbeya, Iringa, Coast and Morogoro;
- w. The inspection conducted revealed that some companies operate their business contrary to the legal requirement stipulated by the Registrar of chemicals. So far two companies are expected to be charged with illegally possessing 12,800 and 200,000 liters of precursor and common chemicals respectively;
- x. Making follow-ups on transit goods & precursor Chemicals and make sure they go through borders to destination and not remain in the country and
- y. Making scouting for clandestine laboratory. Two premises thought to be clandestine laboratory were inspected and found to be dealing with illegal business of fake minerals whereby 180 kg of fake gold was seized.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

5.2 Authority's Challenges and Wayforward

5.2.1 Challenges

- a. Lack of technical facility equipments for collecting ,analyzing, retrieving and disseminating illicit drugs information;
- b. In adequacy of Motor vehicles for collecting illicit drug information;
- c. Lack of skilled personnel to collect illicit drug information;
- d. Cultivation of cannabis in mountainous and forests areas which are not easily accessible for eradication;
- e. Increase number of people engaging in drug use;
- f. Presence of porous borders which facilitates the trafficking of drugs;
- g. Limited / Lack of knowledge to some of the stakeholders on use of the new law (the Drug Control and Enforcement Act, No. 5 of 2015) and its regulations in particular the application of various forms in the course of gathering evidence;
- h. Limited financial and human resources to carry out planned activities eg. carry out inspection national wide and drug prevention programs, printing IEC materials, supporting NGOs, production and airing of documentaries;
- i. Emerging scenarios during implementations of the drug Control and Enforcement Act;
- j. Some offences have lenient sentences;
- k. Lack of mandate to the Drug Control and Enforcement Authority to perform its functions properly such as powers to freeze bank account related to drug trafficking activities;
- l. Limited knowledge to public on precursor chemicals and what the Act entails and
- m. Not having a laboratory for preliminary testing of drugs and precursors as the law requires.

5.2.2 The way forward:

- a. Training to staff who are responsible for collecting , analyzing, retrieving and disseminating illicit drugs information;
- b. In the financial year 2017/18 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;
- c. New technical facility equipments will be procured in the financial year 2017/18
- d. To conduct sensitization on the prevention of cannabis cultivation especially in areas prone for cannabis cultivation;

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

5.2.2 The way forward: - Continued

- a. To maintain drug control fund;
- b. Educate the public to perceive risk associated with drugs and sensitization of Stakeholders on the use and application of the new law i.e. the Drug Control and Enforcement Act, No 5 of 2015 and its regulations;
- c. Prosecution of Drug cases under directives of DPP;
- d. Soliciting funds from different stakeholders;
- e. Recruitment of Staff and Capacity building to provide them with sufficient knowledge to competently perform the units functions;
- f. To review Act, No 5 of 2015 for purposes of improving the same and address emerging issues;
- g. To review asset recovery related laws and regulations for purposes of improving the same with a view of effectively tracing and confiscating proceeds of drugs. This will be one of the sources of income for implementation of drug control activities;
- h. Through budget and developing partners working tools will be availed;
- i. Awareness training on the Act will be conducted to the public;
- j. Efforts are underway with development partners to establish a Forensic laboratory and
- k. Provide on job training for inspectors and to the laboratory staff.

6.0 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.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

6.0 EMPLOYEE WELFARE Continued

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

6.1 Employee Benefit Plans

Some employees are members of the Public Service Pension Fund (PSPF) and others are members of National Social Security Fund (NSSF) and Local Authority Provident Fund (LAPF). The Authority 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.

6.2 Training Facilities

During the year, the Authority spent a sum of TZS 19.9 million for staff training in order to improve employees' technical skills and effectiveness (2016: TZS 13million). Programs have been, and continue to be, developed to ensure that employees are adequately trained at all levels.

6.3 Medical Scheme

All employees and up to four dependants each 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.

6.4 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.

**STATEMENT BY THE ACCOUNTING OFFICER
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

7.0 GENDER PARITY

The authority had 75 employees in the financial year ended 30th June 2017, (2016: 38 employees), of which 19 were female and 56 were male.

8.0 PREVENTION OF CORRUPT CONDUCTS

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



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

STATEMENT OF MANAGEMENT RESPONSIBILITY FOR THE YEAR ENDED 30th JUNE 2017

The management is responsible for the preparation of these annual Financial Statements ended 30th June, 2017, 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) on 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, 2016 to 30th June, 2017 and the Vote continued to operate in the same manner as in the approved budget for the period to 30th June, 2017. As Financial Statements during the year under review has been prepared based on the vote as was in the previous year provides comparative figures with the actual of the previous year 2015/2016, 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, 2017.

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 2017-continued**

Management is taking responsibility of building confidence to users of these financial statements that they portray the true and fair view 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 entity and will remain a going concern for the next twelve months from the date of these statements.



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

DECLARATION OF THE CHIEF ACCOUNTANT FOR THE YEAR ENDED 30th JUNE 2017

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 the Authority, showing a 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, 2017 have been prepared in compliance with applicable accounting standards and statutory requirements.

Thus, I confirm that the financial statements give a true and fair view position of Drug Control and Enforcement Authority as on 30th June, 2017, that they have been prepared based on properly maintained financial records.

Signed by:

Position: **Chief Accountant**

NBAA Members No: ACPA 1354

30/09/2017

Date

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017.

1.0 INTRODUCTION

The Authority started its operations On Feb 2017 to take all responsibilities of Anti-Drug Commission. The number of a Vote remains the same (091). In the financial year 2016/17 the Authority implemented the budget that was passed by Parliament for Anti-Drug Control Commission (Vote 091). The implementation of 2016/2017 annual budget was based on the main objective of coordinating and promoting the drug control activities.

The implementation of its annual budget was based on the Medium Term Expenditure Framework (MTEF) covering the period of 2015/2016 and 2016/17.

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 2015/2016, to serve for decision making purposes.

2.0 FINANCIAL AND OPERATIONAL OVERVIEW

During the financial year 2016/17, the final approved budget for the Authority was **TZS 2,690,236,000.00**; the Authority had a reallocation between Votes amounting to TZS 350,000,000.00 to support operations activities. The approved budget for other charges was **TZS 2,079,937,000** and **TZS 610,299,000.00** for personal Emolument. The exchequer received during the year was **TZS 2,650,223,970.00** equivalent to 98.51% of the approved budget. The actual expenditure for 2016/17 financial year was **TZS 2,644,508,591.03** compared to **TZS 2,549,703,999.44** for 2015/16. The Actual expenditure for current year was high by **TZS 94,804,591.59** (3.58%), because

- The Treasury released the whole budget for other charges as approved by the Parliament to meet operations activities of the new formed organisation.
- The previous financial year 2015/16 the Treasury release the **TZS 2,550,026,987.00** (64.15%) out of the approved budget of **TZS 3,974,822,000.00**

Table 7: Financial performance for the financial year 2016/2017

ITEM	ACTUAL 2016/17 (TZS)
Total Exchequer issues Received	2,650,223,970.00
Total Expenditure	2,644,508,591.03
Cash Balance	5,715,378.97

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017-Continued

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 2016/17 was TZS 2,650,223,970.00 for recurrent expenditure. Against net approved estimate of TZS 2,690,236,000.00. The exchequer received for previous financial year 2015/16 was TZS 2,550,690,026,987.00

The Exchequer received is about 98.51% of the total approved budget, resulting to variation 1.49% .The recurrent estimates depends on funds collected from internal sources of revenue. This is disclosed in the financial statement pg. 67-68 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 8: Recurrent Exchequer issues received for the past three years.

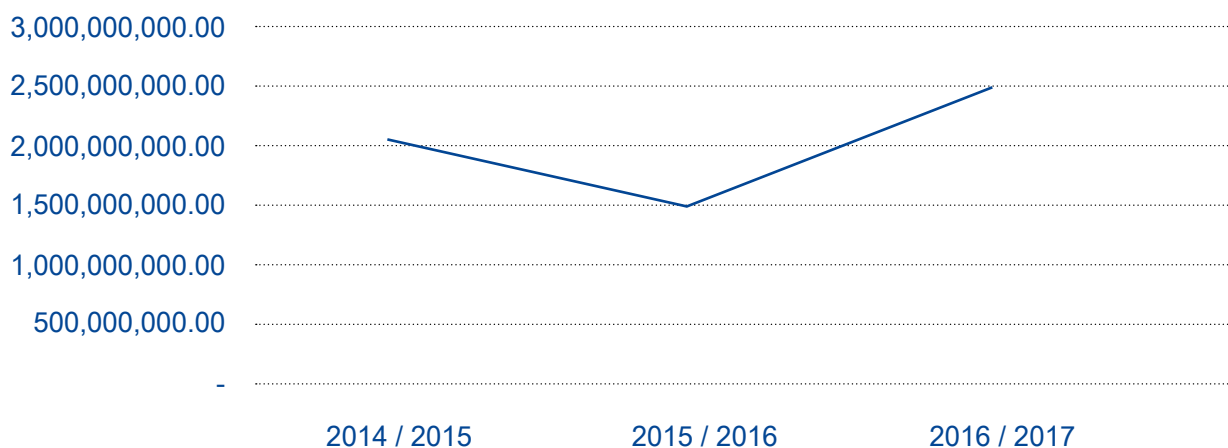
Financial Year	Approved Estimates (TZS)	Actual Released (TZS)	Under Release (TZS)	Percentage
2016/2017	2,690,236,000.00	2,650,223,970.00	(40,012,030.00)	1.49
2015/2016	3,114,011,000.00	1,689,215,987.00	(1,424,795,013.00)	45.75
2014/2015	4,165,862,918.00	2,202,573,557.00	(1,963,289,361.00)	47.13

From the table above it can be noted that, the figure of TZS 40,012,030.00 (under release) equivalent to 1.49% of approved budget for Civil Servant Salary. The authority did not receive the whole budget of salary because on April 2017 there was a rearrangement of staff after the establishment of DCEA's management whereby some staff was transferred to another Ministries, Departments and Government institutions.

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017-Continued

3.1 Exchequer issues received-continued

Figure 1: Trend of the Exchequer Issues Received in the Past Three Financial Years



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 the three consecutive years from 2014/15, 2015/16 and 2016/17.

Table 9: Actual expenditure against exchequer issues received for the past three years.

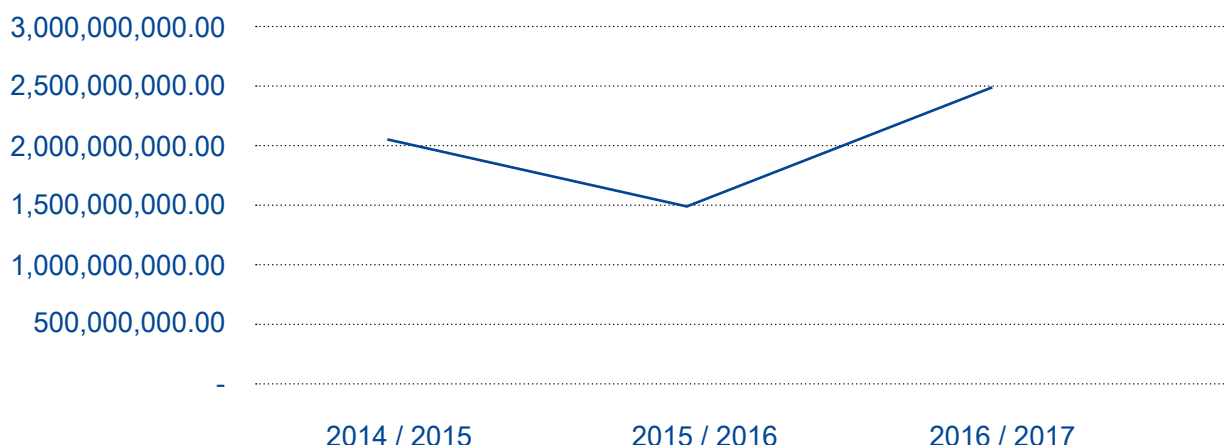
Financial Year	A	B	C	D	E
				(A-B)	(B-C)
	Approved Estimates (TZS)	Exchequer Issues Received (TZS)	Actual Expenditure (TZS)	Under/ Over release (TZS)	Closing balance (TZS)
2016/17	2,690,236,000.00	2,650,223,970.00	2,644,508,591.03	5,715,378.97	5,715,378.97
2015/16	3,114,011,000.00	1,689,215,987.00	1,688,892,999.44	(1,424,795,013.00)	322,987.56
2014/15	4,165,862,918.00	2,202,573,557.00	2,192,656,261.68	(1,963,289,361.00)	9,917,295.32

From the table above it can be noted that, there was a closing balance of TZS 5,715,378.97 in the financial year 2016/17.

COMMENTARY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017-Continued

3.1 Exchequer issues received-continued

Figure 3: Trend Financial Performance 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, Medical and dental refunds, Utilities, sitting allowances etc.

In the financial year 2016/17, the approved budget estimates for Wages, Salaries and Employee Benefits were **TZS 1,234,034,000.00** and the actual expenditure amounted to **TZS 1,135,522,530.73** compared to the last financial year 2015/16 which was **TZS 2,005,431,000.00** for approved estimates and the actual expenditure amounted to **TZS 1,228,883,998.51**. The amount spent increased by **TZS 93,361,467.78 (0.08%)** as compared to the previous financial year 2015/16. This variation was caused by Personal allowances paid for new appointed Commissioners and Commissioner General. This is disclosed in the **note 18** to the financial statements.

5.0 SUPPLIES AND CONSUMABLE GOODS

The approved budget for Supplies and Consumable goods for financial year 2016/17 was **TZS 943,425,062.15** and actual expenditure was **TZS 819,683,414.09**, while during financial year 2015/16 the approved budget was **TZS 1,432,632,000.00** and actual expenditure was **TZS 923,068,149.83**. It's decreased by **TZS 103,384,735.74 (0.12%)** caused by a decrease of budget of the mentioned items in the Financial year 2016/2017. This is disclosed in the **note 20** of the financial statements.

COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017-Continued

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 102,007,800.00** and actual expenditure was **TZS 102,007,800.00**, the whole amount was transferred to Drug Control Fund to facilitated operations activities. While during the financial year 2015/16 the approved budget was **TZS 60,000,000.00** and actual expenditure was **TZS 40,000,000.00**. The current transfers and subsidies increased by **TZS 62,007,800.00 (60.79%)** to enable the DCEA to perform operations on illicit drugs and precursors chemicals. This is disclosed in the **note 21** of the financial statements.

7.0 EXCHEQUER REVENUE

The Authority spent **TZS 2,305,143,488.67** during the financial year 2016/17 as exchequer revenues. That is **1,734,356,518.67** for other charges and **TZS 570,786,970** for personal emoluments compared to the previous financial year 2015/16 amounting to **TZS 2,347,212,332.37**. The mentioned amount was decreased by **TZS 42,068,843.70 (2.0%)** because of reduction of PE. The development partners were not committed to finance the development budget of the Authority. This is disclosed in the **note 36** of the financial statements.

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 2016/17 was **TZS 130,158,000.00** and the actual expenditure was **TZS 130,101,433.77**, while the approved budget for the financial 2015/16 was **TZS 220,727,000.00** and actual expenditure was **TZS 150,016,148.81**. The mentioned item above were decrease by **TZS 19,914,711.04 (0.13%)**. This reduction was caused by decrease of the budget of Authority for Routine Maintenance and Repair. This is disclosed in the **note 40** of the financial statements.

9.0 OTHER EXPENSES

Other payment includes Burial expenses, consultancy fees and specialized equipment supplies. During the Financial year 2016/17 the approved budget was **TZS 19,390,000.00** and the Authority spent **TZS 19,389,304.00**. while the approved budget of the previous financial year of 2015/16 was **TZS 77,270,000.00** and actual expenditure was **TZS 65,650,000.00**. The Authority did not engage consultant because the CDC project was not in operational by the Development Partners which resulted to a decrease by **TZS 46,260,696.00 (238%)**. This is disclosed in the **note 41** of the financial statements.

COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017-Continued

10.0 CASH AND CASH EQUIVALENTS

These are cash balances at end of the financial year it includes bank balances of recurrent and deposit account. During the financial year the cash and cash equivalent was **TZS 230,034,996.92** compared to **TZS 4,319,617.00** of the previous financial year of 2015/16. The increase of the mentioned balance were caused by **TZS 220,000,000.00** deposited into Deposit account for procuring new Motor vehicles that were not procured in the Financial year 2016/17, **TZS 3,996,629.44** was deposit closing balance in the financial year 2015/16 and **TZS 6,038,367.48** was recurrent closing balance. This is disclosed in **note 49** of the financial statements.

11.0 INVENTORIES

The Authority has recorded an inventories amounted to **TZS 22,743,430.00** in the financial year 2016/17 compared to **TZS 20,370,108.00** of the last year 2015/16. The increase was caused by procured office consumable goods at the end of the Financial year 2016/17. This is disclosed in **note 52** and pg. 72 of the financial statements.

12.0 RECEIVABLE

The Authority recorded prepayment amounting to **TZS 27,659,417.00** in the financial year 2016/17 compared to **TZS 6,938,101.87** for the financial year 2015/16. It increased by **TZS 20,721,315.13 (72.96%)**, which is caused by advance payment of Electricity and fuel, this is disclosed in **note 53** of the financial statements.

13.0 PURCHASE/CONSTRUCTION OF PROPERTY, PLANT AND EQUIPMENT

Property, Plant and Equipment principally comprise Buildings, Plant, Vehicles and Furniture and Equipments. The approved budget for acquisition of PPE during the year 2016/17 was **TZS 325,271,000.00** and actual expenditure was **TZS 320,004,297.62** while the approved budget of PPE in the financial year 2015/16 was **TZS 178,762,000.00** and the actual expenditure was **TZS 43,911,632.20**. The Property, Plant and Equipment was **TZS 1,231,942,561.30** in the financial year 2015/16 after deducting accumulated depreciation of **TZS 545,642,083.40** while in financial year 2016/17 was **TZS 1,037,304,901.85** after deducting depreciation amounting to **TZS 153,141,910.16** of the year ended 30th June 2017 and adjustments of PPE balance to remove the CDC assets amounting to **TZS 35,832,438.78**. This is disclosed in the note 59 in the financial statements.

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

14.0 PAYABLES / OUTSTANDING LIABILITIES

An outstanding liability during the financial year 2016/17 was **TZS. 26,410,468.19** compared to TZS **126,455,964.78** for the previous financial year 2015/16. The decrease of liabilities was caused by payment of previous outstanding matters. This is disclosed in **note 64** and **pg. 71** in the financial statements.

15.0 RECURRENT DEFERRED INCOME

The Recurrent Deferred Income comprises inventories, Prepayment and the unspent balance at the end of financial year. In the current financial year the item recorded an amount of TZS 56,441,214.48 compared to previous financial year 2015/16 where it was increased by TZS 27,631,197.43. This variation was due to an increase of the amount of Prepayments and unspent balance as shown in the table below.

Table 10: Recurrent Deferred Income

S/NO.	DESCRIPTION	2016/17	2015/16	VARIATION
		TZS	TZS	TZS
1.	Inventories	22,743,430.00	20,370,108.00	2,373,322.00
2.	Receivables	27,659,417.00	6,938,101.87	20,721,315.13
3.	Unspent balance	6,038,367.48 ¹	322,987.56	5,715,378.97

The Deferred income amounting to TZS 27,308,209.90 which comprised Inventories and prepayments was expensed in the financial year 2016/17 except for unspent balance amounting to TZS 322,987.56. This also is disclosed in note 71 of this financial statement.

16.0 TAXPAYERS FUNDS

The taxpayer's fund during the financial year 2016/17 was **TZS 2,060,891,099.33** compared to the last financial year of 2015/16 amounted to **TZS 2,096,723,538.11**. It was decreased by **TZS 35,832,438.78** because the Authority removed the CDC assets such as furniture and equipment, Computers and photocopiers, kitchen appliances and TV from the list of Authority PPE. This is disclosed in the **note 90** in the financial statements.

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 2017-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 2016/17 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 2017.

19.0 PAYMENT BY THIRD PARTIES

The Authority did not receive cash or any other payment by third parties throughout the financial year and also in the last financial year 2016/17.

20.0 DEPRECIATION EXPENSES

The Authority charged depreciation amounting to **TZS 153,141,910.16** on office equipments, Plant and Machinery, Furniture and Fixtures, Motor vehicles and operational building as required by IPSAS 17 Property, Plant and Equipment. This is disclosed in the note 43 in this financial statement.

21.0 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 2016/17 amounted to **TZS 174,395,000.00** compared to last financial year 2015/16 amounted to **TZS 138,200,000.00**; The mentioned amount increased by **TZS 36,195,000.00 (26.19%)**, because of On February 2017 the President of URT appointed Commissioner General and Three Commissioner to start new formed organisation. This is disclosed in the **pg. 59** Schedule of Related Party Transactions for financial year 2016/17.

**COMMENTARY ON THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017-Continued**

22.0 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 2017 the balance of funds in the deposit account amounted to TZS 220,000,000.00

23.0 LOSSES

During the Financial year 2016/17 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 2017 no payments were made to political and charitable organizations.

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. 6 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

30/09/2017

Date



Launching of MAT Clinic at Sekou Toure Hospital, Mwanza



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 2017

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 ,2017 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, 2017 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.

INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL FOR THE YEAR ENDED 30th JUNE 2017-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 2017-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 2011 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 2013.


Prof. Mussa Juma Assad
CONTROLLER AND AUDITOR GENERAL

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



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DCEA Commissioner General Presenting 2017 Drug Report to the National Drug Council, chaired by Prime Minister Hon. Kassim Majaliwa in Dodoma.



THE FINANCIAL STATEMENTS

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30th June 2017**

		TZS 2017	TZS 2016
	NOTE		
ASSETS			
Current Assets			
Cash and Cash Equivalents	49	230,034,996.92	4,319,617.00
Receivables	51	27,659,417.00	0.00
Inventories	52	22,743,430.00	20,370,108.00
Prepayments	53	0.00	6,938,101.87
Total Current Assets		280,437,843.92	31,627,826.87
Non-Current Assets			
Property, Plant and Equipment	59	1,037,304,901.85	1,231,942,561.30
Total Non-Current Assets		1,037,304,901.85	1,231,942,561.30
TOTAL ASSETS		1,317,742,745.77	1,263,570,388.17
LIABILITIES			
Current Liabilities			
Payables	64	26,410,468.19	126,455,964.78
Recurrent Deferred Income	71	56,441,214.48	27,631,197.43
Deposits	72	223,996,629.44	3,996,629.44
Total Current Liabilities		306,848,312.11	158,083,791.65
TOTAL LIABILITIES		306,848,312.11	158,083,791.65
Net Assets		1,010,894,433.66	1,105,486,596.52
NET ASSETS/EQUITY			
Capital contributed by:			
Taxpayers Funds	90	2,060,891,099.33	2,096,723,538.11
Accumulated surpluses/(deficits)		(1,049,996,665.67)	(991,236,941.59)
TOTAL NET ASSETS/EQUITY		1,010,894,433.66	1,105,486,596.52



Rogers W. Siyanga
Accounting Officer


30/09/2017

Date

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th June 2017**

(Classification of Expense by Nature)

		<u>2017</u>	<u>2016</u>
	NOTE	TZS	TZS
REVENUE			
Exchequer Revenue	36	2,301,086,668.67	2,347,212,332.37
TOTAL REVENUE		<u>2,301,086,668.67</u>	<u>2,347,212,332.37</u>
EXPENSES AND TRANSFERS			
Expenses			
Wages,Salaries and Employee Benefits	18	1,135,522,530.73	1,228,883,998.51
Supplies and Consumable Goods	20	819,683,414.09	923,068,149.83
Current Grants,Transfers and Subsidies	21	102,007,800.00	40,000,000.00
Routine Maintenance and Repair	40	130,101,433.77	150,016,148.81
Other Expenses	41	19,389,304.00	65,650,000.00
Depreciation and amortization expense	43	153,141,910.16	137,499,358.35
TOTAL Expenses		<u>2,359,846,392.75</u>	<u>2,545,117,655.50</u>
TOTAL EXPENSES AND TRANSFERS		<u>2,359,846,392.75</u>	<u>2,545,117,655.50</u>
Deficit for the period		<u>(58,759,724.08)</u>	<u>(197,905,323.13)</u>


Rogers W. Siyanga
Accounting Officer

30/09/2017
Date

**STATEMENT OF CHANGES IN NET ASSET/EQUITY
FOR THE YEAR ENDED 30th June, 2017**

	Tax Payer's Fund TZS	Revaluation Surplus TZS	Accumulated Surplus/(Deficit) TZS	Total TZS
Opening balance as 01st July, 2016	2,096,723,538.11	0.00	(991,236,941.59)	1,105,486,596.52
Capital Fund Received	320,004,297.62	-	-	320,004,297.62
Adjustment of Acc. Depreciation for previous years	(355,836,736.40)	-	0.00	(355,836,736.40)
Suplus/(Deficit) during the year	-	-	(58,759,724.08)	(58,759,724.08)
Closing Balance at 30 th June, 2017	<u>2,060,891,099.33</u>	<u>0.00</u>	<u>(1,049,996,665.67)</u>	<u>1,010,894,433.66</u>
Opening balance as 01st July, 2015	1,894,818,834.64	0.00	(385,188,893.41)	1,509,629,941.23
Capital Fund Received	43,911,632.20	-	-	43,911,632.20
Adjustment of Taxpayers fund	157,993,071.27	-	0.00	157,993,071.27
Adjustment of Acc. Depreciation for previous years	-	-	(408,142,725.05)	(408,142,725.05)
Suplus/ (Deficit) during the year	-	-	(197,905,323.13)	(197,905,323.13)
Closing Balance at 30 th June, 2016	<u>2,096,723,538.11</u>	<u>0.00</u>	<u>(991,236,941.59)</u>	<u>1,105,486,596.52</u>



Rogers W. Siyanga
Accounting Officer

30/09/2017
Date

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30th June 2017

	2017	2016
	TZS	TZS
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Exchequer Issues	2,650,223,970.90	2,550,026,987.00
Other Receipts	220,000,000.00	7,690,000.00
TOTAL RECEIPTS	2,870,223,970.90	2,557,716,987.00
PAYMENTS		
Wages, Salaries and Employee Benefits	1,135,776,121.89	1,359,179,326.77
Supplies and Consumable Goods	943,425,062.15	912,917,147.42
Current Grants, Transfers and Subsidies	102,007,800.00	40,000,000.00
Other Payments	0.00	30,356,265.00
Routine Maintenance and Repair	123,906,005.37	128,045,893.05
Other Expenses	19,389,304.00	65,650,000.00
TOTAL PAYMENTS	2,324,504,293.41	2,536,148,632.24
Net Cash Flow From Operating Activities	545,719,677.49	21,568,354.76
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase/Construction of Non-Current Assets	320,004,297.62	43,911,632.20
Purchase of Intangible Assets	0.00	0.00
Net Cash Flow From Investing Activities	320,004,297.62	43,911,632.20
CASH FLOW FROM FINANCING ACTIVITIES		
Interest Payment	0.00	0.00
Repayment of Principal	0.00	0.00
Proceeds from borrowing	0.00	0.00
Net Cash Flow From Financing Activities	0.00	0.00
Net increase/(decrease) in cash and cash equivalent	225,715,379.87	(22,343,277.44)
Cash to be Surrendered to Holding Account	0.00	0.00
Cash to be Surrendered to PMG	0.00	9,948,322.28
Cash and cash equivalents at beginning of period	4,319,617.05	36,611,216.77
Cash and cash equivalents at end of Period	230,034,996.92	4,319,617.05



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date



STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR ENDED 30th JUNE, 2017

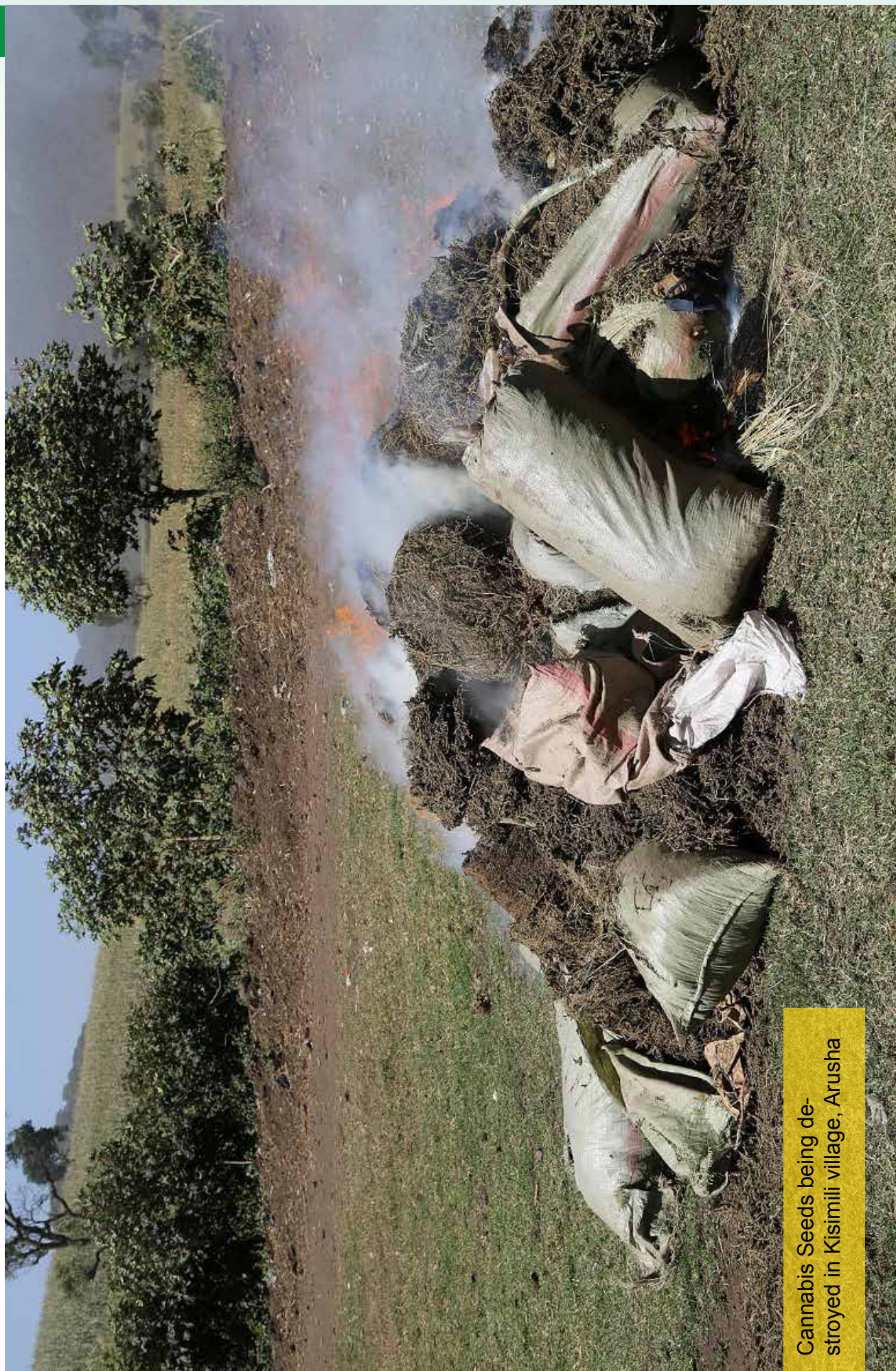
Budget Approval on Cash Basis (Classification of Payments by Nature)

	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	2,340,236,000.00		350,000,000.00		2,690,236,000.00		2,650,223,970.90		40,012,029.10	
TOTAL RECEIPTS	2,340,236,000.00		350,000,000.00		2,690,236,000.00		2,650,223,970.90		40,012,029.10	
PAYMENTS										
Operations										
Wages, Salaries and Employee Benefits	1,134,954,000.00		99,080,000.00		1,234,034,000.00		1,135,776,121.89		98,257,878.11	
Supplies and Consumable Goods	855,266,200.00		24,109,000.00		879,375,200.00		943,425,062.15		(64,049,862.15)	
Routine Maintenance and Repair	111,008,000.00		19,150,000.00		130,158,000.00		123,906,005.37		6,251,994.63	
Other Expenses	25,500,000.00		(6,110,000.00)		19,390,000.00		19,389,304.00		696.00	
Transfers										
Current Grants, Transfers and Subsidies	56,007,800.00		46,000,000.00		102,007,800.00		102,007,800.00		0.00	
Capital Expenditures										
Purchase/Construction of Non-Current Assets	157,500,000.00		167,771,000.00		325,271,000.00		320,004,297.62		5,266,702.38	
TOTAL PAYMENTS	2,340,236,000.00		350,000,000.00		2,690,236,000.00		2,644,508,591.03		45,727,408.97	
NET RECEIPTS/PAYMENTS	0.00		0.00		0.00		5,715,379.87		(5,715,379.87)	

Rogers W. Siyanga
Accounting Officer

30/09/2017

Date



Cannabis Seeds being destroyed in Kisimili village, Arusha

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017

1.0 INTRODUCTION

According to IPSAS 1 Presentation of Financial of 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 not consistent. It start with note 1 up to 11 then will jump to note 18, 20, 21, 40, 41 etc, these numbers are not consistent and in ascending order according to the requirement of IPSAS 1, 2 and 3, because the whole Government used Epicor accounting system which gather all planned activities of the Government of Tanzania. Some planned activities and GFS codes are not applicable to this entity (DCEA).

2.0 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

i. 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 2017.

ii. 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:-

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

3.0 AUTHORIZATION DATE

The Financial Statements were authorized for issue on 11 April 2018 by:



Rogers W. Siyanga
Accounting Officer

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - 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. Which its 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

According to IPSAS 1 the DCEA is not the GCE because has no features of GCE's such as: - power to contract in its own name; has been assigned the financial and operational authority 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).

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, 2017 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, 2016 to 30th June 2017.**

b. 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 2017 was **TZS 2,204.75**

c. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

6.0 Summary of significant accounting policies-continued

d. 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.

e. 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.

f. 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.

g. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

6.0 Summary of significant accounting policies-continued

h. 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.

i. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017

Summary of significant accounting policies-continued

i. Property, plant and equipment - continued

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:

The Government has 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

▪ 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 Depreciation Per Annum
Leasehold land	Unlimited useful life	0%
Buildings	25 Years	4%
Plant and machinery	10 Years	20%
Motor vehicles	5 Years	10%
Furniture and fittings	10 Years	20%
Office Equipments	5 Years	10%

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),

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Summary of significant accounting policies-continued

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. Related Party Transactions

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

▪ 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 after the President of URT appointed the Commissioner General and Commissioners. The Authority have the powers to arrest, search, and seizure and investigate on drug related matters. The Authority receive administration direction from Permanent Secretary Prime Minister’s Office

▪ 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.

m. 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.

n. 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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Summary of significant accounting policies-continued

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.

o. Deferred Income Capital

This relates to capital grant received in which the related expenditure have not been incurred, therefore the amount has been deferred to the next financial period. Grants received in monetary form for capital expenditure are recognized as deferred income capital in the statement of Financial position and are released to the statement of performance during the useful life of the respective non-monetary assets, 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.

p. 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 2017 - 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 59 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

8.0 NEW AND 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 33: First-time Adoption of Accrual-Basis IPSAS (Effective 1 January 2017)
- b. IPSAS 34 Separate Financial Statements (Effective 1 January 2017)
- c. IPSAS 35: Consolidated Financial Statements (Effective 1 January 2017)
- d. IPSAS 36: Investments in Associates and Joint Ventures (Effective 1 January 2017)
- e. IPSAS 37: Joint Arrangements (Effective 1 January 2017)
- f. IPSAS 38: Disclosure of Interests in Other Entities (Effective 1 January 2017)

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.

- a. **IPSAS 39 – Employment Benefits: Presentation** – This Standard is effective for annual financial statements covering periods beginning on or after January 1, 2018. The Authority is currently assessing the impact of the standard.
- b. **IPSAS 40 – Public Sector Combinations** – This Standard is effective for annual financial statements covering periods beginning on or after January 1, 2019. The Authority is currently assessing the impact of the standard.
- c. **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 Authority is currently assessing the impact of the standard.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

10.0 RISKS MANAGEMENT

The Drug Control and Enforcement 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.

b. Political Rnvironment 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.

d. Operational risk

This is a risk resulting from the Authority's activities not being conducted in accordance with formally recognized procedures. Management ensures that the Authority complies with internal policies and procedures.

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

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 2015 to 30 June 2017 as for the financial statements. The original budget was approved by legislative on May, 2016. In accordance of IPSAS 24.

During the financial year 2016/17, the original approved budget was TZS 2,340,236,000.00 and the Authority had the reallocation between Votes amounting to TZS 350,000,000.00 to support operations activities and acquisition of one Motor vehicle, which enabled to arrive at a final budget of TZS 2,690,236,000.00. The approved budget for other charges in the Financial 2016/17 was TZS 2,079,937,000 and TZS 610,299,000.00 for personal Emolument.

The approved budget for the financial year 2015/16 was TZS 3,974,822,000.00, hence in the financial year 2016/17 the budget decreased by **TZS 1,284,586,000.00 (47.75%)** this decrease variation was caused by the Developed Partners who changed focus for not supporting CDC project.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017 - Continued

	2017	2016
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 18 - Wages,Salaries and Employee Benefits		
Acting Allowance	1,000,000.00	0.00
Civil Servants	570,786,970.00	627,467,680.00
Court Attire Allowance	1,200,000.00	0.00
Electricity	24,300,000.00	7,314,000.00
Extra-Duty	79,035,000.00	149,385,000.00
Food and Refreshment	1,200,000.00	2,798,000.00
Honoraria	8,000,000.00	22,130,000.00
Housing Allowance	7,500,000.00	8,586,890.09
Leave Travel	12,789,000.00	9,694,000.00
Outfit Allowance	30,000.00	300,000.00
Responsibility Allowance	0.00	104,491,000.00
Risk Allowance	128,500,000.00	3,749,680.68
Sitting Allowance	34,600,000.00	72,860,000.00
Special Allowance	255,841,560.73	207,809,326.00
Telephone	10,740,000.00	10,735,000.00
Unpaid Housing Allowance	0.00	600,000.00
Unpaid Staff Claims	0.00	963,421.74
Total	1,135,522,530.73	1,228,883,998.51

Note 20 - Supplies and Consumable Goods

Advertising and Publication	3,000,000.00	1,273,457.00
Air Travel Tickets	32,827,500.00	2,525,000.00
Cleaning Material	0.00	3,739,666.66
Computer Supplies and Accessories	6,282,104.00	59,828,100.00
Conference Facilities	0.00	71,500,000.00
Consumables	20,370,108.00	18,597,700.00
Consumable Medical Supplies	0.00	21,549,000.00
Courier Services	600,000.00	285,000.00
Diesel	92,932,567.58	65,017,097.86
Electricity	7,720,000.00	25,634,320.00
Entertainment	6,500,000.00	12,000,000.00
Exhibition,Festivals and Celebrations	0.00	9,850,000.00
Food and Refreshments	49,930,636.00	44,299,400.00
Fuels Spare Parts and Tyres	0.00	5,009,840.00
Fumigation	2,000,000.00	0.00
Gifts and Prizes	42,000,000.00	53,398,216.06
Ground Transport (Bus, Train, Water)	780,000.00	0.00

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017 - Continued

	2017	2016
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Ground travel (bus, railway taxi, etc)	56,410,254.69	145,515,030.00
Internet and Email connections	0.00	1,350,000.00
Laboratory Supplies	0.00	8,304,000.00
Newspapers and Magazines	50,334.00	8,399,936.00
Office Consumables	24,956,488.82	59,447,527.11
Outsourcing Costs	35,841,952.00	29,440,148.80
Per Diem - Domestic	314,328,554.91	156,188,607.34
Per Diem - Foreign	36,189,569.96	4,225,760.96
Pre Payment of GPSA	6,938,101.87	0.00
Printing and Photocopying Costs	10,585,000.00	3,712,000.00
Printing Material	17,200,000.00	18,872,048.00
Programs Transmission Fees	8,400,000.00	0.00
Research and Dissertation	3,800,000.00	3,985,000.00
Sewage Charges	219,966.66	1,200,000.00
Subscription Fees	1,847,102.00	8,833,900.00
Telephone Charges (Land Lines)	8,000,000.00	8,478,273.44
Training Materials	5,000,000.00	11,250,000.00
Tuition Fees	24,900,000.00	22,218,500.00
Unpaid Consumables	0.00	23,976,164.00
Unpaid Per Diems - Domestic	0.00	3,671,099.92
Unpaid Printing and Photocopying	0.00	5,137,500.00
Unpaid Telephone Charges(Land Lines)	377,850.30	0.00
Unpaid Water	0.00	347,856.70
Water Charges	3,752,143.30	2,999,999.98
Wire, Wireless, Telephone, Telex	0.00	1,008,000.00
Total	819,683,414.09	923,068,149.83
Note 21 - Current Grants, Transfers and Subsidies		
Drug Control Fund	102,007,800.00	40,000,000.00
Total	102,007,800.00	40,000,000.00
Note 36 - Exchequer Revenue		
Development Exchequer Received	0.00	826,394,000.00
Recurrent Exchequer Received-OC	1,730,299,698.67	893,350,652.37
Recurrent Exchequer Received-PE	570,786,970.00	627,467,680.00
Total	2,301,086,668.67	2,347,212,332.37

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017 - Continued

	2017	2016
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 40 - Routine Maintenance and Repair		
Air conditioners	0.00	1,500,000.00
Computers & other computer related	11,000,000.00	8,507,500.00
Direct Labour (contract,casual hire)	25,150,000.00	7,913,000.00
Fire Protection Equipment	0.00	708,000.00
Motor Vehicles and Water Craft	8,000,000.00	26,018,627.28
Outsource Maintenance Contract	0.00	56,744,000.00
Panel &shop repair materials & services	55,800,000.00	19,239,545.77
Small tools and equipment	208,000.00	0.00
Spare Parts	23,748,005.37	7,415,220.00
Unpaid Computer and other Computer related equip	1,510,000.00	4,817,896.00
Unpaid Motor Vehicle and Water Craft	4,685,428.40	17,152,359.76
Total	130,101,433.77	150,016,148.81
Note 41 - Other Expenses		
Burial Expenses	3,489,304.00	4,000,000.00
Consultancy Fees	9,000,000.00	61,650,000.00
Specialized Equipment and Supplies	6,900,000.00	0.00
Total	19,389,304.00	65,650,000.00
Note 43 - Depreciation and amortization expense		
Deprecion of Office Equipments	39,463,606.00	26,753,905.75
Deprecion of Plant and Machinery	2,312,960.00	2,312,960.00
Depreciation of Furniture and Fixtures	13,480,759.16	12,698,420.00
Depreciation of Motor Vehicle	60,943,827.00	60,943,826.80
Depreciation of Operational Building	36,940,758.00	34,790,245.80
Total	153,141,910.16	137,499,358.35
Note 49 - Cash and Cash Equivalents		
Ep.9.CPS Misc.Deposit	223,996,629.44	3,996,629.44
Ep.9.CPS Recuee.Expend.Electronic	6,038,367.48	322,987.56
Total	230,034,996.92	4,319,617.00
Note 51 -Receivables		
Receivables	27,659,417.00	0.00
Total	27,659,417.00	0.00

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017 - Continued

	2017	2016
	Actual Receipts/Expenditure	Actual Receipts/Expenditure
	TZS	TZS
Note 52 - Inventories		
Consumables	7,199,320.00	20,370,108.00
Fuels Spare Parts and Tyres	2,304,810.00	0.00
Stationery	13,239,300.00	
Total	22,743,430.00	20,370,108.00
Note 59 - Property, Plant and Equipment		
Acc Depreciation of Furniture and	(63,613,639.16)	(50,132,880.00)
Acc Depreciation of Motor Vehicle	(304,719,134.20)	(243,775,307.20)
Acc Depreciation of Office Equipment	(142,784,679.00)	(103,321,073.00)
Acc Depreciation of Operational Building	(176,101,741.20)	(139,160,983.20)
Acc Depreciation of Plant and	(11,564,800.00)	(9,251,840.00)
Beds, Desks, Shelves, Tables& Chairs	0.00	24,822,597.00
Bicycles	0.00	72,000.00
Computers and Photocopiers	0.42	61,466,700.00
Computers Equipment	0.00	13,249,636.00
Fire Fighting Equipments	0.00	830,840.00
Four Wheel Drive Vehicles	0.00	69,000,000.00
Furniture and Fittings	139,867,793.00	101,083,090.00
Hospitals	0.00	73,600,000.00
Kitchen Appliances,Utencils & Crockery	0.00	5,772,785.20
Land	198,000,000.00	0.00
Motor Vehicles	304,719,134.00	304,719,134.00
Office Equipments	189,051,423.00	78,987,787.00
Office Res.Furniture,Fittings and	0.00	(42,880,740.00)
Operational Buildings	869,756,144.99	794,767,308.00
Other Asset	0.00	(902,840.00)
Plant Machinery and Equipment	0.00	(305,600.00)
Plant machinery and equipments	34,694,400.00	35,000,000.00
Printers and Scanners	0.00	4,150,300.00
Public Buildings	0.00	253,151,647.50
TV and Radios	0.00	1,000,000.00
Total	1,037,304,901.85	1,231,942,561.30
Note 64 - Payables		
Construction WIP	19,837,189.49	0.00
Staff Claims	0.00	71,391,099.92
Supplies of Goods/Services	6,573,278.70	55,064,864.86
Total	26,410,468.19	126,455,964.78

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Note 71 - Recurrent Deferred Income

Balance at the Beginning of the year	27,631,197.43	33,852,499.14
Exchequer received during the year		2,550,026,987.00
Less: Transfer to Capital Grant (For Capital Grant)	(320,004,297.42)	(209,035,957.34)
Less: Transfer for Retention, Government Finance and others	(322,987.76)	0.00
	2,357,527,883.15	2,374,843,528.80
Amount utilised/incurred during the year for revenue exp	(2,301,086,668.67)	(2,347,212,331.37)

Total	56,441,214.48	27,631,197.43
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Note 72 - Deposits

Ep.9.CPS Misc.Deposit	223,996,629.44	3,996,629.44
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Total	223,996,629.44	3,996,629.44
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Note 90 - Taxpayers Funds

Tax Payers Fund	1,282,247,788.00	1,282,247,788.00
Tax Payers Fund Adjustment	(34,397,015.99)	321,439,720.41
Asset Adjustment	813,040,326.90	0.00
Beds, Desks, Shelves, Tables& Chairs	0.00	24,822,597.00
Bicycles	0.00	72,000.00
Computers and Photocopiers	0.42	61,466,700.00
Four Wheel Drive Vehicles	0.00	69,000,000.00
Hospitals	0.00	73,600,000.00
Kitchen Appliances, Utencils & Crockery	0.00	5,772,785.20
Printers and Scanners	0.00	4,150,300.00
Public Buildings	0.00	253,151,647.50
TV and Radios	0.00	1,000,000.00

Total	2,060,891,099.33	2,096,723,538.11
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Note 91 - Related Party Disclosure

Key management Personnel

Key Management Personnel are those having Authority and Responsibility for planning, directing and controlling the activities of the Authority.

Remuneration;

Salaries of Key Management Personnel are drawn as per Government circulars and their letters of appointment. Benefits drawn by Key Management Personnel includes electricity, telephone and housing allowances which are paid monthly according to Government circulars.

	2016/2017 (TZS)	2015/2016 (TZS)
Aggregate Remuneration drawn was	174,395,000.00	130,200,000.00
Number of persons	8 persons	3 persons
Description	Amounts	Amounts
Salaries	145,900,000.00	113,800,000.00
Housing allowance	7,200,000.00	9,600,000.00
Electricity	10,265,000.00	8,000,000.00
Telephone	11,030,000.00	6,800,000.00
Totals	174,395,000.00	138,200,000.00
NUMBER OF EMPLOYEES	75	38

Note 92 - 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 units of a authority, which they can use as the basis for decisions related to the Authority. The nature of Authority means it does not have separate reportable segments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Note 93 - 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 are no known material contingencies at 30th June 2017 and is governed by IPSAS 19.

Note 94 - 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 2017 there were no any material contingencies. This is governed by IPSAS 19.

Note 95 - 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 2016/17.

Note 96 - Property. Plant

DESCRIPTION	Cost/Revaluation						
	At 01 July 2016	Additions (monetary)	Additions (non-monetary)	Transfers	Adjustments of PPE	Disposal	At 30 June 2017
	TZS	TZS	TZS	TZS	TZS	TZS	TZS
30 JUNE 2017							
Leasehold Land	198,000,000						198,000,000
Buildings - Office	784,357,973				(53,762,811)		730,595,162
Motor Vehicles	129,943,827			69,000,000	-		60,943,827
Motor Cycle							-
Plant & Machinery	25,442,560						25,442,560
Office Equipments	54,533,350	17,215,303			13,975,697		85,730,350
Furniture & Fittings	39,664,852	82,785,995			(32,715,934)		89,734,913
Totals	1,231,942,562	100,004,298	-	69,000,000	(72,500,048)	-	1,190,446,811

Note 96 - Property. Plant

DESCRIPTION	Cost/Revaluation					
	At 01 July 2015	Additions (monetary)	Additions (non-monetary)	Transfers	Revaluation adjustments	Disposal
	TZS	TZS	TZS	TZS	TZS	TZS
30 JUNE 2016						
Leasehold Land	198,000,000					198,000,000
Buildings	596,767,308	326,751,648				923,518,956
Motor Vehicles	304,719,134	69,000,000				373,719,134
Plant & Machinery	34,694,400					34,694,400
Computer Equipments	120,479,423	37,375,000				157,854,423
Furniture & Fittings	83,261,100	6,536,632				89,797,732
Totals	1,337,921,365	439,663,280	-	-	-	1,777,584,645

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Note 96 - Property, Plant and Equipment -Continued

Disclosures

- i. All Property, Plant and Equipments of the Authority have been reported at historical Costs;
- ii. No item of Property, Plant and Equipment was temporarily idle or not in use as at 30 June 2017;
- iii. Also includes **TZS 272,837,189.49** of Anti-Drug Unit of Police buildings to store illicit drugs located at Kurasini;
- iv. At the date of acquisition, the fair values of assets were considered to be equal to their carrying amount;
- v. No Authority's assets were put under collateral security
- vi. Assets amounting to **TZS 100,004,298.00** were not charged depreciation at the end of 30th June 2017, because they were acquired on 28th June 2017;
- vii. The Authority received **TZS 220,000,000.00** to procure motor Vehicles, but the mentioned fund was transferred to Deposit account, because the procurement procedures were not completed at the end of the year. The mentioned amount reflected in Cash flow statement as purchase /construction of non-current Assets;
- viii. Accumulated surpluses / deficits
- ix. The accumulated surpluses / Deficits have been increased from TZS 991,236,941.59 to TZS 1,049,996,665.67 because of depreciation adjustments from the financial 2012/13 up to the financial year 2016/17 of PPE which have been done in the current year;
- x. Accumulated depreciation

The depreciation charge in the financial year 2016/17 was TZS 153,141,910.16 while in the financial year 2015/16 was TZS 137,499,358.35. It has increased by TZS 15,642,551.81 due to procured of new assets in the class of Office equipments, furniture and fixtures. This is shown below:-

Table 11: Depreciation charged during the year.

S/NO.	Asset Clasification	2016/17	2015/16
		TZS	TZS
i.	Office Equipments	39,463,606.00	26,753,905.75
ii.	Plant and machinery	2,312,960.00	2,312,960.00
iii.	Furniture and Fixtures	13,480,759.16	12,698,420.00
iv.	Motor Vehicles	60,943,827.00	60,943,826.80
v	Operational Building	36,940,758.00	34,790,245.80
		153,141,910.16	137,499,358.35

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE 2017 - Continued

Note 96 - Property, Plant and Equipment -Continued

Disclosures-Continued

xi. Carrying amount of PPE.

The carrying amount of PPE in the Financial 2015/16 was TZS 1,231,942,561.30 after deducting the value of accumulated depreciation amounting to TZS 545,642,083. While in the financial year 2016/17 was TZS 1,037,304,901.85 after deducting depreciation of TZS 698,783,993.56 and transfer adjustment of CDC items;

xii. Depreciation expense charged for 2015/16

During the Financial 2015/16 the amount of depreciation charged to all class of PPE was TZS 137,499,358.35 and the value for accumulated depreciation was TZS 545,642,083.40;

In the Financial year 2016/17 The Authority received motor vehicles form different organizations which we do not know the costs, year of acquisitions and their values. Therefore are appending for revaluation for next financial year 2017/18.

Table 12: List of Motor Vehicles received during the year 2016/17.

S/NA.	DESSCRPTION	MODEL
i.	TOYOTA	CROWN
ii.	TOYOTA	L/C PRADO
iii.	TOYOTA	IPSUM
iv.	TOYOTA	L/C V8
v	TOYOTA	NOAH
vi.	TOYOTA	RAUM
vii.	NISSAN	SERENA
viii.	TOYOTA	L/C HARD TOP



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date



The Commissioner General Held a Meeting with NGO's Leaders at DCEA Headquarters



SUPPLIMENTARY INFORMATION

**STATEMENT OF FINANCIAL APPROPRIATION
FOR THE YEAR ENDED 30th JUNE 2017**

STATEMENT OF APPROPRIATION ACCOUNT RECURRENT FOR THE YEAR ENDED 30th JUNE 2017

Sub Vote Code	Description	2016/2017			2015/2016 Actual Expenditure 'June 2016 4
		Budget 1	Actual Expenditure 2	Variance 3=(1-2)	
		TZS.	TZS.	TZS.	TZS.
1001	Recurrent	2,690,236,000.00	2,644,508,591.03	45,727,408.97	1,688,892,999.44
TOTAL		2,690,236,000.00	2,644,508,591.03	45,727,408.97	1,688,892,999.44

STATEMENT OF APPROPRIATION ACCOUNT DEVELOPMENT FOR THE YEAR ENDED 30th JUNE 2017

Sub Vote Code	Description	2016/2017			2015/2016 Actual Expenditure 'June 2016 4
		Budget 1	Actual Expenditure 2	Variance 3=(1-2)	
1001	Development	0.00	0.00	0.00	860,811,000.00
TOTAL		0.00	0.00	0.00	860,811,000.00



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF VOTE ACCOUNT
FOR THE YEAR ENDED 30th JUNE, 2017**

Description	2016/2017			2015/2016		
	Recurrent TZS	Development TZS	Total TZS	Recurrent TZS	Development TZS	Total TZS
Original Approved Estimates	2,340,236,000.00	0.00	2,340,236,000.00	3,114,011,000.00	860,811,000.00	3,974,822,000.00
Add: Reallocation Warrant	350,000,000.00	0.00	350,000,000.00	0.00	0.00	0.00
Net Approved Estimates	2,690,236,000.00	0.00	2,690,236,000.00	3,114,011,000.00	860,811,000.00	3,974,822,000.00
Issues during the year	2,650,223,970.00	0.00	2,650,223,970.00	1,689,215,987.00	860,811,000.00	2,550,026,987.00
Net Expenditure	2,644,508,591.03	0.00	2,644,508,591.03	1,688,892,999.44	860,811,000.00	2,549,703,999.44
Unutilised Budget	45,727,408.97	0.00	45,727,408.97	1,425,118,000.56	0.00	1,425,118,000.56
Unutilised issues	5,715,378.97	0.00	5,715,378.97	322,987.56	0.00	322,987.56
Represented by:	5,715,378.97					
cash in hand with PMG	5,715,378.97	0.00	5,715,378.97	322,987.56	0.00	322,987.56
Balance in Hand with PMG	5,715,378.97	0.00	5,715,378.97	322,987.56	0.00	322,987.56



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT - RECURRENT
FOR THE YEAR ENDED 30th JUNE, 2017**

	Original Budget	Budgeted Amounts Reallocations/ Adjustment(s)	Final Budget	Actual Amounts on Difference: Comparable Basis Final Budget and Actual	
	TZS	TZS	TZS	TZS	TZS
RECEIPTS					
Exchequer Issues	2,340,236,000.00	350,000,000.00	2,690,236,000.00	2,650,223,970.90	40,012,029.10
TOTAL RECEIPTS	2,340,236,000.00	350,000,000.00	2,690,236,000.00	2,650,223,970.90	40,012,029.10
PAYMENTS					
Operations					
Wages, Salaries and Employee Benefits	1,134,954,000.00	99,080,000.00	1,234,034,000.00	1,135,776,121.89	98,257,878.11
Supplies and Consumable Goods	855,266,200.00	24,109,000.00	879,375,200.00	943,425,062.15	-64,049,862.15
Routine Maintenance and Repair	111,008,000.00	19,150,000.00	130,158,000.00	123,906,005.37	6,251,994.63
Other Expenses	25,500,000.00	-6,110,000.00	19,390,000.00	19,389,304.00	696.00
Transfers					
Current Grants, Transfers and Subsidies	56,007,800.00	46,000,000.00	102,007,800.00	102,007,800.00	0.00
Capital Expenditures					
Purchase/Construction of Non-Current Assets	157,500,000.00	167,771,000.00	325,271,000.00	320,004,297.62	5,266,702.38
TOTAL PAYMENTS	2,340,236,000.00	350,000,000.00	2,690,236,000.00	2,644,508,591.03	45,727,408.97
NET RECEIPTS/PAYMENTS	0.00	0.00	0.00	5,715,379.87	-5,715,379.87



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF CASH FLOW RECURRENT
FOR THE YEAR ENDED 30th JUNE 2017**

	2017	2016
	TZS	TZS
CASH FLOW FROM OPERATING		
RECEIPTS		
Exchequer Issues	2,650,223,970.90	1,689,215,987.00
TOTAL RECEIPTS	2,650,223,970.90	1,689,215,987.00
PAYMENTS		
Wages,Salaries and Employee Benefits	1,135,776,121.89	1,128,201,326.77
Supplies and Consumable Goods	943,425,062.15	466,935,147.42
Current Grants,Transfers and Subsidies	102,007,800.00	40,000,000.00
Routine Maintenance and Repair	123,906,005.37	39,051,893.05
Other Expenses	19,389,304.00	5,100,000.00
TOTAL PAYMENTS	2,324,504,293.41	1,679,288,367.24
Net Cash Flow From Operating Activities	325,719,677.49	9,927,619.76
CASH FLOW FROM INVESTING		
ACTIVITIES		
Purchase/Construction of Non-Current Assets	320,004,297.62	9,604,632.20
Net Cash Flow From Investing Activities	320,004,297.62	9,604,632.20
Net increase/(decrease) in cash and cash equivalent	5,715,379.87	322,987.56
Cash to be Surrendered to PMG	0.00	9,917,295.32
Cash and cash equivalents at beginning of period	322,987.61	9,917,295.37
Cash and cash equivalents at end of Period	6,038,367.48	322,987.61




Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF CASH FLOW DEVELOPMENT
FOR THE YEAR ENDED 30th JUNE 2017**

	2017	2016
	TZS	TZS
CASH FLOW FROM OPERATING		
RECEIPTS		
Exchequer Issues	0.00	860,811,000.00
TOTAL RECEIPTS	0.00	860,811,000.00
PAYMENTS		
Wages,Salaries and Employee Benefits	0.00	230,978,000.00
Supplies and Consumable Goods	0.00	445,982,000.00
Routine Maintenance and Repair	0.00	88,994,000.00
Other Expenses	0.00	60,550,000.00
TOTAL PAYMENTS	0.00	826,504,000.00
Net Cash Flow From Operating	0.00	34,307,000.00
CASH FLOW FROM INVESTING		
ACTIVITIES		
Purchase/Construction of Non-Current	0.00	34,307,000.00
Net Cash Flow From Investing	0.00	34,307,000.00
Cash to be Surrendered to PMG	0.00	31,026.96
Cash and cash equivalents at beginning of period	0.00	31,026.96
Cash and cash equivalents at end of Period	0.00	0.00


Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF CASH FLOW DEPOSIT
FOR THE YEAR ENDED 30th JUNE 2017**

	2017	2016
	TZS	TZS
CASH FLOW FROM OPERATING		
RECEIPTS		
Other Receipts	220,000,000.00	7,690,000.00
TOTAL RECEIPTS	220,000,000.00	7,690,000.00
PAYMENTS		
Other Payments	0.00	30,356,265.00
TOTAL PAYMENTS	0.00	30,356,265.00
Net Cash Flow From Operating	220,000,000.00	-22,666,265.00
Net increase/(decrease) in cash and cash equivalent	220,000,000.00	-22,666,265.00
Cash and cash equivalents at beginning of period	3,996,629.44	26,662,894.44
Cash and cash equivalents at end of Period	223,996,629.44	3,996,629.44



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

(Classification of Expense by Function)

	2017	2016
	TZS	TZS
REVENUE		
Exchequer Revenue	2,301,086,668.67	2,347,212,332.37
TOTAL REVENUE	2,301,086,668.67	2,347,212,332.37
EXPENSES AND TRANSFERS		
Expenses		
Accrued Expenses	187,023,398.73	221,512,863.13
Administration and HR Management	2,172,822,994.02	2,323,604,792.37
Total Expenses	2,359,846,392.75	2,545,117,655.50
TOTAL EXPENSES AND TRANSFERS	2,359,846,392.75	2,545,117,655.50
Surplus/(deficit) for the period	(58,759,724.08)	(197,905,323.13)



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF EXCHEQUER RECEIVED
FOR THE YEAR ENDED 30th JUNE 2017**

<u>DATE</u>	<u>REFERENCE NO</u>	<u>TZS</u>
RECURRENT EXCHEQUER RECEIVED		
EXISS- Other Charges		
22-Dec-2016	EB/AG/159/16/0842	184,500,000.00
30-Jul-2016	EB/AG/159/16/0111	72,060,000.00
28-Jan-2017	EB/AG/159/16/1080	3,500,000.00
27-Feb-2017	EB/AG/159/16/1187	3,500,000.00
08-Mar-2017	EB/AG/159/16/1231	105,465,000.00
31-Mar-2017	EB/AG/159/16/1376	237,872,000.00
24-Apr-2017	EB/AG/159/16/1088	347,856.70
28-Apr-2017	EB/AG/159/16/1555	87,872,000.00
31-May-2017	EB/AG/159/16/1722	552,174,535.22
09-Jun-2017	EB/AG/159/16/1722	350,000,000.00
26-Aug-2016	EB/AG/159/16/0222	46,736,000.00
26-Sep-2016	EB/AG/159/16/0310	87,872,000.00
27-Oct-2016	EB/AG/159/16/0467	73,810,000.00
08-Nov-2016	EB/AG/159/16/0477	46,196,508.16
28-Nov-2016	EB/AG/159/16/0660	147,620,000.00
01-Dec-2016	EB/AG/159/16/0670	79,911,099.92
Total EXISS- Other Charges		2,079,437,000.00
EXISS- Personal Emolument		
19-Jan-2017	EB/AG/159/16/1018	47,280,000.00
17-Feb-2017	EB/AG/159/16/1123	47,280,000.00
20-Mar-2017	EB/AG/159/16/1304	47,280,000.00
24-Apr-2017	EB/AG/159/16/1454	47,280,000.00
19-May-2017	EB/AG/159/16/1641	36,113,000.00
23-Aug-2016	EB/AG/159/16/146	47,280,000.00
20-Jun-2017	EB/AG/159/16/1796	61,873,970.00
21-Jul-2016	EB/AG/159/16/0016	47,280,000.00
20-Sep-2016	EB/AG/159/16/0264	47,280,000.00
20-Oct-2016	EB/AG/159/16/0415	47,280,000.00
17-Nov-2016	EB/AG/159/16/0570	47,280,000.00
19-Dec-2016	eb/ag/159/16/0761	47,280,000.00
Total EXISS- Personal Emolument		570,786,970.00
TOTAL RECURRENT EXCHEQUER RECEIVED		2,650,223,970.00

**STATEMENT OF EXCHEQUER RECEIVED
FOR THE YEAR ENDED 30th JUNE 2017**

DATE

REFERENCE NO

TZS

REPORT TOTAL

2,650,223,970.00



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF OUTSTANDING LIABILITIES
 FOR THE YEAR ENDED 30th JUNE 2017**

	2016/2017	2015/2016
	TZS	TZS
	26,410,468.19	126,455,964.78

Outstanding liabilities during the year

S/NO	CATEGORIES	TOTAL TZS	<30 DAYS AMOUNT	>60<90 DAYS AMOUNT	>90<365 DAYS AMOUNT	>365< 2 YEARS AMOUNT
1	Supplies of Goods and Services	6,573,278.70	1,037,850.30	4,265,428.40	1,270,000.00	0.00
2	Contract works	19,837,189.49	0.00	0.00	0.00	19,837,189.49
3	Staff claim	-	0.00	0.00	0.00	0.00
	TOTAL	26,410,468.19	1,037,850.30	4,265,428.40	1,270,000.00	19,837,189.49


Rogers W. Siyanga
 Accounting Officer

 30/09/2017
 Date

**STATEMENT OF STORES AND OTHERS
FOR THE YEAR ENDED 30th JUNE 2017**

	2016/2017 TZS	2015/2016 TZS
Closing stock during the year	22,743,430.00	18,607,540.00
	Fuel spare parts & Tyre	Totals
Consumable		
20,438,620.00	2,304,810.00	22,743,430.00



Rogers W. Siyanga
Accounting Officer

30/09/2017

Date

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
OBJECTIVE CODE AND DESCRIPTION: A - SERVICES IMPROVED AND HIV INFECTION REDUCED					
TARGET CODE AND DESCRIPTION: A01 - DCEA STAFF SENSITIZED ON HIV/AIDS PREVENTION BY JUNE 2017					
A01S01	To provide support to HIV infected staff	13,900,000.00	13,882,000.00	100%	DCEA staff sensitized on HIV/AIDS by June 2017
OBJECTIVE CODE AND NAME: C - HUMAN AND PHYSICAL RESOURCES ARE WELL MANAGED					
TARGET CODE AND DESCRIPTION: C01 - CAPACITY BUILDING TO 5 DCEA STAFF BY JUNE 2017					
C01C01	To train DCC staffs at different levels and skills	39,920,000.00	39,914,167.00	100%	Training cost were facilitated to DCEA staff by June 2017
TARGET CODE AND DESCRIPTION: C02 - HUMAN RESOURCE DEVELOPMENT PLAN REVIEWED AND PE ESTIMATE PREPARED BY JUNE 2017					
C02C01	To review Human resource plan and prepare PE	11,960,000.00	11,960,000.00	100%	Review human resource plan and prepare PE was successfully done
TARGET CODE AND DESCRIPTION: C03 -ADMINISTRATIVE OVERHEAD COST PROVIDED BY JUNE 2017					
C03S01	To facilitate administrative and personnel services to Commission staff	248,979,000.00	248,896,556.00	100%	Administrative and personnel services were facilitated well by June 2017

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE(%)	ACHIEVEMENTS
C03S02	To participate in May Day, Tughe and Tapsea	4,000,000.00	3,999,938.40	100%	Participation in May day and Tughe was successful done
C03S03	To providing working tools and safety gears for DCEA staff	109,071,000.00	108,482,297.62	99%	Provision of working tools to DCEA staff was successful done
C03S04	To provide entitlements to appropriate staff	28,620,000.00	28,560,000.00	100%	All entitled staff were paid by June 2017
C03S05	To provide utilities for DCEA	12,365,000.00	12,319,996.66	100%	Provision of utilities (water chages and sewage) were done by June 2017
C03S06	To promote transparency in DCEA operations	12,600,000.00	12,600,000.00	100%	Transparency in DCEA operations were successful done
TARGET CODE AND DESCRIPTION: C04 - WORKING TOOLS, EQUIPMENT, GOODS AND SERVICES PROCURED AND MAINTAINED BY JUNE 2017					
C04S01	To prepare tender document, evaluation and negotiation of bidders for procurement of goods, works and services	11,300,000.00	11,300,000.00	100%	Tender board meetings were done by June 2017
C04S02	To conduct tender board meetings for approval of various procurement	5,940,000.00	5,936,000.00	100%	Tender board meetings were done by June 2017
C04S03	To facilitate two staff to attend professional conferences and maintain professionalism membership	1,600,000.00	1,600,000.00	100%	Two DECA staff facilitated to attend professional membership conferences

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
TARGET CODE AND DESCRIPTION: C05 - TWO VEHICLES PROCURED AND SEVEN MAINTAINED BY JUNE 2017					
C05S01	To ensure availability of reliable transport to the Authority	363,800,000.00	362,925,071.73	100%	The two motor vehicle was not yet purchased due to delaying of procurement procedure these vehicle will be purchased in FY 2017/2018
TARGET CODE AND DESCRIPTION: C06 - INTERNAL AND EXTERNAL AUDIT FACILITATED BY JUNE 2017					
C06S01	To conduct audit committee meetings	5,950,000.00	5,950,000.00	100%	Audit committee meetings were conducted by June 2017
C06S02	To undertake internal audit and risk management	5,530,000.00	5,530,000.00	100%	Internal audit and risk management conducted by June 2017
C06S03	To attend training on IPSASS Actual Basis, professional seminars and workshops	21,200,000.00	21,178,044.40	100%	Training on IPSASS Actual Basis, professional seminars and workshops was successful done
C06S04	To attend ESAAG annual conference	7,944,000.00	-	0%	Not done by June 2017
TARGET CODE AND DESCRIPTION: C07 - INTERNAL AND EXTERNAL AUDIT FACILITATED BY JUNE 2017					

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

OBJECTIVE CODE AND DESCRIPTION: D - FINANCIAL RESOURCES INCREASED AND WELL MANAGED					
TARGET CODE AND DESCRIPTION: D01 - MTEF PREPARED ACCORDING TO BUDGET GUIDELINES BY JUNE 2017					
TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
D01S01	To prepare, the MTEF Budget by June 2017	7,450,000.00	7,435,000.00	100%	MTEF Budget for 2016/2017 were prepared by June 2017
D01S02	To prepare action plan, Cashflows and Annual plans including data entry into epicor 9	3,250,000.00	3,250,000.00	100%	DCEA action plan, cashflows and annual plans were prepared by June 2017
D01S03	To prepare and submit Mid year and annual accounts and PAC report for Parliament	16,250,000.00	16,250,000.00	100%	Midyear and annual accounts were successful prepared and submitted by June 2017
D01S04	To execute the budget and prepare expenditure reports	31,554,000.00	31,542,000.00	100%	DCEA expenditure reports were prepared by June 2017
D01S05	To attend training on IPSASS Actual Basis, professional seminars and workshops	9,760,000.00	9,640,400.00	99%	IPSASS Actual Basis, professional seminars and workshops were fully attended
D01S06	To attend ESAAG annual conference	22,467,200.00	22,467,200.00	100%	ESAAG annual conference was not attended the payment was done to facilitate other DCEA activities by June 2017
OBJECTIVE CODE AND DESCRIPTION: E - EFFECTIVE DRUG CONTROL POLICY AND LEGISLATIVE FRAMEWORK DEVELOPED					
TARGET CODE AND DESCRIPTION: E01 - MTEF PREPARED ACCORDING TO BUDGET GUIDELINES BY JUNE 2017					
E01S01	To develop a draft of strategy for implementation of national drug control policy	13,690,000.00	10,799,999.41	79%	Draft of strategy for implementation of national drug control policy was developed by June 2017

STATEMENT OF PERFORMANCE FOR THE YEAR ENDED 30th JUNE 2017

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
E02S01	To monitor prosecuted drug related cases in the courts of law in six regions	13,214,000.00	13,197,000.00	100%	Drug related cases in the courts of law in five regions were monitored by June 2017
E02S02	To provide legal awareness to the public in matters related to drugs in national events	20,760,000.00	20,760,000.00	100%	Provision of legal awareness to the public was done by June 2017
E02S03	To coordinate drug related issues in the parliament	6,400,000.00	6,400,000.00	100%	Drug related issues in the parliament was coordinated by June 2017
E02S04	To facilitate legal officer to attend professional meetings	4,280,000.00	4,275,000.00	100%	Two legal DCEA officers attend professional meetings by June 2017
E02S05	To conduct two Authority and two secretariat meetings	15,732,500.00	15,692,000.00	100%	One Authority meeting conducted by June 2017
TARGET CODE AND DESCRIPTION: E03 -DRUG CONTROL LEGISLATIONS UPDATED BY JUNE 2017					
E03S01	To review regulations for the new drug control act	26,620,000.00	26,616,000.00	100%	Regulations for the new drug control act was reviewed by June 2017
TARGET CODE AND DESCRIPTION: E04 INTERNATIONAL COOPERATION AND PARTNERSHIP ENHANCED BY JUNE 2017					
E04S01	To enhance international cooperation and partnership	29,500,000.00	29,500,000.00	100%	DCEA Commissioner general and other commissioners participate in international cooperation meeting by June 2017

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
OBJECTIVE CODE AND DESCRIPTION: F - MANAGEMENT INFORMATION SYSTEM DEVELOPED AND MAINTAINED					
TARGET CODE AND DESCRIPTION: F01 - MIS EQUIPMENT AND SOFTWARE ACQUIRED AND INSTALLED BY JUNE 2017					
F01S01	To conduct a four day meeting to develop ICT strategic plan	4,617,500.00	4,614,000.00	100%	meetings to develop ICT strategic plan was done by June 2017
F01S02	To retool with ICT equipment and accessories	25,300,000.00	25,256,000.00	100%	ICT equipment and other accessories were purchased by June 2017
F01S03	To develop Authority's website and maintain internet and intranet connections	13,700,000.00	13,700,000.00	100%	Authority's website, internet and intranet connections were developed by June 2017
OBJECTIVE CODE AND DESCRIPTION: G -DEMAND FOR DRUGS REDUCED					
TARGET CODE AND DESCRIPTION: G01 - ANNUAL COMMEMORATION OF INTERNATIONAL DAY AGAINST DRUG ABUSE AND TRAFFICKING COLLABORATIVELY ORGANIZED BY JUNE 2017					
G01S01	To conduct press conference	5,950,000.00	5,950,000.00	100%	Press conference on Drug commeration day was conducted
TARGET CODE AND DESCRIPTION: G02 - NATIONAL DRUG SITUATION REPORT DEVELOPED BY JUNE 2017					
G02S01	To develop a national drug situation report	13,482,500.00	13,312,500.00	99%	National drug situation report developed by June 2017
G02S02	To facilitate submission of report to the parliament	14,750,000.00	14,740,000.00	100%	The report was in the progress by June 2017

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
TARGET CODE AND DESCRIPTION: G03 -GENERAL POPULATION EDUCATED ON DRUG PROBLEM BY JUNE 2017					
G03S01	To facilitate production of 10 types of IEC materials	18,660,000.00	18,656,000.00	100%	DCEA facilitate the production of IEC materials by June 2017
G03S02	To attend two up country national events to provide public drug prevention education	14,310,000.00	14,270,000.00	100%	Two national events were attended successful by June 2017
TARGET CODE AND DESCRIPTION: G04 -MEDIA PROGRAMS ON DRUG ISSUES AIRED BY JUNE 2017					
G04S02	To educate university students on drug prevention issues	10,617,500.00	10,617,500.00	100%	Provision of education on drug prevention issues to the university of Dar es salaam
OBJECTIVE CODE AND NAME:H -SUPPLY FOR DRUG REDUCED					
TARGET CODE AND DESCRIPTION: H01 - CANNABIS AND KHAT CULTIVATION REDUCED BY JUNE 2017					
H01S01	To conduct cannabis eradication operations	221,049,000.00	221,034,067.43	100%	Cannabis eradication operations conducted in various regions especially Kilimanjaro and Arusha by June 2017
H01S02	To conduct three sensitization meetings on prevention of cannabis and khat cultivation	13,900,000.00	13,900,000.00	100%	DCEA conduct meetings on prevention of cannabis and khat cultivation by June 2017

**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
TARGET CODE AND DESCRIPTION: H02 - CANNABIS AND KHAT CULTIVATION REDUCED BY JUNE 2017					
H02S01	To gather intelligence and disseminate information on drug related issues	117,150,000.00	117,050,000.00	100%	Intelligence division gathering information on drug related issue from various place in Tanzania by June 2017
H02S02	To prevent diversification of precursor chemicals and illicit drugs	14,860,000.00	14,850,000.00	100%	
H02S03	To investigate and provide measures on drug trafficking	43,665,000.00	43,616,700.00	100%	Investigation on drug trafficking in various border point was successful done
H02S04	To ensure availability of special equipment for drug control	4,900,000.00	4,800,000.00	98%	Special equipment during various operation were purchased
H02S05	To conduct operations and facilitate prosecutors investigators and witnesses	209,470,000.00	209,400,000.00	100%	DCEA conduct various operations in Dar es salaam and upcountries to facilitate investigators and witnesses
H03S01	To asses,monitor and support NGO'sengaed in drug control issues	39,855,000.00	39,855,000.00	100%	Assessment done to all Non government Organization who engaged in drug control activities in the country



**STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30th JUNE 2017**

TARGET CODE	PLANNED TARGET	APPROVED ESTIMATE TZS	ACTUAL EXPENDITURE TZS	PERCENTAGE (%)	ACHIEVEMENTS
TARGET CODE AND DESCRIPTION: H02 - CANNABIS AND KHAT CULTIVATION REDUCED BY JUNE 2017					
HO4S01	To conduct two days annual stakeholders meeting	18,660,000.00	18,660,000.00	100%	Not yet done fund reallocated to other activities
HO4S02	To conduct sensitization and planning on services targeting people who use drugs	9,445,000.00	9,445,000.00	100%	Plans on people who use drug and sensitization was done by June 2017
HO4S03	To monitor treatment quality in six regions with high prevalence of drug abuse	11,880,000.00	11,880,000.00	100%	Treatment quality in Dar es Salaam was well monitored and planning of establishment of treatment in other regions was in place by June 2017
HO4S04	To develop a multisectoral protocol for dealing with drug dependence at community level	18,550,000.00	18,550,000.00	100%	Multisectoral protocol for dealing with drug dependence at community level was developed
TARGET CODE AND DESCRIPTION: H05- FUNDS FOR EXECUTION OF URGENT RESPONSES ON DRUG CONTROL MAINTAINED BY JUNE 2017					
HO5S01	To execute urgent responses on drug control	102,007,800.00	102,007,800.00	100%	Drug control fund was well maintained in order to execute urgent responses on drug control by June 2017
Personal Emoluments		610,769,000.00	570,789,970.00	93%	Salaries and all deduction for All DCEA staff were paid by June 2017
TOTAL VOTE		2,690,236,000.00	2,644,508,591.03		

Rogers W. Siyanga
Accounting Officer

30/09/2017

Date



Inspection of Precursor
Chemicals at Industrial Areas



Drug Control and Enforcement Authority

8 Kivukoni Front Avenue
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