



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



MUHIMBILI UNIVERSITY OF HEALTH AND ALLIED SCIENCES

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

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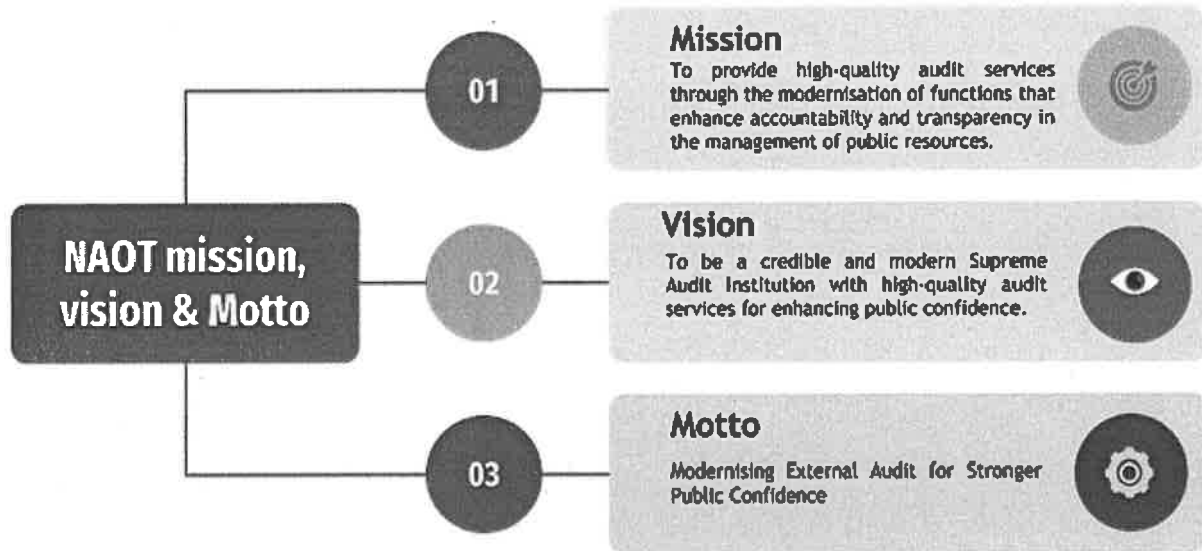
March 2024

AR/PAD/MUHAS/2022/23

About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418 [R.E 2021]



Independence and objectivity

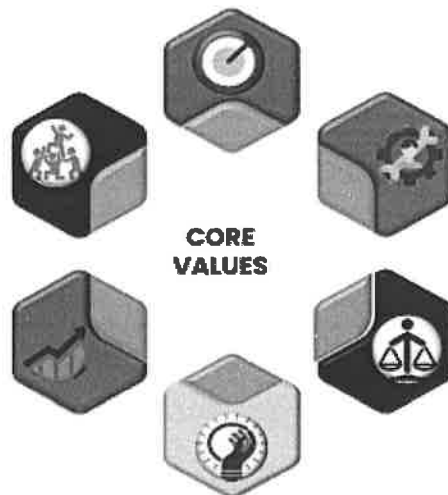
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

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



Professional competence

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

Integrity

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

Creativity and Innovation

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

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Abbreviations

CAG	Controller and Auditor General
CHPE	Center for Health Professional Education
HEET	Higher Education for Economic Transformation
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
PPRA	Public Procurement Regulatory Authority
PS - O PSM & GG	Permanent Secretary, President's Office - Public Service Management and Good Governance
MUHAS	Muhimbili University of Health and Allied Sciences
MUHASSO	MUHAS Students' Organization
SAC	Students Affairs Committee
TBA	Tanzani Building Agency
TANESCO	Tanzania Electric Supply Company
TZS	Tanzania Shillings



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Council,
Muhimbili University of Health and Allied Sciences,
P.O. Box 65001,
Dar es Salaam

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Muhimbili University of Health and Allied Sciences (MUHAS), which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Muhimbili University of Health and Allied Sciences (MUHAS) as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

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


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

Key Audit Matters

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

Other Information

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



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

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

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

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

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

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

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


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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;


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

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

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

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

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



Further, Section 48(3) of the Public Procurement Act, Cap. 410 [R.E 2022] requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.1 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.1.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on the procurement of works, goods, and services in the Muhimbili University of Health and Allied Sciences (MUHAS) for the financial year 2022/23 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of Muhimbili University of Health and Allied Sciences (MUHAS) is generally in compliance with the requirements of the Public Procurement laws.

(i) Failure to charge liquidated damage for delayed delivery of goods - TZS 390,028,975

During review of procurements documents, I found that, among 30 Local Purchase Orders (LPOs), nine LPOs with a cumulative worth of TZS 390,028,975 experienced delays in delivery ranging from 6 to 136 days. However, no liquidated damages were imposed on the supplier for the delayed delivery of goods, which contradicts the stipulations outlined in Section 77(4) of the Public Procurement Act, 2011 and Regulation 112(2)(a) of the Procurement Regulations, 2013.

(ii) Procurement conducted and processed outside the Tanzania National e-Procurement System (TANePS) - TZS 60,213,000

My review of procurement management noted that, among the tender processing files of 30 quotations, it was identified that the tendering processes for two quotations, valued at TZS 60,213,000, were conducted outside the Tanzania National e-Procurement System (TANePS). This action goes against the directives outlined in Paragraphs 1 and 3 of the Public Procurement Regulatory Authority (PPRA) circular issued by the PPRA, as well as Regulation 341(1) of the Public Procurement Regulations of 2013.

1.1.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

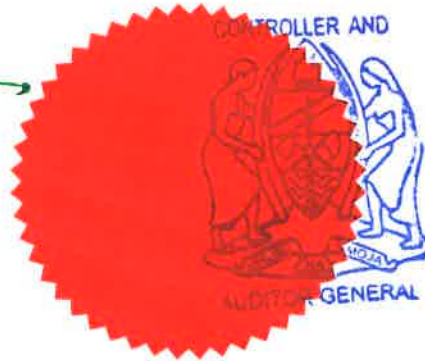
I performed a compliance audit on budget formulation and execution in the Muhimbili University of Health and Allied Sciences (MUHAS) for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Muhimbili University of Health and Allied Sciences (MUHAS) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2024



2.2.2 Own source revenue performance (Revenue from exchange revenue sources)

During the year under review, the Muhimbili University of Health and Allied Sciences estimated to collect a total of TZS 15,250,201,029.36 from own sources but managed to collect TZS 18,134,384,135.9 reflecting over collection of TZS 2,884,183,106.54 equivalent to 25 per cent of the budget. Details of budget vs. actual collection of each revenue source is shown in Table 2 below:

Table 2: Budget vs Actual collections of each own source revenue (Exchange revenue sources)

Item	Amount Budgeted (TZS)	Actual Collection (TZS)	(Under)/over collection (TZS)	%
Revenue from Exchange Transactions	4,363,533,900.80	5,314,151,394.00	-950,617,493.20	-22
Fees, Fines, Penalties and Forfeits	329,970,000.00	340,005,560.00	-10,035,560.00	-3
Gain on Foreign Currency Translation	0	140,336,026.01	-140,336,026.01	100
Other Revenue	10,556,697,128.56	12,339,891,155.89	-1,783,194,027.33	-17
TOTAL	15,250,201,029.36	18,134,384,135.9	-2,884,183,106.54	19

Source: Audited financial Statements for financial year 2022/23

The major reason for more collection than the budget is the favorable exchange rate for USD against TZS. The university receives tuition fees from foreign students and research grants, mainly, in USD. Then, the university deducts institutional overhead support at the rate of 15% and 8% on the funds received. As well, collections from internal projects were more than planned. In most cases, sale of internal projects flagship brands, like herbal products and sanitizers were not easy to budget, thus more collection realized than the budget. Gain on Foreign currency translation was not budgeted for thus the whole amount of realized and unrealized foreign exchange gain was considered was extra to the budget.

Analysis below shows the trend of own revenue sources budget and actual collection for three consecutive years.

Table 3: Trend of Own Source Revenues

Financial year	Approved Estimate (TZS)	Actual Collection (TZS)	(Under)/Over collection (TZS)	%
2022/23	15,250,201,029	18,179,410,136	2,929,209,107	19
2021/22	12,990,627,264	14,547,437,629	1,556,810,365	12
2020/21	11,308,342,046	14,139,812,877	2,831,470,830	25

Source: Financial Statements for the financial years from 2020/21 to 2022/23

The reasons for collections variances in the previous years (2020/21 and 2021/22) were provided in the relevant years. However, in 2023/24. During 2022/23 the major reason for the

10.	Prof. Lawrence Museru	M	Member, ED, Muhimbili National Hospital	Doctor of Medicine, Master of Medicine	October 2016	68
11.	Dr, Rehema Horera	F	Member, Representative of Ministry of Education, Science and Technology	Doctor of Philosophy	August, 2022	42
12.	Prof. Gasto Frumence	M	Member, Appointee of Senate	PhD in Public Health M.A (Political science and Public Administration) B.A (Political science and Public Administration)	3 rd October, 2022	58
13.	Dr. Enica Richard	F	Member, Appointee of Senate	Doctor of Medicine, Master of Medicine	3 rd October, 2022	57
14.	Mr. Erick Enock	M	MUHASSO President	Student	3 rd June 2022	26
15.	Mr. David Machange	M	MUHASSO Vice President	Student	3 rd June 2022	22

Source: Office of the Vice Chancellor

Note: The Council held four ordinary meetings during the year. Attached below is the table summarizing the matters that were discussed during the council meetings.

Council meeting No	Date	Matters discussed
67th Council Meeting	4 November 2022	<ul style="list-style-type: none"> i) Confirmation of the Minutes and Matters Arising from the Minutes of the previous Council meeting ii) Report of the Vice-Chancellor on Events and Activities at the University during the period of 1 July to 31 September 2022. iii) Decisions and Recommendations of the Grants Committee requiring Council Resolution/attention. iv) Decisions and Recommendations of the Appointments and Human Resource Management Committee (A&HRMC) requiring Council Resolution/Attention. v) Decisions and Recommendations of the University Students Affairs Committee (SAC) requiring Council Resolution/Attention. vi) Decisions and Recommendations of the University Estates Committee requiring Council Resolution/Attention. vii) Decisions and Recommendations of the University Audit Committee requiring Council Resolution/Attention. viii) Decisions and Recommendations of the University Executive Convocation Committee requiring Council Resolution/Attention.
68th Council Meeting	24 February 2028	<ul style="list-style-type: none"> i) Confirmation of the Minutes and Matters Arising from the Minutes of the previous Council meeting ii) Report of the Vice-Chancellor on Events and Activities at the University during the period of 1 October to 31 December 2022. iii) Decisions and Recommendations of the Grants Committee

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AUDIT COMMITTEE

The Audit Committee members of Muhimbili University of Health and Allied Sciences who served during the year ended on 30 June 2022 are as shown in Table 2:-

Table 5: Members of the Audit Committee who served the University during the period ended 30 June 2023

S/N	Name	Title	Qualifications
1	Mr. Charles K. Lumaze	Chairperson	BA (Economics), MSc in Economics and Finance for Development
2	Mr. Clement L. N. Timothy	Member	Advanced Diploma in Accountancy (ADA), CPA (T), MSc (Audit Management and Consultancy)
3	Dr. Dinah B. Gasarasi	Member	Bachelor of Science (Educ), MSc (Public Health), PhD (Parasitology and Medical Entomology).
4	Prof. Evaristo J. Liwa	Member	Doctor of Philosophy (PhD).
5	Mr. Pisteo A. Lwambulungu	Secretary	Bachelor of Laws (LLB), Postgraduate Diploma in Legal Practices

Source: Office of the Vice Chancellor

2.4 STATEMENT OF COMPLIANCE

Under the provisions of the Muhimbili University of Health and Allied Sciences Charter and Rules (2007), the Council is responsible for the preparation and fair presentation of financial statements that give a true and fair view of the University's state of affairs and of the operating results.

The financial statements have been prepared in conformity with International Public Sector Accounting Standards (IPSAS), accrual basis.

In order to meet the requirements of IPSAS, the Council confirms that in the preparation of the financial statements, suitable accounting policies have been applied consistently and reasonably; and prudent judgments and estimates have been made for the year ended on 30 June 2022. The Council also confirms that the financial statements have been prepared on the 'going concern' basis and that the University has internal controls which provide reasonable assurance that assets are safeguarded and fraud and other irregularities are prevented or detected on time.

2.5 FUNCTIONS OF THE UNIVERSITY

The functions and activities of the University are guided by the following components of the mission as stipulated in the Charter that established the University.

- (i) To provide in Tanzania a place of learning, education, research in health sciences and through these provide service of a quality required and expected of a university

in the MUHAS Medium Term Strategic Plan. This is due to the lower number of qualifying female students who apply for various programmes at MUHAS. However, an increase of 7% in number of females recorded this ending year alerts of potential for reaching the medium-term strategic plan though at slower pace.

2.7.3 Postgraduate Students

During the reporting period 869 postgraduate students were admitted/ selected in various postgraduate programs. The current postgraduate enrolment/registered is 1185 students (First year 548, second year 413 and third 224); this is almost comparable to the previous year whereby 1,212 students (First year 485, second year 512 and third 215) were enrolled. This encouraging trend is due to increasing availability of sponsorship for qualified applicants and permission from employers for some of the admitted students.

2.8 STUDENTS PERFORMANCE ACADEMIC YEAR 2021/22 (FINANCIAL YEAR 2022/23)

2.8.1 Diploma

3 Out of 656 students in the reporting period, 642 (97.87%) sat for exams, 12 (1.83%) postponed/froze studies, 1 (0.15%) absconded/deregistered from studies and 1 (0.15%) was deceased. Out of 642 who sat for exams, 498 (77.57%) passed, 143 (22.27%) failed and were required to sit for supplementary examinations and 1 (0.16%) failed and was discontinued from studies.

3.1.1 Undergraduate

4 Out of 2,963 students in the reporting period, 2,835 (95.68%) sat for exams, 117 (3.95%) postponed/froze studies, 10 (0.34%) absconded/deregistered from studies and 1 (0.03%) was deceased. Out of 2,835 who sat for exams, 2,256 (79.58%) passed, 541 (19.08%) failed and were required to sit for supplementary examinations and 38 (1.34%) failed and were discontinued from studies.

4.1.1 Postgraduate

During the reporting period, a total of 1,440 postgraduate students sat for university examinations. Out of these, 892 (61.9%) passed their examinations, 452 (31.4%) failed their examinations and were referred to do supplementary examinations, 41 (2.8%) failed and were discontinued from studies, 2 (0.1%) postponed studies and 53 (3.7%) missed some examinations due to freezing of studies.

4.2 GRADUATION CEREMONY DURING ACADEMIC YEAR 2021/22 (FINANCIAL YEAR 2022/23)

During the reporting period, the University marked its 16th graduation ceremony on 03 December 2022 during which a total of 1,482 graduates were awarded diplomas, advanced diplomas, first degrees, master degrees and doctor of philosophy as follows:

4.3.3 Postgraduate Students

During the reporting period, a total of 455 students graduated at a postgraduate program indicating an increase in number of qualifying candidates by 77 (20.4%) compared to 378 students who graduated in the previous year. Out of the total postgraduate graduates 193 (42.4%) were females.

4.4 RESEARCH PROJECTS

Researches conducted at the University continued to be largely funded by foreign donors. In the period from 01 July 2022 to 30 June 2023, there were a total of 115 ongoing sponsored projects at various implementation stages. Among these, 12 were new projects. In addition, a total of 23 new grant applications were processed through the Office of Sponsored Project of the Directorate of Research and Publications.

4.5 QUALITY ASSURANCE AT MUHAS

The university has a Quality Assurance unit whose mandate is to ensure 'fit for purpose' of all University activities. During the financial-year 2022/23 the institution continued to push for more involvement of MUHAS community in quality assurance matters.

4.5.1 Capacity building

A number of trainings were held for staff at the institution including dissemination of various guidelines and revised quality assurance policy for quality improvement. The institution conducted tracer study for post graduate programs under HEET project.

4.5.2 Links with National and International organizations

The Institution continued to work with the Tanzania Commission for Universities, the Inter-University Council of East Africa and other Universities inside and outside the country to learn best practices in the provision of higher education and health services.

4.6 HUMAN RESOURCE

4.6.1 Staff Recruitment and Transfers

During the reporting period the institution in collaboration with Public Service Recruitment Secretariat (PSRS) coordinated various employment exercises. The Staff recruitment covered positions for Academic, Administrative and Technical as summarized in the Table 3 below:

Table 6: Staff Recruitment & Transfer

S/N	STAFF	NEW	TRANSFERS	TOTAL
1	Academic Staff	1124	45	1169
2	Administrative Staff (Muhimbili Campus)	03	1423	1426
	TOTAL	1127	1468	2595

ii. Training on preparation for retirement to MUHAS staff

During the financial year, the institution prepared training for nineteen (19) staff who are expecting to retire which was conducted by the Tanzania Public Service College (TPSC) from 13 March 2023 to 17 March 2023. The training focused on enhancing staff who are expecting to retire to prepare for life and changes after retirement. The training provided entrepreneurship skills which will enhance the retired staff to understand the opportunities for investments as well as advice on financial and health management.

iii. Council Members Training

The institution organised training for Council Members, which was conducted on 16 March 2023 and 17 March 2023 at APC Hotel Bunju, Dar es Salaam. The training was facilitated by Uongozi Institute.

iv. Training on HIV/AIDS and Non - Communicable Disease at the work place

The institution organised the training on HIV/AIDS and Non-Communicable Diseases at the work place which was conducted on the 20 February 2023 to 24 February 2023. The training was facilitated by the President's Office, Public Service Management & Good Governance in collaboration with TACAIDS. The training was conducted to MUHAS HIV Committee, Peer Educators from each Department, Unit, Directorate and Schools as well as all the staff at the University. This training created awareness on the importance of preventing the spread of HIV/AIDS at the work place and how to eat and live healthy.

v. Leadership Training for all MUHAS Management

The institution in collaboration with the Tanzania Public Service College (TPSC) organised and conducted one (1) Leadership course training for all MUHAS Management. The training was conducted from 29 June 2023 to 31 May 2023.

vi. Training on the eMREJESHO System to MUHAS Staff

Following appointment of the MUHAS Complaints Handling Committee, 5 members and 1 ICT Officer were facilitated to attend training on eMREJESHO system conducted by the President's Office, Public Service Management & Good Governance. The appointed members conducted training on eMrejesho system to all staff on 1 July 2022 so as to promote awareness of handling complaints in the system to MUHAS Leaders and staff as part of the University Community.

4.6.3 Staff Promotion

Following the directives of President Office, Public Service Management and Good Governance through circular with Ref. No.FA.97/228/01/20 dated 19 April 2023, MUHAS promoted 33 staff, with a total of 16 academic staff and 17 administrative staff. Basing on the above-mentioned directives, staff who were due for promotion were issued promotion letters after been uploaded and approved in the Human Capital Management Information System (NEW HCMIS).

(ii) Committee for revising MUHAS Client Services Charter

The Committee for revising MUHAS Staff Regulations 2015 is on process to finalize the policy.

Furthermore, during this financial year, three (3) committees were appointed by MUHAS Management as guided by the Permanent Secretary, President's Office - Public Service Management and Good Governance (PS - PO PSM & GG), namely:

- (i) Incentive Scheme Committee;
- (ii) Committee for training on eMREJESHO SYSTEM to MUHAS staff; and
- (iii) Committee for revising the MUHAS Scheme of Service of Service, 2016 (for addendum to cadres as guided by the Authority)

4.6.9 Resignation

During the reporting period one (1) Academic staff resigned.

4.6.10 Staff Turnover and Retention

In the reporting period, a total number of 25 staff left MUHAS due to resignation, retirement, end of contract, death, transfer and misconduct. The turnover rate was 2% per annum.

4.6.11 Medical Assistance

During the period under audit, the University continued to provide free medical care to students, staff, and staff spouses and up to four dependants under the National Health Insurance Fund arrangements, and for those referred abroad for treatment.

4.6.12 Leave Passage

Leave passage for staff continued to be provided once in two years.

4.6.13 Financial Assistance

Loans, salary advances and other financial assistance were available to employees depending on the merit of each case as assessed by management but within the limitations of the University's Financial Regulations and Treasury Registrar circulars. The institution also facilitates long-term loans issued to employees by banks and other financial bodies.

4.6.14 Staff Emoluments

During the period, the Government paid staff salaries on monthly basis and timely in accordance with approved scales directly into staff bank accounts.

ii. Cafeteria Services

The company that was, and still is, providing cafeteria services at Muhimbili and Chole Road Hostels is Villa Catering. Overall, performance of the company was satisfactory, despite some challenges that were reported and addressed accordingly.

iii. Security Issues at the Hostels

Security matters at both Muhimbili and Chole Road student's hostels are taken care by contracted SUMA JKT. Overall, performance of the company was satisfactory, despite some challenges that were reported and addressed accordingly.

4.7.5 Students' Leadership and Governance

MUHASSO Government continued with their activities harmoniously to a large extent. The students' government got necessary support from the University Management as need arose. The 2022/23 MUHASSO leadership completed its term in May 2023. The new government was elected and assumed powers in mid-May 2023. The new top MUHAS Students Organization (MUHASSO) leaders for 2023/24 academic year are: President: Ms. Vanessa R. Rutabana (MD4); and Vice President: Mr. Frank P. Msaki (BScEHS 2). Both took Oath of Office on 16 May 2023

4.7.6 Events/Sports Activities

Several Intra-University sports events - particularly football and Volleyball competition were organized and conducted by MUHASSO.

4.8 HIGHER EDUCATION FOR ECONOMIC TRANSFORMATION (HEET) PROJECT

Tanzania Government received a loan from the World Bank to implement Higher Education for Economic Transformation (HEET) project. The loan agreement was signed on 19 August 2021. HEET is a five-year project through the World Bank support purported to promote higher education as a catalytic force in the Tanzanian economy. The project is designed to revitalize and expand the capacity of universities to contribute to key areas for innovation, economic development, and labour market relevance, by investing in

equisite infrastructure for modern and effective teaching and research, and by training, to the highest standard, the teachers, researchers and administrators needed by universities to achieve their full potential

MUHAS was allocated USD 45.5 million to establish the infrastructure at Mloganzila and Kigoma campuses. One third of the allocated amount, equivalent to USD 15 million, will be used to establish a new campus at Kigoma. Two third of the remaining funds amounting to USD 30.5 million will be used in developing infrastructure at Mloganzila campus. As per University Strategic Investment Plan (USIP) and budget, 68% of the allocated fund will be used for works (construction and equipping of the infrastructures). The remaining percentage will be used for other activities like training of staff, curricula review, gender equity and awareness,

Extension of time up to end of July 2023. The MUHAS management has noted with concern the delays in completion of the work. The main delay is caused by lack of commitment in supervising the project by Tanzania Building Agency (TBA) who is the consultant of the project. Reminder letters have been issued to TBA and a notice to terminate the contract with TBA is being prepared if no response is received by 30 July 2023.

4.9.4 Proposed Rehabilitation of Student's Hostels at Muhimbili campus

The Contractor M/S Harisini Ent. Ltd was granted the contractor worth TZS 164,953,646 VAT inclusive to carry out rehabilitation of Muhimbili campus student's hostels. The rehabilitation works were geared at ensuring that students continue living in a conducive environment at MUHAS. These works commenced on 26 February 2023 and were completed and handed over on 30 April 2023. More renovations for Muhimbili Campus Hostels are planned in the financial year 2023/23

4.9.5 Proposed Renovation of Chole Road students' hostels

In the continued efforts to ensure that the physical infrastructure supporting students' learning and living environment is conducive, a works contract worth TZS 114,112,020 VAT inclusive was awarded to the Contractor M/S Afri Works Co. Ltd to carry out renovation works of the students' hostels at Chole Road. These renovation works commenced on 2 January 2023 and were supposed to be completed on 28 February 2023. However, the Contractor requested for time extension to complete the renovation works. Currently the works have been completed and handed over. More renovations for Chole Road Hostels are planned in the financial year 2023/24.

4.9.6 Tender for Supply and Installation of Elevator Machine (Lift) at CHPE Building, Tender No PA/007/2021-2022/G/26

In the continuous efforts aimed at creating a conducive working environment at MUHAS, as well as ensuring that the physical built infrastructure is easily accessible to all, the Elevator services provider, M/S Derm Elevators Limited was awarded a contract worth TZS 135,844,396.60 VAT inclusive to install a lift in CHPE Building. The installation was estimated to take 120 days, and commenced on 5 August 2022, and was to be completed on 5 December 2022. Final handing over was done on 10 May 2023. The Contractor is in Defect Liability Period of one year until 10 May 2024.

4.9.7 Gardening, Cleanliness and Grounds Maintenance

During the reporting period the service provider for gardening, cleaning and grounds maintenance M/S Ledso Consolidated Limited continued offering services at both MUHAS's main Campus, Bagamoyo Training Unit (BTU) and Chole student's hostels at a contract sum of TZS 22,900,000 VAT inclusive per month. This two-year contract commenced on February 2023 and will end on February 2025. Also, during the reporting period, the service provider M/S K-Environment Sanitation Services, who is contracted to provide garbage collection services at

- b) Cost Estimate for Supply and Fixing Hard Wood Door Shutter, Aluminium Display Board and Hand Wash Basin to the Internationalization and Convocation Unit Office. The task's total cost was TZS 4,362,440.00. The repair works commenced on 23 June 2023 and was completed on 28 June 2023.
- c) Costs for Installation of Hooks for Mosquito Nets at Chole Road Students Hostels. The task's total cost was TZS 4,362,440.00. The task commenced on 26/06/2023 and was completed on 03 July 2023.
- d) Materials and Labor cost for proposed renovation of offices in the Department of Radiology and Imaging in blocks M and D at Muhimbili Campus. The cost of the renovation works was TZS 7,965,400.00. The task commenced on 11 April 2023 and was completed on 25 April 2023.
- e) Materials and labour cost for proposed renovation of Chole Road old cafeteria to be converted into an area for disposal of garbage and worshipping services. The cost for renovations was TZS 19,710,500.00. It commenced on 4 June 2023 and was completed on 06 July 2023.
- f) Purchasing of materials and payment for labour charges for minor rehabilitation of men's washrooms in the administration building at Muhimbili Campus. Costs for the minor rehabilitation was TZS 2,520,000.00. The work commenced on 24 June 2023 and was completed on 30 June 2023.

4.9.10 Establishment of Uporoto polyclinic

MUHAS engaged Tanzania Building Agency (TBA) to develop a plan and Bill of Quantities (BoQ) for establishment of the Uporoto Polyclinic in Dar es Salaam. It has been observed that this procurement did not follow Public Procurement Regulatory Authority (PPRA) regulations. The single source method of procurement for the consultant was not approved by the Tender Board, contrary to the PPRA requirements. Therefore, the previous procurement has been nullified and re-initiated to comply with PPRA regulations.

4.10 COUNCILLORS' INTERESTS

There were no Councillors' interests in the affairs of the University, which were not declared/disclosed during the year under review.

4.11 RELATED PARTY TRANSACTIONS

MUHAS is an entity which is wholly owned by the government. The Government significantly influences the roles of the University as well as being its major financier. The University enters into transactions with other government owned entities, government departments and state-owned enterprises on an arm's length basis. Below is a summary of the Councillors and the key management personnel remuneration paid during the year under review- (Table 6)

8	Security	SUMA JKT GUARD LTD	458982165.8	41,917,730.00
		Total	1,895,154,427.32	187,605,595.79

4.13 DONATIONS

There were no donations contributed during the year 2022/23.

4.14 PERSONS WITH DISABILITIES

MUHAS being an equal opportunity employer has no discrimination of whatever kind against persons with disabilities. It provides opportunities for those vacancies that the disabled persons are capable of performing.

4.15 CONTRIBUTION TO THE CONSOLIDATED FUND

Over the years the university has been remitting some of its earnings to the consolidated fund. This is the university's contribution towards the government's efforts of providing social services. For the year that ended on 30 June 2023 MUHAS contributed TZS 110,000,000.00 to the consolidated fund for that purpose.

4.16 INDEPENDENT AUDITORS

The Controller and Auditor General (CAG) is the statutory auditor of Muhimbili University of Health and Allied Sciences by virtue of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (as amended from time to time), and as amplified in Section 32(4) of the Public Audit Act, Cap 418 [R.E. 2021].

BY ORDER OF THE COUNCIL

Dr. Harrison G. Mwakyembe, Chairperson: Signature:  Date: 28.03.2024

Prof. Appolinary A. R. Kamuhabwa, Member: Signature:  Date: 28.03.2024

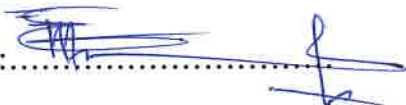
4.0 DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING OF MUHAS FOR THE YEAR ENDED 30 JUNE 2023

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

It is the duty of a Professional Accountant to assist the Council members/Governing Body/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity's financial position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Council members/Governing Body as under Council Responsibility statement.

I, Abdallah Mwaduga, being the Head of Finance/Accounting of MUHAS hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed: 

Name: CPA Abdallah Mwaduga

Position: Director of Finance

NBAA Membership No: ACPA 1930

Date: 28.03.2024

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

<i>Classification of Expenses by Nature</i>	Note	2022/23	2021/22
		TZS	TZS
REVENUE			
Revenue from Exchange Transactions	17	4,600,594,159	3,097,822,483
Fees, Fines, Penalties and Forfeits	19	340,005,560	242,293,051
Gain on Foreign Currency Translation	27	224,795,133	0
Other Revenue	31	12,428,238,778	11,473,952,333
Subvention from other Government entities	32	52,510,951,286	54,302,441,260
Total Revenue		<u>70,104,584,916</u>	<u>69,116,509,127</u>
TOTAL REVENUE		<u>70,104,584,916</u>	<u>69,116,509,127</u>
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	34	31,356,273,232	29,095,096,876
Use of Goods and Service	35	9,460,749,118	27,042,494,786
Maintenance Expenses	36	2,203,600,222	1,335,412,860
Depreciation of Property, Plant and Equipment	37	2,750,893,943	2,658,778,531
Amortization of Intangible Assets	39	33,412,685	6,107,220
Loss on Disposal of Assets	44	0	21,238,745
Other Expenses	52	25,057,608,338	6,282,347,740
Total Expenses		<u>70,862,537,538</u>	<u>66,441,476,758</u>
Transfer			
Other Transfers	60	110,000,000	110,000,000
Total Transfer		<u>110,000,000</u>	<u>110,000,000</u>
TOTAL EXPENSES AND TRANSFERS		<u>70,972,537,538</u>	<u>66,551,476,758</u>
Surplus / Deficit		<u>(867,952,662)</u>	<u>2,565,032,369</u>

The accounting policies and the notes form an integral part of these financial statements.

The financial statements were approved and authorized for issue by the University Council on.....and were signed on its behalf by:

Chairperson 

Date: 28.03.2024

Vice Chancellor 

Date: 28.03.2024

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2022/23 TZS	2021/22 TZS
CASH FLOW FROM OPERATING ACTIVITIES			
RECEIPTS			
Revenue from Exchange Transactions	101.1	5,314,151,394	9,912,847,491
Fees, Fines, Penalties and Forfeits	101.2	340,005,560	242,293,051
Effect of Foreign Currency Changes	101.3	140,336,026	0
Other Revenue	101.4	12,339,891,156	3,401,676,022
Subvention from other Government entities	101.5	57,282,085,902	54,302,441,260
Total Receipts		75,416,470,039	67,859,257,824
PAYMENTS			
Maintenance Expenses	101.6	2,203,600,222	1,335,412,860
Other Expenses	101.7	25,057,608,338	6,303,586,485
Use of Goods and Service	101.8	10,308,362,913	23,166,113,978
Wages, Salaries and Employee Benefits	101.9	30,203,986,561	29,541,242,329
Other Transfers	101.10	110,000,000	110,000,000
Decrease in Deposit	101.11	708,084,500	0
Total Payments		68,591,642,534	60,456,355,652
		6,824,827,505	7,402,902,172
NET CASH FLOW FROM OPERATING ACTIVITIES			
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Acquisition of Property, Plant and Equipment	101.12	(2,772,976,860)	(5,052,883,086)
Acquisition of Intangibles		0	(18,340,000)
Proceeds from sales of Property, Plant and Equipment			12,900,000
Total Investing Activities		(2,772,976,860)	(5,058,323,086)
NET CASH FLOW FROM INVESTING ACTIVITIES		(2,772,976,860)	(5,058,323,086)
Net Increase		4,051,850,645	2,344,579,088
Cash and cash equivalent at beginning of period		36,147,238,630	33,802,659,542
Cash and cash equivalent at end of period		40,199,089,275	36,147,238,630

The financial statements were approved and authorized for issue by the University Council on.....and were signed on its behalf by:

Chairperson



Date: 28-03-2024

Vice Chancellor



Date: 28-04-2024

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

	Original Budget	Reallocations/ Adjustments	Final Budget (B)	Actual Amount on Comparison Basis (A)	Different Final Budget & Actual (B-A)	Notes
	TZS"000"	TZS"000"	TZS"000"	TZS"000"	TZS"000"	
RECEIPTS						
Revenue from Exchange Transactions	4,363,530	0	4,363,530	5,314,150	950,620	22% Increase in receipts from Institution overheads revenue compared to the budgeted amount
Fees, Fines, Penalties and Forfeits	329,970.00	0	329,970	340,010	10,040	3%
Other Revenue	10,556,700		10,556,700	12,339,890	1,783,190	17% Increase in receipts from internally generated revenue compared to the budgeted amount
Gain on Foreign Currency Translation	0	0	0	185,360	185,360.00	100% No budget for Foreign Currency Translation
Subvention from other Government entities	102,812,150.00		102,812,150.00	59,641,660.00	43,170,490.00	-42% Low receipts of funds from government and Donors against the budgeted amount.
Total Receipts	118,062,350.00	0.00	118,062,350.00	77,821,070.00	40,241,280.00	-34%
PAYMENTS						
Maintenance Expenses	5,057,000.00		5,057,000.00	2,203,600.00	2,853,400	56% Constraints of funds received from the Government and low implementation of project activities
Other Expenses	50,308,200.00		50,308,200.00	27,471,980.00	22,836,220	45%
Use of Goods and Service	12,345,460.00		12,345,460.00	11,095,050.00	1,250,410	10%
Wages, Salaries and Employee Benefits	30,984,000.00		30,984,000.00	30,203,990.00	780,010	3%
Other Transfers	110,000		110,000	110,000	0	0%
Total Payment	98,804,660	0	98,804,660	71,084,620	27,720,040	28%
Net Receipts/Payments	19,257,690	0	19,257,690	6,736,450	-12,521,240	65%

NOTES TO THE FINANCIAL STATEMENTS

Note: 1.0 GENERAL INFORMATION

1.1 Establishment

Muhimbili University of Health and Allied Sciences (MUHAS) is a fully-fledged University that was established by the University Act (No. 7 of 2005) and the MUHAS Charter and Rules of 2007. The University came into existence after the then Muhimbili University College of Health Sciences, then constituent college of the University of Dar es Salaam, was accredited by the Tanzania Commission for Universities in 28 March 2007.

1.2 Basis of Financial Statements Preparation

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). No adjustments have been made for inflationary factors affecting the financial statements.

The preparation of financial statements in conformity with International Public Sector Accounting Standards (IPSAS) requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the University's accounting policies. The ar

as involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are separately disclosed in a note.

Note: 2.0 APPLICATIONS OF ACCOUNTING STANDARDS

During the financial year under review the University continued to apply the following Tanzania Financial Accounting Standards which had no equivalent IPSASs issued by the National Board of Accountants and Auditors (NBAA): -

TFRS No 1 Directors' Report (Effective for the financial statements beginning on or after 1 July 2010) revised on 22 June 2020 (Effective from 1 January 2021).

2.2 Functional and Presentation Currency

The functional currency of MUHAS, which is also its presentation currency, is the Tanzania Shilling.

Note 3.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Recategorization of some line items in the financial statements

Some line items in the financial statements were recategorized in order to comply with the reporting requirements.

Receipt from Tuition Fees	8,460,840,400.34	Revenue from Exchange Transaction
Application fee	21,153,564.40	Revenue from Exchange Transaction
Receipt from Consultancy Fees	955,500.00	Revenue from Exchange Transaction
Supervision Fees	410,079,000.00	Revenue from Exchange Transaction
Receipt from government quarters	670,064,977.00	Revenue from Exchange Transaction
Student accommodation fees	137,122,602.00	Revenue from Exchange Transaction
Amount shown as opening balance	11,473,952,332.00	

3.2 Property, Plant and Equipment

Property, plant and equipment are initially recorded at historical cost, which includes expenditure that is directly attributable to the acquisition of the items.

Subsequent qualifying costs are included in the assets' carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the cost of the item can be measured reliably. All other repair and maintenance are charged to the income statement during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of property and equipment are credited to other reserves in shareholders' equity. Decreases that offset previous increases of the same asset are charged to reserves. All other decreases are charged to the income statements.

3.2 Depreciation

Some changes were made in depreciation rates for buildings, equipment and computers as shown in the table above. The depreciation rate for buildings reduced from 4% to 1.33% per annum, equipment from 12.5% to 20% per annum and computers from 33.33% to 25% per annum. This was so done in order to align with the Accountant General's Circular No. 2 of 2017/18

Depreciation on assets is calculated using the straight-line method to write off the cost of each asset value over its estimated useful life at a given rate per annum as detailed below:

Category	Rate%
Land	0.0
Buildings	1.33
Furniture and Fixtures	20.00
Equipment	20.00
Computers	25.00
Motor Vehicles	20.0
Library Books	50.0

Provision for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of the specific receivables.

The loss is recognized through income and expenditure statement. Bad debts are written off after all steps to recover them have failed.

3.6 Foreign Currency Translations

(i) Functional and Presentation Currency

The financial statements are presented in Tanzania Shillings, which is the University's functional and presentation currency.

(ii) Transactions and Balances

Foreign currency transactions are translated into Tanzania shillings at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities at the yearend expressed in foreign currencies are translated into Tanzania Shillings at the rates of exchange ruling at the end of the financial year. The resultant gains/losses on exchange rate translations are dealt with in the income and expenditure account.

3.7 Cash and Cash Equivalents

Cash and cash equivalents are carried in the balance sheet at face value. For the purpose of cash flow statement, cash and cash equivalents comprises cash in hand and deposits held on call.

3.8 Revenue Recognition

Revenue comprises the fair value of Government Subvention, Revenue Grants, Student fees, Interest Income and Other Income.

Revenue is recognized as follows:

Government Subvention and Assistance

Funds disbursed by the government to the University to assist in carrying out its functions are recognized by the University on Accrual basis whereas Recurrent Revenue is credited to the statement of Financial Performance and Development Funds are capitalized on IPSA's Accrual Basis.

Revenue Grant

University does not recognize a contingent liability.

A disclosure of the contingent liability is made except where the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent Assets

Contingent Assets are not recognized in financial statements as they may result in recognition of revenue which may not be realized.

3.11 Employees Benefits

3.11.1 Retirement Benefits

The university has defined benefit contribution planned schemes for its employees a defined contribution plan under which the University pays fixed contributions in addition to the employees' own contribution to the scheme. Contributions are paid on a monthly basis with the employer paying 15% of the employee's salary while the employee contributes 5%. The university has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating employee service in the current and prior period.

The University has statutory obligations to various pension schemes in favour of all the employees employed under permanent and pensionable terms. The pension schemes in force, which the University contributes, are the PPF, PSPF, NSSF, LAPF, and GEPF Scheme. After merger of pension schemes, the university contributes to PSSSSF and NSSF.

3.11.2 Short Term Benefits

The cost of all short-term employee benefits such as salaries, employee's entitlements to leave pay, medical aid, long service award, other contributions etc. are recognized during the period in which the employees render the related services.

3.11.3 Gratuity

The University accrues and pays gratuity of annual basic salary when due to staff whose employment are on contract basis.

3.11.4 Termination Benefit

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these benefits.

3.12 Financial Risk Management

27 - Gain on Foreign Currency Translation

Foreign Exchange differences (Gain) - Monetary	224,795,133	0
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	224,795,133	0
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31 - Other Revenue

Academic transcript fees	113,313,856	84,912,254
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Application fee	553,668,685	21,153,564
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Exemption Fee	0	2,950,264
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Miscellaneous Receipts	9,411,000	70,366,636
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Miscellaneous Income	1,331,292,940	739,423,038
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Other Collections	289,511,849	274,118,272
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Receipt from Consultancy Fees	9,745,065	955,500
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Receipt from Research Fees	135,876,135	135,254,195
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Receipts from Examination Fees	447,523,704	454,382,912
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Receipts from identification fees	13,821,540	12,328,720
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Receipts from Tuition Fees	8,287,790,558	8,460,840,400
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Revenue from Rent of Government Quarters	668,886,204	670,064,976
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Student Accommodation Fee	142,327,000	137,122,602
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Supervision Fees	425,070,242	410,079,000
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	12,428,238,778	11,473,952,333
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32 - Subvention from other Government entities

Government Grant Development Foreign	26,571,448,906	29,289,692,446
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Government Grant Development Local	46,827,990	100,904,940
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Subvention for Other Charges	814,801,070	1,023,651,210
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Subvention for Personal Emolument	25,077,873,320	23,731,271,739
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Subvention Recurrent Grants	0	156,920,925
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	52,510,951,286	54,302,441,260
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34 - Wages, Salaries and Employee Benefits

Civil Servants	25,106,014,988	23,330,414,775
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Bed and Mattresses	177,000	890,000
Bed Sheets and Linen	0	400,000
Catering Services	261,179,863	137,084,245
Classroom Teaching Supplies	6,470,332	1,000,000
Cleaning Supplies	26,761,000	38,251,720
Clothing and Attachment	410,000	28,309,740
Communication Network Services	6,241,000	0
Computer Software	7,218,962	43,922,892
Computer Supplies and Accessories	115,414,759	3,602,327
Conference Facilities	192,948,427	71,844,773
Consumable Medical Supplies	56,951,985	12,779,989
Courier Services	0	2,400,000
Dental Supplies	244,791,894	54,690,000
Depreciation Charge for Library Books	3,002,887	88,410,100
Diesel	206,533,630	119,831,796
Drugs and Medicines	2,980,820	0
Educational Radio and TV broadcasting programming	3,700,000	11,684,600
Electricity	959,057,813	980,424,370
Entertainment	130,137,500	105,319,000
Examination Expenses	334,467,631	302,748,309
Exhibition, Festivals and Celebrations	50,610,400	15,581,260
Expenses of Former Leaders	0	3,500,000
Food and Refreshments	85,198,600	27,568,000
Fumigation	0	28,589,557
Furniture and Appliances	42,012,330	680,000
Gifts and Prizes	44,992,800	14,416,820
Ground Transport (Bus, Train, Water)	31,275,207	106,562,708

Protective Clothing, footwear and gears	0	7,552,000
Publicity	1,800,000	7,740,000
Remuneration of Instructors	4,120,000	2,686,340
Rent - Housing	255,493,490	210,938,433
Research and consultancies	1,317,849,520	20,459,277,138
Research and Dissertation	52,955,616	84,414,188
Schools Laboratory Supplies	42,913,177	0
Seeds	1,000,000	0
Sewage Charges	98,819,740	70,115,090
Software License Fees	12,072,766	0
Special Foods (diet food)	5,346,000	0
Special Needs material and supplies	3,000,000	26,744,043
Special Uniforms and Clothing	13,839,898	17,939,800
Special Women Clothes	2,400,000	0
Specialised Medical Supplies	0	3,401,500
Sporting Supplies	500,000	5,713,500
Subscription Fees	70,117,792	49,020,675
Technical Materials	100,000	0
Technical Service Fees	2,820,000	15,450,000
Telephone Charges (Land Lines)	15,412,885	12,061,228
Training Allowances	17,347,309	45,108,200
Training Materials	35,641,828	68,458,440
Tuition fees	506,902,921	325,183,089
Uniforms	9,550,000	5,850,000
Uniforms and Ceremonial Dresses	636,800	1,950,000
Upkeep Allowances	156,328,988	11,280,783
Upkeep of Grounds and Amenities	2,900,400	3,474,000

Tyres and Batteries	33,337,661	197,226,514
Water Pumps	1,711,730	420,000
Wood and Timber Supplies	1,869,600	2,060,938
	<u>2,203,600,222</u>	<u>1,335,412,860</u>

Note: 37 Depreciation of Property, Plant and Equipment

Depreciation - Computers and Related Equipment	414,187,474	539,926,625
Depreciation - Furniture & Fittings	339,930,140	240,245,217
Depreciation - Motor Vehicles	414,928,137	265,425,976
Depreciation - Office Buildings	489,442,890	1,354,627,538
Depreciation - Office Equipment	412,431,781	258,553,175
Depreciation - Library Books	667,846,854	0
Depreciation - Graduation Gown	12,126,667	0
	<u>2,750,893,943</u>	<u>2,658,778,531</u>

Note: 39 Amortization of Intangible Assets

Computer software amortization	33,412,685	6,107,220
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Note: 44 Loss on Disposal of Assets

Foreign exchange differences (Losses)	0	21,238,745
	<u>0</u>	<u>21,238,745</u>

52 - Other Expenses

Audit fees	120,000,000	125,833,200
Bank Charges and Commissions	6,581,306	13,771,469
Burial Expenses	25,800,480	65,672,543
consultancy fees	300,185,949	325,361,447
education supervision expenses	2,300,000	2,316,200
Insurance Expenses	48,932,141	39,657,939
Legal fees	2,185,000	4,280,000
Loan management and servicing fee	8,500,000	0

50

Controller and Auditor General

AR/PA/MUHAS/2022/23

67 - Receivables

External Assistance	0	1,295,353,210
Imprest Receivable	1,036,756,666	281,446,379
Income Tax Receivable	96,000,000	96,000,000
Other receivables	301,475,090	213,127,468
Receivables from exchange transactions	2,345,191,939	3,068,914,174
Staff advances and Imprest	18,143,379	20,186,933
Subvention from Other Government Entities	0	224,678,542

	3,797,567,074	5,199,706,706
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69 - Prepayments

Prepayment - Expenses	106,227,849	77,267,579
Prepayments - Assets	133,402,864	0

	239,630,713	77,267,579
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70 - Inventories

Consumables	122,100,022	160,000,420
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	122,100,022	160,000,420
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Note: 78 Intangible Assets

Computer Software: Accumulated Amortization	(208,352,693)	(202,245,473)
Computer Software	214,478,253	214,478,253
	6,125,560	12,232,780

89 - Payables and Accruals

Meals, Accommodation and Stationaries	1,020,062,528	967,126,470
Other Payables	1,020,620,181	2,313,502,527
Special Faculty	22,610	835,044,441
Gratuity Payable	0	3,955,245.33
Student Research Funds	0	964,045,924

NOTE: 77 PROPERTY, PLANT AND EQUIPMENT -ASSETS MOVEMENT

	Furniture & Fittings TZS"000,000"	Equipment TZS"000,000"	Computer TZS"000,000"	Motor Vehicles TZS"000,000"	Building TZS"000,000"	Land TZS"000,000"	Graduation Gown TZS"000,000"	Library Books TZS"000,000"	Total TZS"000,000"
Cost									
As at 1, July 2022	2,826.06	5,186.89	3,862.93	3,679.74	33,865.69	70,292.96	71.50	264.03	120,049.80
Additions	543.85	1,122.02	1,157.24	-	92.45	-	23.00	-	2,938.56
Adjustments/ disposal	-1,396.60	-3,769.07	-3,011.30	119.75	2,857.49	-7,845.00	-14.70	3,075.20	-9,984.23
As at 30 June 2023	1,973.31	2,539.84	2,008.87	3,799.49	36,815.63	62,447.96	79.80	3,339.23	113,004.13
Accumulated depreciation									
As at 1, July 2022	2,434.53	4,125.62	3,009.70	2,859.38	10,801.28	-	71.50	264.03	23,566.05
Charge during the year	339.93	412.43	414.19	414.93	489.44	-	12.13	667.85	2,750.89
Adjustments/ disposal	-2,434.53	-4,125.62	-3,009.70	-560.20	1,414.88	-	-53.92	2,407.35	-6,361.73
At 30 June 2023	339.93	412.43	414.19	2,714.11	12,705.61	-	29.71	3,339.23	19,955.21
Carrying value - 30 June 2023	1,633.38	2,127.41	1,594.68	1,085.38	24,110.03	62,447.96	50.09	0.00	93,048.92
Cost									
As at 1, July 2021	2,544.74	4,815.68	2,790.11	3,083.79	20,243.20	70,292.96	71.50	264.03	104,106.02
Additions	281.32	371.21	1,072.82	850.65	13,622.49	-	-	-	16,198.49
Adjustments/ disposal	-	-	-	(254.71)	-	-	-	-	(254.71)
As at 30 June 2022	2,826.06	5,186.89	3,862.93	3,679.74	33,865.69	70,292.96	71.50	264.03	120,049.80
Accumulated depreciation									
As at 1, July 2021	2,194.28	3,867.07	2,469.77	2,848.78	9,446.66	-	71.50	264.03	21,162.09
Charge during the year	240.25	258.55	539.93	265.40	1,354.63	-	-	-	2,658.76
Disposal	-	-	-	254.80	-	-	-	-	254.80
At 30 June 2022	2,434.53	4,125.62	3,009.70	2,859.38	10,801.29	-	71.50	264.03	23,566.05
Carrying value - 30 June 2022	391.53	1,061.27	853.23	820.35	23,064.40	70,292.96	-	-	96,483.75

PPE ADJUSTMENT DURING THE YEAR

The nature of adjustment

During the year there was some adjustments on the opening balances of non-current assets. This adjustment emanates from verification of non-current assets available against those recorded on non-current register; and review of useful life of non-current assets thus leading to adjustment of the opening balances of the non-currents. The results of the verification exercise and review of useful life of these assets revealed that there were some assets that were physically there but not in the register; and some assets were not physically there but were still in the register. Those which were physically present but not in the register had to be recorded, and those that were not there but were still in the register had to be removed. The adjustment also involved removal of a piece of land which was allocated to other users by Kigamboni Municipal Council. The land was therefore removed from the Fixed Assets Register due to impairment.

The Reasons for adjustments

In order to present more correctly the balances of the non-currents and their related accumulated depreciation and/or amortization, it was necessary to make adjustment of the opening balances in order to present fairly the assets balances as at 30 June 2023.

Accounting impact of this adjustment

This adjustment had an impact on the value of the assets concerned and their related accumulated depreciation or amortization. As well, the adjustment impacted retained earnings (Accumulated Surplus/Deficit) as shown in the table below:

A: Tangible assets

DETAIL	DR	CR
Land		7,845,000,000.00
Accumulated Surplus/(Deficit)	7,845,000,000.00	
Building	2,857,488,343.75	
Accumulated Depreciation - Office Building		1,414,880,623.47
Computer		3,011,302,672.73
Acc. Depreciation Computer and Photocopies	3,009,700,621.60	
Furniture		1,396,604,142.46
Acc. Depreciation Furniture and Fittings - Office	2,434,529,902.14	
Graduation Gown		14,697,623.00
Acc. Depreciation Graduation Gown	53,917,623.00	
Library Book	3,075,200,313.00	
Acc. Depreciation - Library Books		

ii. Miscellaneous Application for bill of cost No. 117 of 2019 between Osward Philip Silwamba and 3 others VRS MUHAS

This Misc. Application also involved cited parties, the applicants claiming to be paid a grand total of TZS 18,020,000 by MUHAS (decree debtor) as the cost incurred during the period of litigation

The application already argued by way of written submission by all parties and it is pending for ruling of the court

The MUHAS Legal Unit handled the matter accordingly waiting for ruling of the court.

iii. Misc. Application for Execution No. 3 of 2020 (originating from Land Case No. 342 of 2015) between Osward Philip Silwamba and 3 others VRS MUHAS

The application involved the same parties the applicants claiming to execute the orders of the Court that is to be paid their damage by MUHAS as granted by the Court

Also, the application already argued by way of written submission waiting for ruling, MUHAS Legal Unit also attended the matter as well.

iv. Labour Case No. 236 of 2018 between Salmin Omary and others VRS MUHAS

The applicants were terminated from employment by MUHAS and they were claiming to be paid their salary increments during their termination

The matter was concluded and MUHAS was ordered to pay salary arrears of the applicants.

In June 2022, the university received TZS 372 million from Ministry of Finance and Planning to cater for payment of these staff. These plaintiffs were paid in August 2022.

v. 90 days' Notice of intention to sue

This notice was brought by Exodus Gold Company Ltd intending to sue MUHAS for termination of contract for installation of projection.

The notice was filed in the office of solicitor General and already taken attention for the case if any. The Management already handled all documents related to the contract to the office or Solicitor General for preparation of defence if the case will be instituted.

Note: 98 Notes to the Statement of Comparison of budget and actual amounts

1. The University budget is prepared on cash basis and covers the period from 1 July 2022 to 30 June 2023 and financial statements covers the same period.
2. MUHAS budget is prepared on a different basis from the actual income and expenditure disclosed in the financial statements. The Financial statements are prepared on accrual

Note: 101 CASH FLOW NOTES

		2023			2022			
DETAILS	NOTES	AMOUNT BEFORE ACCRUAL ADJUSTMENT TZS '000	ADJUSTMENT TZS '000	EXPLANATION OF ADJUSTMENT	AMOUNT AFTER ACCRUAL ADJUSTMENT TZS '000	AMOUNT BEFORE ACCRUAL ADJUSTMENT TZS '000	ADJUSTMENT TZS '000	AMOUNT AFTER ACCRUAL ADJUSTMENT TZS '000
Revenue from Exchange Transactions	101.1	4,600,594	713,557	Amounts Received from Tuition fees, Dental revenue and Rental facilities from previous years settled in the year 2022/2023	5,314,151	3,097,822.48	-	3,097,822.48
Fees, Fines, Penalties and Forfeits	101.2	340,006	-		340,006	242,293	-	242,293.05
Effect of Foreign Currency Changes	101.3	224,795	(84,459)	Un realized gain/Loss for the year ended 30/06/2023	140,336	-	-	-
Other Revenue	101.4	12,428,239	(88,348)	Revenue from services rendered by MUHAS but funds are yet to be received up to 30/06/2023	12,339,891	11,473,952	1,257,251.30	10,216,701.03
Subvention from other Government entities	101.5	52,510,951	4,771,135		57,282,086	54,302,441	-	54,302,441.26
		70,104,585	5,311,885		75,416,470	69,116,509		67,859,258
EXPENSES								
Maintenance Expenses	101.6	2,203,600	-		2,203,600	1,335,413	-	1,335,412.86
Other Expenses	101.7	25,057,608	-		25,057,608	6,282,348	21,238.75	6,303,586.49

Operating surplus before changes in working capital items		1,916,353,966				5,229,918,121
Changes in Working Capital:						
Change in inventory		37,900,399				(23,604,598)
Change in trade and other receivables		1,278,555,295				(1,244,351,302)
Change in trade and other payables		3,592,017,845				3,440,939,951
Net Cash flows from/(to) operating activities		6,824,827,505				7,402,902,172

Note: 103 RECONCILIATIONS OF OPENING BALANCES ON PRIOR YEAR ADJUSTMENT

Details	Accumulated Surplus/(Deficit)	Deferred Capital Grant	Payables and Accruals	PPE	Intangible Assets
Closing Balance as at 30 June 2022	39,302,209,272.77	43,746,858,970.25	9,043,195,974.50	96,483,752,012.10	12,232,780.00
Adjustment for the Opening balance of Fixed Assets after Review and Verification Exercise	4,249,804,618.33			4,222,499,153.61	27,305,464.71
Over statement of Dental Revenue for the month of April 2022 due to rejection of claims raised by NHLF	-5,980,000.00				
Over statement of Dental Revenue for the month of May 2022 due to rejection of claims raised by NHLF	-4,185,000.00				
Adjustment for Reversal of Unrealized Gain /Loss for the year 2021/22 / Final Account Adjustment	-84,459,106.99				
Adjustment for Amortization of capital grants for construction of Centre of Excellence which includes funds received at MUHAS and expenses paid directly by Ministry of Education	12,466,424,931.36	-12,167,434,922.32			
Adjustment of grants for MAMC Hospital which were not amortized during capitalization for MAMC Hospital and amortization	23,734,424,047.93	-23,734,424,047.93			
Adjustment for gratuity payable due to overstatement of gratuity expenses from Previous years	3,955,245.33		-3,955,245.33		

Note: 104 Comparative figures

Previous year's figures have been re-grouped wherever necessary to make them comparable with the current year's figures