



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



SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

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

Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41101 Tambukarelli,
Dodoma, Tanzania.
Tel: 255 (026) 2161200,
Fax: 255 (026) 2321245,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

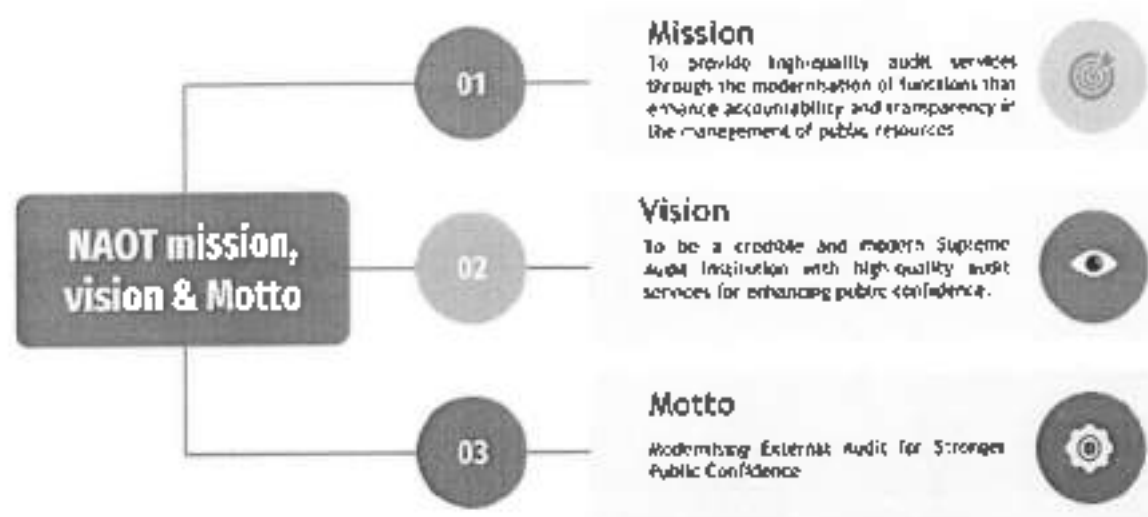
March 2024

AR/PA/Songea WSSA/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.

⊗ This audit report is intended to be used by Songea Urban Water Supply and Sanitation Authority and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

TABLE OF CONTENTS

Table of Contents	iii
Abbreviations	iii
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE AS AT 30 JUNE 2023 .	6
3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE...	31
4.0 DECLARATION OF THE HEAD OF FINANCE.....	32
5.0 FINANCIAL STATEMENTS	33

Abbreviations

CAG	Controller and Auditor General
CPA	Certified Public Accountant
ERMS	Enterprise Resource Management Suite
EWURA	Energy and Water Utilities Authority
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
KPIs	Key Performance Indicators
MoW	Ministry of Water
NWF	National Water Funds
NBAA	National Board of Accountants and Auditors
NHIF	National Health Insurance Fund
PPE	Property Plant and Equipment
PAA	Public Audit Act
PSSSF	Public Service Social Security Fund
PPA	Public Procurement Act
PPR	Public Procurement Regulations
Songea WSSA	Songea Urban Water Supply and Sanitation Authority
TZS	Tanzania Shillings
TIB	Tanzania Investment Bank
WCF	Workers Compensation Fund

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board,
Songea Urban Water Supply and Sanitation Authority,
P.O. Box 363,
SONGEA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

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

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

Key Audit Matters

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

Other Information

Management is responsible for the other information. The other information comprises the Report by Those Charged with Governance or any other equivalent report, statement of management responsibility and Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [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.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on the procurement of works, goods, and services in the Songea Urban Water Supply and Sanitation Authority 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 Songea Urban Water Supply and Sanitation Authority is generally in compliance with the requirements of the Public Procurement laws.

(i) Procurement of Goods and Works Made in Excess of Budget Estimate

During the year under review the Authority entered into contractual agreements and executed procurement of goods and works four of which exceeded their original budget by TZS 333,673,167 contrary to Regulation 75(1) of Public Procurement Regulations, 2013 which requires a procuring entity to ensure that funds are allocated or committed before commencing procurement proceedings.

(ii) Missing Evidence on Submission of Quarterly Internal Audit Reports on Procurements to PPRA

Regulation 86(1) of Public Procurement Regulations 2013 requires the head of Internal Audit of each public body to prepare and submit to the accounting officer a quarterly audit report which shall include a report on whether the Act and Regulations have been complied with. Furthermore, section 48(2) of PPA 2011 requires the accounting officer to submit a quarterly report on procurement to PPRA.

During the audit, I did not obtain evidence that the procurement audit reports were prepared by Internal Audit Unit and submitted to PPRA.

(iii) Termination of Contractors' Contract without Notification of Attorney General

Songea WSSA gave a notification for breach of contract no AE/044/2021-2022/W/04 to a contractor (Motanga Civil Engineering and General Supplies Co. Ltd) for Extension of Water Distribution Network in Tunduru Town via letter ref SOUWAS/REP77/VOL.1/30 dated 19 June 2023 due to failure to comply with the conditions specified in the deed of settlement signed on 19 May 2023. However, contrary to the requirement of Regulation 113 of Public Procurement Regulations, 2013, I could not ascertain whether the matter was referred to the office of Attorney General or PPRA for appropriate action.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Songea Urban Water Supply and Sanitation Authority 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, except for the matter described below, Budget formulation and execution of Songea Urban Water Supply and Sanitation Authority is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

Absence of Budget Committee

Songea WSSA had not yet established a budget committee as per the requirement of the Regulation 17(1) of Budget Regulations 2015. The committee has a function of reviewing revenue collection measures, allocate resources based on strategic plan and national priorities and evaluation of budget performance.


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



2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE AS AT 30 JUNE 2023**2.1 Introduction**

In compliance with the Water and Sanitation Act No. 5 of 2019 and the Tanzania Financial Reporting Standard (TFRS) No. 1 *The Report by Those Charged with Governance* the Songea Urban Water Supply and Sanitation Authority (Songea WSSA) submit the report and financial statements for the year ended 30 June 2023. Songea WSSA, previously abbreviated as SOUWASA was established on 1 July 1997 as a semi-autonomous authority under Act No. 8 of 1997, repealed by the Water and Sanitation Act No. 12 of 2009 and later by Act No 5 of 2019. The Authority is currently in category A, under this category, the Authority meets all its operation and maintenance costs including salaries for all the staff. However, major investments are funded by international funding agencies and the Government of the United Republic of Tanzania. Songea WSSA discharges its functions under the umbrella of the Ministry of Water. The Authority is closely regulated by the Energy and Water Utilities Regulatory Authority (EWURA).

2.2 Vision

The Vision of Songea WSSA is "To be an efficient and effective service provider of water supply and sanitation services in Tanzania".

2.3 Mission

The Mission of Songea WSSA is "To provide sustainable water supply and sanitation services to the inhabitants of Songea municipal while adhering to TBS standards and WHO guidelines"

2.4 Core Values

Since its inception SONGEA WSSA has been governed by its core values. The core values shape the culture and define the character of the Utility. They guide how we behave and make decisions. The following are the SONGEA WSSA's core values:

- Fairness
- Participation
- Service excellence
- Care to customer
- Respect
- Responsibility
- Cooperation
- Team spirit
- Integrity
- Accountability

2.5 NATURE OF OPERATION

a) Legislative and regulatory environment nature of operation

Songea Water Supply and Sanitation Authority (Songea WSSA) is among the regional water utilities in Tanzania mainland. It was established on 1st July, 1997 as a semiautonomous Authority under Act No. 8 of 1997, repealed by the Water and Sanitation Act No. 12 of 2009 and a later by Act No. 5 of 2019. Administratively, Songea WSSA operates under the umbrella of the Ministry of Water (MoW), while the discharges of water supply and sanitation services by Songea WSSA is regulated by Energy and Water Utilities Regulatory Authority (EWURA). As per Treasury Registrar Powers and Functions Act, CAP 370 R.E 2002, Songea WSSA is also among of the Public Authorities which are under the custodian of the Office of the Treasury Registrar (OTR) in public investment aspect, where it reports its dally performance as performance contracts parameters established.

b) Industrial nature of operations

Songea WSSA performs its activities into two system; water supply system and wastewater disposal systems (sanitation services).

The Water Supply System consist of six (6) spring water sources connected to the centralised water distribution namely Ruvuma, Lipasi, Liwoyowoyo located in Ruvuma River and Southern Coast basin producing average of 5,800 m³/day and Ruhira A, Ruhira B & Mahilo located in Lake Nyasa Basin producing average 5,700m³/day. During low yield in dry season, water production is augmented by 6,400m³/day pumped from Ruhira surface water intake located in Lake Nyasa basin.

Some areas of Songea Municipality such as Lihwena, Ruvuma Mbulani and Ndilima, are served directly by raw water and treated with chlorine of which Lihwena has average yield capacity of 864m³ /day, Kayoka A with average yield capacity of 648m³ /day and Kayoka B with average yield of 324m³/day. Furthermore, the outskirt areas of Likuyufusi, Lilambo, Mtendewawa, Chandarua and Mwengemshindo has their own source. Lukuyufusi has average production capacity of 514m³ /day, Lilambo with average production capacity of 192m³ /day, Mtendewawa has average production capacity of 264m³ /day, Chandarua has average yield capacity of 172.8 m³/day while Mwengemshindo has 7 boreholes with low yields, and they are not developed.

The existing water supply to the Municipality of 14,478 m³/day cannot meet the current water demand of 20,366m³ /day. In order to augment the supply, one intervention is considered for Implementation. It includes construction of Impounding dam of storage capacity 4.8 million cubic meters at Mahilo within Matogoro forest reserve area. The planned interventions are based on the design horizon of 20 years and will ensure constant supply of water annually.

The Wastewater disposal system was commissioned during the early 2008. The service is currently serving 1,597 customers (June, 2023) and are connected to the system which represents 5.7% of the urban population. The system comprises of Wastewater Stablilization

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Ponds with 2 anaerobic ponds, 2 facultative ponds and 2 Maturation ponds whose capacities are 12,578 m³, 25,920 m³ and 9,136 m³ respectively. The sewer network consists of the trunk mains, the secondary and tertiary lines of total length 37.7 km (June, 2023).

c) Main products, services business processes, and distribution methods.

Songea WSSA provides two main services namely water supply services and sanitation services (waste water services and on-site sanitation). The water supply produced from the sources is treated at the Treatment Plant (NTP) located at the Matogoro area. The Conventional Treatment Plant comprises of raw water settling tank, Clarifiers and Rapid Sand Filters and it has a capacity to treat 11,500m³ per day. Water is then conveyed to reservoir tanks of total capacity 4,490m³, each tank commands one or more pressure zones. There is a total of 563.8 km of Water Supply pipe Network which distributes water to 21,632 customers (June, 2023).

Waste water services is treated at Waste Water Treatment Plant (WWTP). The wastewater treatment plant was designed for an influent flow of 2,100 m³/day and BoD5 of 240mg/L that equally distributed into 2 anaerobic ponds, however due to small number of connections the inflow was at an average of 1,505 m³ /day which led to an average of BoD5 effluent 58mg/L. Following that situation 1 anaerobic pond was abandoned; the performance of the treatment plant on the effluent BoD5 is improved to an average of 25mg/L to 30mg/L which complies with Tanzania Bureau of Standards (TBS). The receiving water body for disposal of the treated wastewater is the Ruvuma River.

On-site sanitation for faecal sludge management services is provided by using its cesspit emptier truck. The vacuum truck of capacity 4m³ sucks the sludge from emptiable pit latrines and septic tanks (soak away pit) and dispose them to the waste water treatment plant.

d) Structure of the operations and its economic model, including an overview of the main operating facilities and their locations.

Songea WSSA operates functional wise. There is water supply and sanitation management directorates with infrastructure development, waste water and environmental and water distribution sections. The directorate is responsible for the core operation of the entity of supervising water supply and sanitation. Also, there is customer service directorate with credit control and billing and customer relation sections which is responsible for customer management. Furthermore, the Authority has human resources and administration directorate which is discharging the duties of personnel management and administration matters and the directorate of finance and accounts which deals with the duty of funds management. Moreover, there are units such Internal audit, legal unit, Procurement Management Unit, Information and Communication Technology and the public relation unit.

e) Effective and efficient utilization of resources

The water sources are utilized effectively to meet the growing demand of Songea municipal. The daily water production is 8300 m³/day which 72% of the throughput capacity of the Conventional Treatment Plant of 11,500 m³/day. The productivity ratio stands at TZS 46,000,000 per labour. This implies that the labour force of 91 employees is deployed efficiently in production process.

f) f) Macro and Micro economic conditions (economic stability, globalizations and industry trends).

Songea WSSA is the government entity which runs its activity within the macro and microeconomic forces. The entity is affected with demand and supply forces of water supply materials like water meters and pipes and fittings. The entity is also affected with macroeconomic conditions such as exchange rate, inflation (cost increase) of materials. Songea WSSA takes initiatives of addressing this change of economic variables such as procurement in bulk of materials, maintain a sound working capital management to have a reliable liquidity position

g) Market forces (The relative strengths and weaknesses of competitors and customers demand).

Songea WSSA provides water supply and sewerage services within Songea municipality. Being the sole provider of piped water distribution network, consumers depend on water supply from the Authority. However, there exist minor competition from local dug wells and boreholes that causes decrease in revenue to the Authority.

h) The speed and effect of technological change.

Songea WSSA is a water utility operating with the environmental affected with technological change and digitalization. The entity has made changes to cope with these strategic changes. Some of the changes already instituted in the utility includes adoption of electronic government revenue collection system (GePG), installation of the systems such as Enterprise Resources Management System, Billing system (MAJIS), e-office, e-tax filling system. The entity continues to train workers to quickly adapt with technological changes.

i) Societal issues (such as population and demographic changes)

The administrative area of Songea municipality comprises 21 wards with an overall area of 616Km². This is the service area of the utility and the population within this service area is about 286,920. However, the population currently supplied by the drinkable water system is only 215,434 which is about 75% of the population within the service area. Songea WSSA is implementing identified projects from the joint town planning level (JTP). Service to peri-urban areas is provided through water kiosks and household connections. Currently there are 162

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

water kiosks out of these all are operational. Moreover, the Authority has identified and pays water bills for 16 poor households.

- j) **Environmental challenges (such as climate change, the loss of ecosystems, and resource shortages as planetary limits are approached)**

Songea WSSA does not have sufficient groundwater for water supply. Most ground water exist as perched water in the aquifer that being recharged by rainfall annually. These boreholes or well dry up during the dry period especially in October and November. So, this poses great opportunity for Authority to supply water to these areas. Furthermore, based on the study by the Authority in collaborating with basin water offices and regional laboratory, most well/boreholes are polluted because they are constructed in the proximity to residential houses.

Therefore, water supplied from these well/boreholes do not meet quality for human consumption. The Authority is collaborating with Basin water offices and local government offices in providing education regarding importance of using treated supplied water from the Authority to avoid prevalence of water borne diseases by using water from wells/boreholes

- k) **k) The political environment (including other issues that may affect the ability of the organization to implement its strategy)**

There are political environmental which affects the entity ability to implement its strategies and operation in general. Some of these challenges are changes in Tax policy on donor funded projects, changes of Municipal boundary and political influence in decision making. Songea WSSA takes proactive measures once these changes occur in order to align them with strategic direction of the utility once these political changes occur, some of the measures deployed includes revision of some action the plan in order to cover the additional uncovered population, change of the water and sanitation Tariff, review our investment plan in order to achieve the Key organisational goals.

- l) **Compliance with Laws and Regulation**

Songea WSSA operates under various legal and regulatory environment. Under this condition's utility is guided with various acts such Water supply and sanitation acts, Public service Act, Taxation Acts, Environmental Act, Treasury Registrar Acts and Local governments Acts, Procurement Acts and Finance Act, Budget Act. There also various regulations pertaining to these acts. Songea WSSA complies with these acts and regulations as usual and update its internal operating tools in alignment of these regulations and acts.

2.6 OBJECTIVES AND STRATEGIES

During the year 2022/23 Songea WSSA aspires to achieve 10 objectives as stipulated in the Authority Strategic Plan of 2021/22-2025/26. Songea WSSA has deployed various strategies to achieve these objectives.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Table 1 : Objectives and Strategies

S/N	Objectives	Strategies
1.	A. HIV/AIDS awareness and environmental conservation measures enhanced	(i) Short-Term Strategies • Visiting HIV centres, invite health specialist • Employ casual labour for environmental cleaning and Upkeep • Provide education and short seminars (ii) Medium-Term Strategies • Allocate adequate funds in budget for HIV and environmental conservation (iii) Long Term Strategies • Employ public health specialist or councillors
2.	B. Pro-poor services, gender outlook and Anti-corruption measures enhanced	(i) Short-Term Strategies • Report cases of corruption to the respective Authority. • Provide time for women focus association discussion matters (ii) Medium-Term Strategies • Allocate adequate budget for anticorruption and gender empowerment issues (iii) Long Term Strategies • Design an equal policy of 50% to 50% in gender employment
3.	C. Water Production System Improved	(i) Short-Term Strategies • Conduct regular repairs and maintenance of water infrastructure network to minimize water losses (ii) Medium-Term Strategies • Allocate budget in annual action plan and procurement. (iii) Long Term Strategies • Construction of storage facilities • Construction of new water sources
4.	D. Water distribution network extended	(i) Short-Term Strategies • Carry out monthly water network expansion by excavating • Maintain optimal stocks of pipes for water distribution (ii) Medium-Term Strategies • Allocate budget in Annual plan for water distribution (iii) Long Term Strategies • Conduct trench excavation and pipe laying of 78 km to areas not reached with network • Write proposal for the bankable project for the water network distribution • Obtain supplier credit or financial institution credit facility for water network extension

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Objectives	Strategies
5.	E. Sewerage disposal and Sanitation services improved.	(i) Short-Term Strategies • Conduct regular repairs of sewer network • Clean sewer environmental and upkeep the sewer system all the time (ii) Medium-Term Strategies • Implement annual action plan and budget for sewer system. (iii) Long Term Strategies • Prepared writeup of the bankable project proposal for the sewer system expansion
6.	F. Revenue base increased	(i) Short-Term Strategies • Sensitize customer to settle their bills timely • Conduct monthly new customer connections as per the target set (ii) Medium-Term Strategies • Increase water production by increasing storage reservoirs • Expand water network (iii) Long Term Strategies • Connect more customers as per business plan • Construction of storage facilities to increase water production • Construction of new water sources
7.	G. Non-Revenue water reduced	(i) Short-Term Strategies • Conduct regular repairs and maintenance of water network • Carry out survey of leakages and reports for repairs • Maintain and a register for repairs and maintenance of water networks • Conduct periodic Audit of repairs • Prepare reports of repairs made (ii) Medium-Term Strategies • Allocate annual budget and design action plan for medium repairs and maintenance (iii) Long Term Strategies • Rehabilitate and replace old and dilapidated water infrastructure • Solicit funds of rehabilitation and replacement of water infrastructures
8.	H. Human resources and administrative capacity improved	(i) Short-Term Strategies • Conduct short term and seminars to employees • Procure administrative facilities for daily running of the Authority (ii) Medium-Term Strategies • Allocate budget for recruitment of the vacant positions • Allocate budget for administrative facilities (iii) Long Term Strategies • Conduct long term training

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Objectives	Strategies
		Prepare long term plan for the acquisition of administrative facilities
9.	I. Maintenance and repair of assets enhanced	(i) Short-Term Strategies - Conduct short regulars' repairs and maintenance of office equipment - Conduct regular inspection of office assets (ii) Medium-Term Strategies - Design and implement action plan (iii) Long Term Strategies - Conduct rehabilitation and replacement of old infrastructure assets
10.	J. Information technology, publicity and business promotion improve	(i) Short-Term Strategies - Upkeep Maintain software systems all the time - Carry out regular back up of the data - Regular upkeep of the server (ii) Medium-Term Strategies - Design medium term plan for the operating process Automation (iii) Long Term Strategies - Automate all process of the Authority

2.7 STAKEHOLDERS' RELATIONSHIP

Songea WSSA has good relationship with various stakeholders other than primary users that influence its operating activities in terms of the value and performance. Table below summarize the stakeholders, nature of the relationship and management of the relationship.

Table 2: Stakeholder's relationship

S/N	Name of the stakeholder	Nature of relationship	Techniques of managing relationship
1.	Ministry of Water	Policy makers and Administrator	- Implement policy issues from the Ministry as stated in National water policy 2002 - Provide quarterly reports - Implement circulars issued by the permanent secretary. - Perform as per established performance benchmarks. - Submit bankable projects and request funds for project execution
2.	National Water Funds (NWF)	Financiers	- Implement water projects with funds from NWF - Perform implementing agency duties in supervising water projects in small towns

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Name of the stakeholder	Nature of relationship	Techniques of managing relationship
			• Provide progress reports of water projects (implementation reports of water projects) • Submit bankable projects • Seek concessional loans to finance water projects
3.	Treasury Registrar	Legislators	• Perform as per established performance contract parameters • Provide quarterly reports • Implement directive circulars issued by OTR
4.	Controller and Auditor General (CAG)	Statutory Auditor	• Prepare Financial Report. • Implement audit recommendations • Comply with Regulations, laws and other directive circulars • Implement water projects • Adhere with value for money • Perform at the established performance standards and benchmarks.
5.	EWURA	Regulator	• Comply with Regulations, laws and guidelines • Provide monthly progress reports in the system • Provide annual progress reports • Propose new water tariff
6.	Ruvuma Regional Administrative office (RAS)	Administrator	• Provide reports on water status and progressive projects • Inform of the water problem situation
7.	Songea Municipal Council	Legislator/Lawmaker	• Comply with local government laws and regulations • Collaborate in preparing an execution town master water plan
8.	Employees	Staff	• Pay timely salaries and other fringe benefits • Promote employees as per performance appraisal
9.	Customers	Customers	• Provide, quality, timely and reliable water supply and sanitation services • Demand payment of water bills in due time
10.	Contractors and Suppliers	Service/goods provider	• Receive delivery of goods/materials for water services • Pay the contractors/supplier timely for the goods/service/contract services delivered
11.	Media	Public informer	• Inform the media on the services offered • Inform the media on water shortages or problem

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Name of the stakeholder	Nature of relationship	Techniques of managing relationship
12.	Politicians	Legislator	- Collaborate with politicians on water problem/shortage - Collaborate with politicians in mobilizing funds for water supply services

2.8 OPERATING AND FINANCIAL REVIEW (OFR)

a) Analysis of financial performance

i) Revenue from exchange transaction

The revenue from exchange transaction comprises water consumption, sewerage disposal services and service charges. During the year under review revenue from exchange transactions stood at TZS 3.67 billion in 2022/23 compared to TZS 2.98 billion 2021/22. The increase is the results of increase in billing value 2021/22 due to changes in tariff rates and connection of more customers.

ii) Other Income

Other income comprises new water connection fees, reconnection fees, sludge disposal, miscellaneous income and rental income. During the year under review other incomes was TZS 262.27 million where as in 2021/22 was TZS 141.58 million. This is 85 % increase. The substantial increase was triggered by the significant increase of miscellaneous income resulted from selling of assets held for sale by TZS 70 million during the year.

iii) Revenue from Non-Exchange Transactions

Revenue from non-exchange transactions comprises all grants from the governments for the implementation of ongoing projects of Mwengeimshindo, Lilambo and Pambazuko.

During the year under review revenue from non-exchange transactions stood at TZS 499.26 million compared to TZS 1.18 billion in the year 2021/22. This is 58% decrease. The decrease was due to completion of some projects.

iv) Water Production Expenses

During the financial year 2022/23 water production expenses decreased by 4% from TZS 398.67 million in 2021/22 to TZS 382.47 million in 2022/23. The decrease in production expenses was also caused by less chemical's materials usage in water treatment and labor costs reductions in water production activities. The low chemical usage was because of good turbidity of water from the sources.

v) Sewerage Expenses

As at June 2023 Sewerage expense decreased from TZS 85.06 million in 2021/22 to TZS 77.78 million in 2022/23. The decrease of 9% was contributed by non-expansion of sewerage network and reclassification of some costs such as stationaries to their cost centers. Expansion of sewer was not conducted because of financial constraints in sewer network investment.

vi) Repairs and Maintenance Expenses

During the financial year 2022/23 repairs and maintenance expense increased by 94% from TZS 84.69 million in 2021/22 to TZS 163.98 million in 2022/23. This increase has been largely caused by increase of cost of repairs of the motor vehicles in spare parts, small tools and implements

vii) Water distribution expenses

Water distribution expense stood at TZS 139.03 million in 2022/23 compared to TZS 184.75 million in 2021/22. This represents a decrease of 25%. The decrease of water distribution expense in the reporting period was driven by direct capitalization of Minor water network expansion costs of labor spent in water distribution costs labor expenses. The capitalization of water takes place when pipes of HDP of more than 1.5 inches are laid down and backfilled

viii) Personnel Expenses

For the year ended 30 June 2023, personnel expenses slightly increased from 1.51 billion in the year 2021/22 to TZS 1.57 billion in the year 2022/23. This was 4% increase.

ix) Administration Expenses

Administrative expenses have increased by 9% from TZS 1.01 billion in 2021/22 to TZS 1.10 billion in 2022/23. The increase in administrative expenses during the year 2022/23 was because of expansion of the service areas of the Authority.

x) Other Expenses

Other expenses as reported in income statements includes business promotion expense, HIV/AIDS awareness costs events and donations. During the year under review other expenses increased significantly by 172 % from TZS 31.62 million in 2021/22 to TZS 86.28 million in 2022/23. This substantial increase of 173% was caused by the changes in new travelling rates by the government order and conduct of some events like inauguration of major 28 water supply projects in Songea Municipal.

xi) Finance Costs

The finance costs comprise interest expenses charged by TIB Bank on Credit Facility of TZS 482 million offered to the Authority and bank charges. During the year 2022/23, the finance costs decreased from TZS 58.69 million in 2021/22 to TZS 27.24 million in 2022/23. This represents

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

a 54% decrease. The decrease was mainly attributed to the reduction of the floating interest by TIB bank from 14% to 10%.

b) Analysis of financial position

i) Property, plant and equipment

Property, plant and equipment net book value stood at TZS 27.94 billion as at 30 June 2023 compared to TZS 27.06 billion as at 30 June 2022, this represents an increase of 3%. The increase has been attributed to capitalization of some water networks assets due to grants acquired from the Government and internal generated funds.

ii) Trade and Other Receivables

Trade receivables increased by 3% from TZS 750.30 million in 2021/22 to TZS 775.51 million in 2022/23. The increase is due to change in new tariff rates which resulted in an increase of the billing value.

iii) Inventories

Inventories stood at TZS 619.08 million as at 30 June 2023 compared to 644.26 million as at 30 June 2022. This represents a 4% decrease. The decrease of these current assets items was due to more usage of inventories in new connection of customers as during the year the Authority managed to connect 1,542 customers compared to the target of 1,440 customers.

iv) Cash and Cash Equivalents

Cash and cash equivalents stood at TZS 229.53 million as at 30 June 2023 compared to TZS 397.09 million as at 30 June 2022. This represents a 42% decrease. This decrease was contributed by utilization of funds in the purchases of pipes and water meters for the connection and extension of water network.

v) Trade and Other Payable

Trade and other payable increased to TZS 1.74 billion as at 30 June 2023 compared to TZS 1.68 billion as at 30 June 2022. The increase of 4% was attributed to the procurement on credit of the suppliers from the suppliers.

vi) Borrowing

Borrowings obligations have decreased from TZS 279.45 million in 2021/22 to TZS 154.59 million at 30 June 2023. This decrease is 45% is due to total loan repayment of the 120 million for the year 2022/23.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

c) Analysis of Cash Flows

i) Cash Flows from operating activities

Cash flow from operating activities comprise of receipts from water services rendered, other incomes and operating expenditures. The net cash from operating activities during the year ended 30 June 2023 stand at TZS 963.28 million compared to TZS 874.27 million in the year ended 2022. The increase of 10% is the result of few funds received from other receipts.

ii) Cash flows from investing activities

Cash flow from investing activities comprises of expenditure spent in purchase of capital assets. The net cash flow from investing activities during the year ended 30 June 2023 stood at TZS 1,000.4 million compared to TZS 686.94 million in the year ended 30 June 2022. The increase of 46% is the result of more purchases of capital assets for capitalization.

iii) Cash flows from financing activities

Cash flow from operating activities comprises receipts from water services rendering other incomes and operating expenditures. The net cash flow from financing activities during the year ended 30 June 2023 stood at TZS 130.3 million compared to a negative of TZS 473.19 million in the year ended 2022. The increase 127% is the result of funds issued by the Ministry of Water to small towns for financing of water projects.

d) Budget Performance

During the financial year ended 30 June 2023 Songea WSSA planned to collect and spend TZS 4.27 billion from water sales and other income. The Authority managed to collect TZS 3.64 billion from the water sales which is 97% of the budget and TZS 994.08 million from other income against the budget of TZS 489.78 million which is 200%. The Authority also spent TZS 3.62 billion which 85% of the budget. Generally budget implementation was satisfactory.

Table 3: Budget Performance

Descriptions	Budget TZS	Actual Amount TZS	Performance %
REVENUE:			
Revenue from Exchange transactions	3,787,308,150	3,643,884,920	97
other Incomes	489,780,000	994,089,016	200
Total Revenue	4,277,088,150	4,637,973,936	
EXPENDITURE:			
Water production Expenses	442,186,248	387,283,680	87
Sewerage Disposal and Sanitation Expenses	96,240,000	71,469,813	74
Repairs and Maintenance Expenses	225,825,010	208,996,875	93

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Water Distribution Expenses	582,949,245	585,809,881	92
Personnel Expenses	1,581,222,200	1,452,154,951	91
Administrative Expenses	1,163,871,128	793,428,008	68
Other Expenses	184,794,320	175,544,930	95
Total Expenditure	4,277,088,150	3,674,688,138	

e) Future Development Plans

- i) Increase Water Production from the current 3,168,200m³/year (2022/23) during the dry spell to about 3,350,493 m³/year by the year 2023/2024
- ii) Expand the water distribution network from current 567 km (June 2022/23) to 570 km in the year 2023/24.
- iii) Improve Revenue collection from the current average of 400,000,000 per month (2022/23) to TZS 430,000,000 per month in the year 2023/24
- iv) Extend the current sewerage network from 37.7 km to 40 km by the year 2023/24 in order to increase population with access to sewerage services from 6.1% to 7% by June 2023/24
- v) Reduce the Non-Revenue Water from the current 22% to 20 % by the year 2023/24 through rehabilitation of old dilapidated network of length 32 km.
- vi) Increase the water treatment plant capacity from the current 11,500 m³/day (2021/22) to 23,000 m³/day by the year 2026/27

f) Capital Structure

The capital structure is majority held by the government. Songea WSSA is totally public entity in which the government is the sole shareholder. Currently the capital funds (Taxpayer funds) stand at TZS 25.6 billion. The capital fund was invested in 1997 during the establishment of the Songea WSSA. The capital structure also composed of the Accumulated surplus of TZS 2,036,308.772 which has been increasing over the year due to surplus from the operation of the entity. The entity also currently resorts to debt financing and service credit facility with revenue from operating activities

g) Treasury Policies and Objectives

Songea WSSA has good policies in managing liquidity positions, banking matters and constantly monitor cash inflows and outflows to optimize the utility liquidity position. Cash are transferred from the central bank every week and priority expenditures are identifies in which funds are directed.

h) Liquidity of the entity

Songea WSSA has sufficient current assets to finance its daily operation. The entity has 775.5 million receivables and cash and cash equivalents of 229 million. This is due to sound working capital management instituted in the Authority.

2.9 RESOURCES

Songea WSSA has abundant of various tangible and intangible resources on which it depends as inputs to its operation to achieve the objectives set. These resources are basically categorized as financial resources, human resources, intellectual resources, social relationship resources, natural resources and other resources depending on the nature of the operation.

a) Financial resources

Songea WSSA has adequate fund sources that finance its operating activities. The entity has sufficient liquid assets such as receivables, cash and cash equivalents of more than TZS 1 billion readily available to finance its operating activities. There are also adequate inventories maintained at optimal level for the service provision and water network expansion. The entity generates surplus for the year and accumulated surplus (which currently stands at TZS 2.03 billion) which can be channelled for further investment. The Authority's net assets keep on increasing as it currently stands at TZS 27 billion which signifies a bright future of the entity's equity financing. Currently the Authority has also adopted the credit facility financing, seeking concessional loans from different financial institutions and funds on favourable terms.

b) Human resources

Songea WSSA has adequate number of human capacities with sufficient experiences, competencies and motive to perform their task with high innovative skills and professional scepticism. The Authority has 91 employees in 3 Directorates and 6 units. The directorates and units by senior staff with adequate experiences. The employees are very loyal and ethical all the time and have a motive for improving and delivery of the water supply services as core function of the entity, they have ability to lead and collaborate with key stakeholders. Workers are creative and understandable in development and implementation of the Authority strategy to achieve the objective of as established in the Strategic plan and business plan of the Authority.

c) Intellectual resources

Currently Songea WSSA hold adequate intellectual resources which helps to achieve the desired milestones. The Authority has software and systems such as billing system, Enterprise Resources System (ERMS) which aid to integrate various operations across the entity units. The Authority enjoy a monopoly power of supplying water supply and sanitation in Songea Municipal as per Water supply and Sanitation Act No 5 of 2019. It has water supply license from EWURA which gives it a mandate of supplying water supply services in the service area. Songea WSSA has a

good goodwill in the minds of the customers in supplying the service a right time, and with high quality.

d) Social and relationship resources

Songea WSSA is a public institution surrounded by communities and groups of various stakeholders. The entity maintains a strong relationship to share information to enhance individual and collective well-being. Songea WSSA as a part of the community share norms and common values with other stakeholders such as customers, local councillors, casual labours, Makumbusho elders, and Domestic water points operators.

e) Natural resources

Songea WSSA has natural abundant water resources for the supply of water services across the service area. Water resources are flowing by gravity system from Matogoro hills which lead to less pumping activities of water from Ruhila impounding Weir. There is also a natural sand available in local areas which is used for sedimentation during the water treatment at New Treatment Plant (NTP). Natural plantation is available at the river banks which protect water and prevent drought of water sources

f) Other Resources

Songea WSSA has market position and a strong reputation in the customers. There are also government regulations and laws which protect the existence of Songea WSSA.

2.10 PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

Table 4: Principal Risks Uncertainties and Opportunities

S/N	Objectives	Risks	Impacts	Risk mitigation
1.	HIV/AIDS awareness and environmental conservation measures enhanced	Spread of HIV Infection and environmental degradation	- HIV infections - Environmental degradation - Non-compliance of the National policies	- Promote HIV Campaign - Conserve environmental - Allocate budget
2.	Pro-poor services, gender outlook and Anti-corruption measures enhanced	- Loss of Corporate Social Responsibility culture and spread of corrupting practices - Gender inequality	- Loss of Corporate culture - High corruption - Gender discrimination - Noncompliance of the National policies	- Promote corporate culture by serving pro-poor families - Institute anti-corruption measures - Insist on gender empowerment and equality

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Objectives	Risks	Impacts	Risk mitigation
3.	Water Production System Improved	• Shortage of water during drought • Ineffective catchment management • Dam failures	• The impact of a dam burst would be catastrophic • Shortage of water and outbreak of diseases	• supply side measures include replacement/alternative water source; maintenance; • Regular dam inspections; emergency maintenance works, emergency reservoir
4.	Water distribution network extended	• Distribution asset failures • Contamination/Infiltration	• Occurrence of major outage, floods and increase of capital and operating expenditures • Contamination is a risk that could generate cost for Authority through needs	• Asset investment planning; asset security; monitoring/shut down; insurance • Asset security; monitoring/shut down, alternative source,
5.	Sewerage disposal and Sanitation services improved.	• Sewer flooding • Major compliance breaches • Health and safety	• The rise in the cost to wastewater in the sewerage network • The Environment Agency might impose legal units against the Authority • Emergence of diseases fatal diseases, such as leptospirosis	• Construction of effective and efficient sewer system to prevent flooding • Policy, staff training, protective clothing • Adhere with environmental regulations
6.	Revenue base increased	• Revenue collection inefficiencies • Payment to fictitious vendors • Dummy payments (Nugatory expenditures) • Payment without sufficient documents (Ad hoc payments) • Transfer of funds to wrong account	• Minimum revenue collection, failures to cover short term obligations and other necessary commitments of the Authority	• Efforts of improving revenue collection are now available, including but not limited to, installing prepaid meters to great defaulters, conduct competent billing in order to get high billing value, • Institute a sound internal financial control
7.	Non-Revenue water reduced	• Leakages due ground movements	• Low collection • Low billing value	• Purchase of water network materials for daily maintenance and repairs • Report and attend immediately leakages
8.	Human resources and administrative capacity improved	• Labour turnover • Dishonest employees • Existence of dummy workers • Employees incompetent employees	• Employees shortage • Theft of institution properties • Unnecessary expenditures • Low productivity	• Motivate employees • Design attractive remuneration to employees • Counsel employees • Employee competent employees • Conduct performance appraisal

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Objectives	Risks	Impacts	Risk mitigation
9.	Maintenance and repair of assets enhanced	Old infrastructures and properties	- Decrease of working morale - Lower of the entity reputation	
10.	Information technology, publicity and business promotion improve	- Poor or non-functional of IT equipment's - Unautomated processes	Loss of data	- Procure standard IT equipment - Train employees to align with automation

2.11 ENTITY'S OPERATING MODEL

Table 5: Entity Operating Model

S/N	Objectives	Inputs	Processes	Output	Outcome
1.	HIV/AIDS awareness and environmental conservation measures enhanced	Financial human resources	Conduct anti-HIV and environmental conservation campaign	Awareness of HIV and environmental conservation	Public awareness
2.	Pro-poor services, gender outlook and Anti-corruption measures enhanced	Financial human resources	Provide water to pro-poor families, anti-corruption and gender inequality campaign	Awareness of anti-corruption	Public awareness
3.	Water Production System Improved	Financial, human resources and materials, Intellectual resources	Produce and treat water from sources	Adequate safe and drinking water	Public access to safe and drinking water
4.	Water distribution network extended	Financial, human resources and materials, Intellectual resources	Upkeep and extend water supply network	Adequate safe and drinking water	Public access to safe and drinking water
5.	Sewerage disposal and Sanitation services improved.	Financial, human resources and materials, Intellectual resources	Upkeep and extend sewer network	Access to sanitation services	Public access to sanitation services
6.	Revenue base increased	Financial, human resources and materials, Intellectual resources	Conduct proper billing and collect revenue	Revenue sufficiency	Public access to safe and drinking water
7.	Non-Revenue water reduced	Financial, material, labour	Conduct regular repairs and maintenances of assets	Reduction of non-revenue water	Society access to safe and

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Objectives	Inputs	Processes	Output	Outcome
					drinking water
8.	Human resources and administrative capacity improved	Financial resources, human resources	Building institution capacity	Job satisfaction And employee's retention Availability of administrative facilities	Public reputation, and good governance
9.	Maintenance and repair of assets enhanced	Financial resources and human resources, material resources and labour	Conduct regular repairs, rehabilitate, replace and maintenances of assets	Renewable, and reliable assets	Public access to safe and drinking water
10.	Information technology, publicity and business promotion improve	Financial, human, intellectual and material resources	Carry out Automation of institution processes	Automated business processes	Embrace digital societies

2.12 KEY PERFORMANCE INDICATORS (KPIs)

Songea WSSA operate in the benchmark of key performance indicators. These indicators form references to which the new developments, operations, performance and financial position of Songea WSSA can be measured effectively.

Table 6: Key Performance Indicators (KPIs)

No.	Performance Indicator	Unit	Set Target 2022/23	Achievements 2022/23	Variance		Remarks
Protection of the user interests							
	User service accessibility				No	%	
PT 1	Proportion of population living within the area with Water Network	%	90	89.1	(0.9)	1	Proportion of population living within the area with water network decreased by 0.9 and proportion population with direct access to water supply increased by 0.4 due to customers outreach attributed by increase of distribution network about 42.511 km.
PT 2	Proportion of population with direct access to water supply	%	84	84.4	0.4	0.48	
PT 3	Number of households with connection to Water supply	No.	20,107	20,202	(+95)	(+0.47)	The increase of water supply connection resulted through increase an

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

							expansion of the distribution network, encouragement of citizens to connect to water supply services.
PT 4	Proportion of population connected with Sanitation network	%	8.0	5.7	(2.3)	(28.8)	Unfavourable due to delay in the enactment of the by-laws which requires compulsory connection for customers living within the wastewater network.
PT 5	Number of Households with connection to Sanitation	No.	1,617	1,597	(20)	(1.24)	Unfavourable due to delay in the enactment of the bylaws which requires compulsory connection for customers living within the wastewater network, high cost for material and fittings
PT 7	Average hours of supply	hours	24	23.14	(0.85)	(3.58)	favourable
	Quality of service supplied to users						
PT 8	Water quality compliance (%)						
	4.1 E-coli	%	100	100	0	0	favourable
	4.2 Turbidity	%	100	100	0	0	favourable
Sustainability of the Operator							
Operator's financial and economic sustainability							
PT 9	Metering ratio (%)	%	100	100	(0)	(0)	Favourable
PT 10	Non-Revenue Water or NRW (%)	%	20	21.69	1.69	8.45	NRW reduction could not meet the target despite several efforts exerted by Authority.
PT 11	Revenue collection efficiency (%)	%	92	104.77	12.77	13.88	Increase in revenue collection Improved after customers especially government institutions paid their arrears.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

PT 12	Working ratio	-	0.67	0.84	0.17	20	Authority has enough capital to run its day-to-day operations.
PT 13	Operating ratio	-	0.70	0.99	0.29	29	The Authority is able to meet its operating expenditure
Operator's Cost Indicators							
Operator's human resource Efficiency							
PT 15	Personnel / 1000 (W&S) connections	-	5	4	1	20	Favourable
Environmental sustainability							
PT 16	Wastewater quality compliance (%)						
	12.1 BOD ₅ compliance	%	100	100	0	0	Favourable
	12.2 COD compliance	%	100	100	0	0	Favourable

2.13 CORPORATE GOVERNANCE MATTERS

A. Corporate Governance Statement

Songea WSSA is public institution which adhere with the principle of corporate governance and codes. The board members realise that, adherence to and satisfaction of strategic objectives, minimization of risks, ethical behaviours and integrity, absence of potential conflict of interests, promotion of investors and stakeholder's confidence, accountability, independence and proactive involvement of the Authority operation are the key to success of the Authority strategic objectives.

B. Membership of those Charged with Governance

The Board of Directors of Songea WSSA is a governing body consisting of Non-Executive Directors and the Managing Director. The Chairman of the board and eight non-executive directors were appointed by the Minister responsible for water. The Managing Director (MD) is appointed by the Minister Responsible for water, and is the Secretary to the Board.

Board members who served the Authority for the financial year 2022/23 up to February 2023 are indicated in Table 7:

Table 7 : Members of the Board of Directors from 1 July 2022 to 12 February 2023

S/N	Name	Position	Discipline	Nationality	Age	Representation
1	Dkt. Anselm Tarimo	Chairman	Msc. in Veterinar's Medicine	Tanzanian	68	Municipal Resident
2	Mrs. Triphonla Nchimbi	Member	BA in Education	Tanzanian	65	Domestic Consumer
3	Mr. Steven Mashauri Ndaki	Member	Bsc. Agriculture General, Msc. Soil Science & Land Management	Tanzanian	55	Regional Administrative Secretary
4	Mrs. Fatuma Hamisi Mssango	Member	Certificate in Nursing	Tanzanian	63	Women

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

5	Dkt. Fredrick Sagamiko	Member	Doctor of Philosophy in Public Health	Tanzanian	47	Municipal Director
6	Mr. Alex Tarimo	Member	Bachelor of Arts in Economics, MBA, MSc Investment Management, PGDE	Tanzanian	54	Ministry of Water
7	Hon. Musa Selemani Mwakaje	Member	Certificate in Cleaning and Forwarding	Tanzanian	51	Councillors
8	Dr. Jitry Ndax Khanga	Member	Master of Public Health (MPH), Bachelor of Medicine and Bachelor of Surgery (MBBS)	Tanzanian	54	Big Consumers
9	Mr. Nikita Kibopile	Member	Advanced Diploma in Accountancy (ADA), Masters of Business Administration	Tanzanian	60	Commercial and Industrial customers
10	Eng. Patrick C. Kibasa	Secretary/ (MD)	Bsc. (Eng), Msc. Water Resources Engineering, MBA	Tanzanian	47	Managing Director

The new Board members who served the Board for the year 2022/23 from 13 February 2023 up to 30 June 2023 are indicated in Table 8:

Table 8: Membership of the Members of the Board of Directors from 13 February, 2023 to 30 June 2023

S/N	Name	Position	Discipline	Nationality	Age	Representation
1	Mrs. Rosalia John Mwenda	Chairman	Bachelor of Commerce and Management	Tanzanian	64	Municipal Resident
2	Mrs. Costancia Nziku Timothy	Member	Diploma in Hydro-Meteorology	Tanzanian	61	Domestic Consumer
3	Mr. Steven Mashauni Ndaki	Member	Bsc. Agriculture General, Msc. Soil Science & Land Management	Tanzanian	55	Regional Administrative Secretary
4	Mrs. Fatuma Harisi Missango	Member	Certificate in Nursing	Tanzanian	63	Women
5	Dkt. Fredrick Sagamiko	Member	Doctor of Philosophy in Public Health	Tanzanian	47	Municipal Director
6	Mr. Alex Tarimo	Member	Bachelor of Arts in Economics, MBA, MSc Investment Management, PGDE	Tanzanian	54	Ministry of Water
7	Hon. Mathew Casian Ndumbaro	Member	Certificate in of Teaching (Grade IIIA)	Tanzanian	57	Councillors
8	Dr. Magafu Majura Mzigaba	Member	Degree of Master of Medicine (MMed in Obstetrics & Gynaecology)	Tanzanian	49	Big Consumers
9	Mr. Nikita Kibopile	Member	Advanced Diploma in Accountancy (ADA), Masters of Business Administration	Tanzanian	60	Commercial and Industrial customers

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

10	Eng. Patrick C. Kibasa	Secretary MD	Bsc. (Eng), Msc. Water Resources Engineering, MBA	Tanzanian	47	Managing Director
----	------------------------	-----------------	---	-----------	----	----------------------

C. Board Committees

The Board delegates specific responsibilities to the Finance, Planning, Employment and Disciplinary Committee as well as Audit Committee. It retains, however the overall responsibility for activities of the Authority, including implementation of corporate strategy. For the year ended 30 June 2023, the Board of Directors functioned through two committees; The Finance, Planning, Employment and Disciplinary committee, and Audit Committee. Membership and objectives of these Committees are detailed below:

(i) Finance, Planning, Employment and Disciplinary Committee

The committee monitors and reviews the financial issues, budgetary and planning matters as well as employment and disciplinary cases of the Authority. During the financial year 2022/23 the committee held three meetings, and some of the issues that were discussed were;

- ✓ Quarterly financial and performance reports;
- ✓ Budget approval and Mid-year budget reviews;
- ✓ Recruitment of staff of the Authority
- ✓ Approving employment and confirmation of new workers

Table 9: Members of Finance, Planning, Employment and Disciplinary Committee from 1 July 2022 to 12 February 2023

S/N	Name	Position	Discipline	Nationality
1	Hon. Mussa Mwakaje	Chairman	Certificate in Clearing and Forwarding	Tanzanian
2	Mr. Alex Tarimo	Member	Bachelor of Arts in Economics, MBA, MSc Investment Management, PGDE	Tanzanian
3	Dr. Fredrick Sagamiko	Member	Doctor of Philosophy in Public Health	Tanzanian
4	Mr. Steven Ndaki	Member	Bsc. Agriculture General, Msc. Soil Science & Land Management	Tanzanian
5	Eng. Patrick C. Kibasa	Secretary	Bsc. (Eng), Msc. Water Resources Engineering, MBA	Tanzanian
6	Dr. Anselm Tarimo	Invited	Msc. in Veterinary Medicine	Tanzanian

Table 10: Finance, Planning, Employment and Disciplinary Committee from 13 February 2023 to 30 June 2023

S/N	Name	Position	Discipline	Nationality
1	Mrs. Costancia Nziku Timothy	Chairman	Diploma in Hydro- Meteorology	Tanzanian
2	Mr. Alex Tarimo	Member	Bachelor of Arts In Economics, MBA, MSc Investment Management, PGDE	Tanzanian
3	Dr. Magafu Majura Mzigaba	Member	Degree of Master of Medicine (MMed in Obstetrics & Gynaecology)	Tanzanian
4	Mr. Steven Ndaki	Member	Bsc. Agriculture General, Msc. Soil Science & Land Management	Tanzanian

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

5	Eng. Patrick C. Kibasa	Secretary	Bsc. (Eng), Msc. Water Resources Engineering, MBA	Tanzanian
6	Mrs. Rosalia John Mwenda	Invitee	Bachelor of Commerce and Management	Tanzanian

(ii) Audit Committee

The committee of the Board monitors and reviews the effectiveness of internal control mechanisms instituted in the Authority, risk management of the Authority and compliances of the laws and procedures in implementation of the various activities in the Authority. During the financial year 2022/23 the committee held three meetings, and below are some of the issues that were discussed.

- ✓ Reviews and assess the annual Internal audit work plan
- ✓ Receive and discuss on the results of the internal audit work on periodic basis
- ✓ Review the effectiveness of the internal audit function
- ✓ Review and approves the statements made by management on the internal control and risk management systems
- ✓ Reviews and monitor management responses on the internal audit findings and recommendations
- ✓ Reviews the financial reporting prepared by the management taking into account the external auditor's recommendation
- ✓ Overseeing the Authority's relationship with external auditors

Table 11: Audit committee from 1 July 2022 to 30 June 2023

S/N	Name	Position	Discipline	Nationality
1	Mr. NikiLa Kibopile	Member	Advanced Diploma in Accountancy (ADA), Masters of Business Administration	Tanzanian
3	Dr. Jairy Khanga	Member	Master of Public Health (MPH), Bachelor of Medicine and Bachelor of Surgery (MBBS)	Tanzanian
4	Mrs. Tilphonia Nchimbi	Secretary	BA in Education	Tanzanian
5	Mrs. Fatuma Missango	Member	Certificate In Nursing	Tanzanian
6	Eng. Patrick Kibasa	Invitee	Bsc. (Eng), Msc. Water Resources Engineering, MBA	Tanzanian
7	Dr. Anselm Tarimo	Invitee	Msc. in Veteranis Medicine	Tanzanian

D. Environmental matters (including the impact of the operation of the entity on the environment) Policy

Policy: Environmental conservation and protection for upkeep of water resources

Implementation of the Policy: Songea WSSA in collaboration with Stakeholders will; provide a comprehensive support to conserve and protect environmental for water resources upkeep.

2.14 AUDIT MANDATE

The Controller and Auditor General is the statutory independent auditor of the Songea Urban Water Supply and Sanitation Authority (Songea WSSA) by virtue of Article 143 of the constitution of the United Republic of Tanzania, 1977 and as amplified in section 10 of the Public Audit Act, Cap.418 [R.E 2021]. According to section 33 (1) of the Public Audit Act, Cap 418 [R.E. 2021], the Controller and Auditor General has powers to appoint any eligible person to conduct an audit of accounts of any entity on his behalf. Accordingly, M/s Financial Consultants & Services was appointed by the CAG to be an auditor of Songea WSSA for the fiscal year ended on 30 June 2023. The Controller and Auditor General shall perform quality reviews of the work and reports produced.

Other information of Financial Consultants & Services

- Physical Address: Magomeni Kagera Street, House no. 25 in Dar es Salaam
- Firms Registration (BRELA) no. 65340
- Taxpayer's Identification Number (TIN) 102-107-756
- Registration Number with NBAA-PF 044

2.15 RESPONSIBILITY OF THE AUDITOR

The auditors' responsibility is to consider whether there is a material inconsistency between the other information and the financial statements; and whether there is a material inconsistency between the other information and the auditor's knowledge obtained in the audit.

2.16 2.15 POLITICAL AND CHARITABLE DONATIONS.

Songea WSSA did not make any political donations in the financial year 2022/23.

2.17 DISABLED PERSON

It is Authority's policy to give equal opportunities to disabled persons for vacancies they are able to fill.

2.18 PREJUDICIAL ISSUES.

In the opinion of the members of the Board of Directors, there are no serious unfavourable matters that can adversely affect Songea WSSA.

2.18 STATEMENT OF COMPLIANCE.

This report by Those Charged with Governance has been prepared in compliance with the new Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as issued by the National Board of Accountants and Auditors (NBAA) and became effective from 1 January 2021.

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Section 28 (1) of the Legislation and Operations Guidelines of 1997 for Urban Water Supply and Sanitation Authorities requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Authority as at the end of the financial year and of its surplus or deficit.

It also requires the directors to ensure that the Authority keeps proper accounting records that disclose with reasonable accuracy, the financial position of the Authority. The directors are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with International Public Sector Accounting Standards (IPSAS) and the requirements of the Water Supply and Sanitation Act, 2019.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, well as adequate systems of internal financial control.

The report by those charged with governance has been approved by those charged with governance on _____ and signed on its behalf by:



Mrs. Rosalia John Mwenda
Chairperson of the Board



Eng. Patrick Kibasa
Managing Director

Date: 25/03/2024

4.0 DECLARATION OF THE HEAD OF FINANCE

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

I, CPA Maswe Nyamhanga, being the Manager responsible for Finance/Accounting of Songea Urban Water Supply and Sanitation Authority (SONGEA WSSA), hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30th 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 SONGEA WSSA as on that date and that they have been prepared based on properly maintained financial records.

Signed by:



Position: Finance Manager

NBAA Membership No: ACPA 5275

Date



SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/23 TZS	2021/22 TZS
ASSETS			
Current assets			
Cash and cash equivalents	5	229,525,929	397,090,071
Trade and other receivables from exchange transactions	6	775,505,028	750,300,497
Inventories	7	619,075,525	644,264,924
Asset held for sale	8	0	10,911,643
		<u>1,624,106,482</u>	<u>1,802,567,135</u>
Non-current assets			
Property, plant and equipment	9	27,939,964,218	27,063,926,167
Work in Progress	9(b)	0	454,526,656
Restricted funds	10	26,468,932	26,468,932
		<u>27,966,433,150</u>	<u>27,544,921,755</u>
Total assets		<u>29,590,539,632</u>	<u>29,347,488,890</u>
LIABILITIES			
Current Liabilities			
Trade and other payables from exchange transactions	11	1,741,596,678	1,677,046,889
		<u>1,741,596,678</u>	<u>1,677,046,889</u>
Non-current liabilities			
Borrowings	12	154,589,686	279,444,835
		<u>154,589,686</u>	<u>279,444,835</u>
Total liabilities		<u>1,896,186,364</u>	<u>1,956,491,724</u>
NET ASSETS		<u>27,694,353,268</u>	<u>27,390,997,166</u>
NET ASSETS			
Taxpayers Fund		25,658,044,496	25,658,044,496
Accumulated Surplus		2,036,308,772	1,732,952,670
		<u>27,694,353,268</u>	<u>27,390,997,166</u>

The Statement of Financial Position is to be read in conjunction with the notes forming part of the financial statements set out on pages 39 to 66.



Mrs. Rosalia John Mwenda
Chairperson of the Board



Eng. Patrick Kibasa
Managing Director

Date: 25/03/2024

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22
	Note	TZS	TZS
REVENUE			
Revenue from exchange transactions	13	3,669,089,452	2,983,124,329
Other income	14	262,269,826	141,575,023
Revenue from non-exchange transactions	15	<u>499,255,400</u>	<u>1,184,460,143</u>
Net income		<u>4,430,614,678</u>	<u>4,309,159,495</u>
EXPENDITURE			
Water production expenses	16	382,467,678	398,667,213
Sewerage Disposal and Sanitation expenses	17	77,780,950	85,055,908
Repair and maintenance expenses	18	163,980,975	84,693,361
Water distribution expenses	19	139,027,810	184,747,644
Personnel expenses	20	1,573,485,772	1,511,229,762
Administration expenses	21	1,098,023,130	1,008,395,256
Other expenses	22	86,274,585	31,618,855
Depreciation and impairment charges	23	578,977,020	741,456,775
Finance cost	24	<u>27,240,655</u>	<u>58,688,315</u>
Total expenditure		<u>4,127,258,575</u>	<u>4,104,553,089</u>
Surplus/(deficit) for the year		303,356,103	204,606,406

The Statement of Financial Performance is to be read in conjunction with the notes forming part of the financial statements set out on pages 39 to 66



Mrs. Rosalia John Mwenda
Chairperson of the Board



Eng. Patrick Kibasa
Managing Director

Date: 25/03/2024

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	CAPITAL FUND	ACCUMULATED SURPLUS	TOTAL
	TZS	TZS	TZS
Year ended 30 June 2022			
As at 1 July 2021	25,658,044,496	1,551,052,945	27,209,097,441
Prior Year Adjustment on PPE		(22,706,681)	(22,706,681)
Surplus for the year	<u>0</u>	<u>204,606,406</u>	<u>204,606,406</u>
As at 30 June 2022	<u>25,658,044,496</u>	<u>1,732,952,670</u>	<u>27,390,997,166</u>
Year ended 30 June 2023			
As at 1 July 2022	25,658,044,496	1,732,952,670	27,390,997,166
Surplus for the year	<u>0</u>	<u>303,356,102</u>	<u>303,356,102</u>
As at 30th June 2023	<u>25,658,044,496</u>	<u>2,036,308,772</u>	<u>27,694,353,268</u>

The Statement of Changes in Net Assets is to be read in conjunction with the notes forming part of the financial statements set out on pages 39 to 66.



Mrs. Rosalia John Mwenda
Chairperson of the Board



Eng. Patrick Kibasa
Managing Director

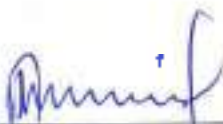
Date: 25/03/2024

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22
CASH FLOW FROM OPERATING ACTIVITIES			
RECEIPTS:		TZS	TZS
Rendering of services	25	3,643,894,920	3,274,885,692
Other Income Receipts	25	<u>494,833,616</u>	<u>316,355,152</u>
Other Receipts from Non Exchange Transactions		<u>499,255,620</u>	<u>686,684,718</u>
		4,637,973,937	4,277,925,562
PAYMENTS:			
Water production expenses	26	(387,283,680)	(330,413,798)
Sewerage expenses	26	(71,469,813)	(67,367,766)
Repair and maintenance expenses	26	(208,996,875)	(141,375,806)
Water distribution expenses	26	(585,809,881)	(801,694,039)
Personnel expenses	26	(1,452,154,951)	(1,290,238,686)
Administration expenses	26	(793,428,008)	(642,416,533)
Other expenses	26	<u>(175,544,930)</u>	<u>(130,147,854)</u>
Total Payments		3,674,688,139	(3,403,654,482)
Net Cash Flow from Operating Activities	27	963,285,798	874,271,080
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment	29	(876,865,079)	(232,411,184)
Increase in work in progress (WIP)	9	<u>(123,600,000)</u>	<u>(454,526,656)</u>
Cash Generated from Investing Activities		(1,000,465,079)	(686,937,840)
CASH FLOW FROM FINANCING ACTIVITIES			
Grants from the Government (MoW)		869,453,073	3,137,715,681
Grants from the Government (MoW) to small towns water Utilities		853,379,671	(3,445,663,901)
Loan repayment to TIB	12	(120,583,116)	(120,583,116.00)
Interest Paid to TIB Loan		<u>(25,875,146)</u>	<u>(44,654,313.00)</u>
Net cash flow from Financing Activities		(130,384,860)	(473,185,649)
Net Change in Cash and Cash Equivalents		(167,564,141)	(285,852,409)
Cash and Cash Equivalents at the Beginning of the Year		<u>397,090,070</u>	<u>682,942,479</u>
Cash and Cash Equivalents as at 30 June 2023		<u>229,525,929</u>	<u>397,090,070</u>

The Cash flow Statement is to be read in conjunction with the notes forming part of the financial statements set out on pages 39 to 66.


Mrs. Rosalia John Mwenda
 Chairperson of the Board


Eng. Patrick Kibasa
 Managing Director

Date: 25/03/2024

SONGEE URBAN WATER SUPPLY AND SANITATION AUTHORITY

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

	Original Budget TZS (A)	Final Budget TZS (B)	Actual Amount TZS (C)	Difference TZS (D)=(C-B)	Explanation of the Material differences
REVENUE					
Revenue from Exchange transactions	3,787,308,150	3,787,308,150	3,643,884,920	(143,423,230)	There is a variance of 4% because some of the arrears were not collected as planned
Revenue from non-Exchange transactions	-	-	499,255,400	(499,255,400)	These funds are grants from the government. The funds were not budgeted in the annual budget 2022/23
Other Income	489,780,000	489,780,000	494,833,616	(5,053,616)	There is a variance of 6% because some of the arrears were not collected as planned.
Total Revenue	4,277,088,150	4,277,088,150	4,637,973,936	(360,885,786)	
EXPENDITURE:					
Water production Expenses	442,186,248	442,186,247	387,283,680	54,902,567	
Sewerage Disposal and Sanitation Expenses	96,240,000	96,240,000	71,469,813	24,770,187	There is a variance of 31% between original budget and final budget in sewerage expenses because no expansion of sewerage network during the midyear 2022/23
Repairs and Maintenance Expenses	225,825,010	225,825,010	208,996,875	16,828,135	There is a variance of 15% between original budget and FINANCING ACTIVITIES actual amount in repair and maintenance expense because more funds were allocated to water production expenses.
Water Distribution Expenses	582,949,245	582,949,245	585,809,881	2,860,636	There is a variance of 93 % between original budget and Distribution Expenses actual amount is over because
Personnel Expenses	1,581,222,200	1,581,222,200	1,452,154,951	129,067,249	There is a variance of 12 % between original budget and Distribution Expenses actual amount because
Administrative Expenses	1,163,871,126	1,163,871,126	793,428,008	370,443,120	

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

	Original Budget TZS {A}	Final Budget TZS {B}	Actual Amount TZS {C}	Difference TZS {D}={C-B}	Explanation of the Material differences
Other Expenses	184,794,320	184,794,320	175,544,930	9,249,390	There is a variance of 32 % between original budget and actual amount because of reduction of some expenses.
Total Expenditure	4,277,088,150	4,277,088,150	3,674,688,138	602,400,012	
Surplus	-	-	963,285,798	963,285,798	

*The Budget and financial statement are prepared on a different basis. A statement of comparisons of a Budget and actual amount above is prepared on the same basis as the Budget. Additional information about the budget and a reconciliation of amount as per the above statement and the actual amount in the statement of cash flow is disclosed in the note 25 to the financial statement.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

General Information

Statute

- (i) Songea Urban Water Supply and Sanitation Authority (SONGEA WSSA) was established under the Water Works Ordinance Cap 281 in accordance with the Government Notice No. 371 published on 25 July 1997. Subject to Section 3 (1) of the Water Works Regulation, the Minister responsible for Water declared Songea Urban Water Supply and Sanitation Authority an autonomous body with effect from 01 January 1997, thereby revoking the Government Notices No. 254 of 1949, No. 478 of 1962 and No. 113 of 1975 made by the legislative body.

The Waterworks Act was repealed by the Water Supply and Sanitation Act 2009, which was also repealed by Water and Sanitation Act No 5 of 2019.

- (ii) Songea Urban Water Supply and Sanitation Authority discharge its functions under the Ministry of Water (MOWI) and is closely regulated by the Energy and Water Utilities Regulatory Authority (EWURA).

The principal activities of Songea Urban Water Supply and Sanitation Authority is production, distribution and delivery of clean and portable water including collection, treatment and disposal of the sewage emanating from the urban areas of the Songea Municipality.

- (iii) The registered office and address of its principal place of business is:

Managing Director's Office,
Songea Water Supply and Sanitation Authority,
70 Road of Souwasa,
57101 Songea, Ruvuma.

- (iv) The overall managerial responsibility of SONGEA WSSA is vested in the Board of Directors while the day-to-day operations are looked after by the Managing Director assisted by the management team from four departments (Technical, Commercial, Finance and Human Resources and Administration) and head of units.

- (v) These financial statements of SONGEA WSSA for the year ended 30 June 2023 were authorized for issue in accordance with the resolution of the Board of Directors on

25/03 / 2024.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Summary of Significant Accounting Policies

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

At the reporting date 30 June 2023, the Authority adopted various international public sector accounting standards (IPSAS) in preparation of these financial statements. These standards had material effects on the current financial statements. Table 12 indicates accounting standards and their interpretations which were applied in the preparation of these financial statements.

Table 12: Summary of accounting standards applied and their interpretations

IPSA1 Presentation of financial statements	Basing on this standard, complete set of the components of financial statements including statement of financial performance, statement of financial position, statement of changes in net assets cash flow statements statement of comparison of budget and actual amounts and notes have been presented.
IPSAS 2 Cash flow statement	As per recommendation of this standard, Statement of cash flow has been prepared under Direct method has been prepared with its reconciliation of net cash flow from operating activities
IPSAS 9 Revenue from exchange transactions	As per requirement of this standard, the Authority has recognised all revenues from water sales as revenue from exchange transaction. Revenue from the sale of water is recognised when the Authority has delivered clean water to customers and the customers has accepted the bill.
IPAS 12 Inventories	Inventories as reported in these financial statements are the lower of cost and their net realisable value.
IPSAS 17 Property, plant and equipment.	Basing items of Property, Plant and Equipment as shown on the note of this financial statement have been recognised, measured and reported
IPAS 20 Related party disclosures.	As per requirement of this standard, disclose of the remuneration of the key management personnel, and other emoluments have been made on the note no 26
IPSAS 23 Revenue from non-exchange transactions	The Authority based on this standard to account for the transactions such as transfers as shown in the note note7
IPSAS 24 Presentation of Budget Information in the financial statements	The Authority has applied this accounting standard, to prepare the statement of comparison of budget and actual amounts as shown in the page of these financial statements.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

IPSAS 29 Financial instruments recognition and measurements	The Authority applied this standard to account all of the transactions related to financial instruments (Financial assets and liabilities)
---	--

1. Basis of Preparation

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) accrual basis. The complete set of the financial statements comprises a statement of financial position, a statement of financial performance, a statement of changes in net assets/equity, a cash flow statement, a comparison of budget and actual amounts, and notes comprising a summary of significant accounting policies and other explanatory notes.

The measurement basis applied in the preparation of these financial statements is the historical cost basis, except where otherwise stated. The financial statements are presented in Tanzanian Shillings (TZS).

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

Significant Accounting Policies

(i) Revenue recognition

As per international public sector accounting standard 9, revenue from exchange transaction (IPSAS 9) Paragraph 7, revenue from the water sales have been treated as revenue from exchange transaction revenue from exchange transactions is recognised when the Authority has delivered clean water to the customer; the customers have accepted the bills and collection of the related receivable is reasonably assured.

Other income is recognized when the estimations and related payments have been received by the Authority. These include reconnection fees, new water connections, and other non-water income.

SONGEA WSSA recognises revenue from non-exchange transactions when it receives resources and provide no or nominal consideration in return or provide the consideration not approximately the fair value of resources received.

(ii) Foreign currency transaction

(a) Functional and presentation currency

Items included in the financial statements are measured in Tanzanian shillings, the currency of the primary environment in which the entity operates ("functional currency"). The financial statements of the Authority are presented in Tanzania shillings which is the Authority's functional and presentation currency.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

(b) Transactions and balances

Foreign currency transactions are translated into Tanzanian Shillings, using exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities in foreign currencies at the end of the year are translated into Tanzanian Shillings at the rates of exchange ruling at the end of the financial year. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

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

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

(iii) Impairment of assets

Songea WSSA complies with IPSAS 21 impairment of non-cash generating assets Paragraph 26 were by at each reporting date an assessment is made to detect whether there is an indication that an asset may be impaired. If any such indication exists, or when annual Impairment testing for an asset is required, the Authority makes an estimate of the asset's recoverable amount. This determination requires significant judgement. In making this judgement, the Authority evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of and short-term business outlook for the investee, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

An asset's recoverable amount is the higher of an assets or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(iv) Government grants and Donor funds

In compliance with IPSA 23 Revenue from non-exchange transaction, government grants and donor funds are recognized after an assessment is made whether they are associated with stipulated conditions or restrictions. These grants are recognised as deferred revenue when they have return obligations (stipulated conditions) and they are also recognised upfront as revenue from non-exchange transactions when they have no any conditions attached.

(v) Inventories

Inventories comprise of pipes and fittings, spare parts, water meters, chemical and other printing and stationaries. As per IPSAS 12 inventories paragraph 16, inventories of the of the Authority are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(vi) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivable is established when there is objective evidence that SONGEA WSSA will not be able to collect all amounts due according to the original terms of receivable. The amount of the provision is the difference between carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. The amount of the provision is recognized in the income statement.

SONGEA WSSA assesses at each financial position date whether there is objective evidence that a trade receivable is impaired. A trade receivable is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event(s) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

(vii) Cash and cash equivalents

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

(viii) Property, plant and equipment

Property, plant and equipment (PPE) are comprising land, buildings, water network motor vehicles, motorcycles, computer equipment, furniture, generators and control panel, pumps, office equipment and plant and machineries. All water infrastructure assets have been grouped as water network assets and accounted for as per IPSAS 17 Property plant and equipment as they met the definition of property plant and equipment. All The property plant and equipment items are carried at cost. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Authority recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection 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 the income statement as incurred.

(ix) Depreciation and useful life

The Board in determining depreciation rates for property, plant and equipment and their residual values makes critical estimates. It is the Authority policy to calculate depreciation of its assets on a straight-line basis over the estimated useful lives. During the year 2022/23 the Authority assessed and reviewed the useful lives of its assets as per IPSA 17 mandates, useful lives of the assets and their depreciation rates were as follows:

Asset	Useful Life (Years)	Depreciation
Land	Indefinite	NIL
Buildings	75	1.33%
Water networks	75	1.33%
Motor vehicles	18	5.56%
Motor cycles	10	10%
Computers	10	10%
Equipment	10	10%
Generators	25	4%
Pumps	25	4%
Furniture and fittings	20	5%
Water Meters	15	7%
Plant and machinery	25	4%

Note: Land is considered to have an indefinite life and thus, it is not depreciated.

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Depreciation of an asset begins when it is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

The asset's residual values and useful lives are, reviewed, and adjusted if appropriate, at each balance sheet date.

(x) Trade and other payables

Payables are recognized at fair value. Other payables are recognized when incurred through either enjoyment of services on credit and/or receiving of goods supplied on credit.

(xi) Employee benefits

Retirement benefit obligation

Employees of SONGEA WSSA are registered in different pension funds. The employees' and employer's contributions to these funds based on monthly basic salaries are as follows:

Name of the Fund	Employee's contribution %	Employer's contribution %
Public Services Social Security Fund	5	15

The amount of employer's contribution is charged to the income statement when due on a monthly basis.

The respective pension funds bear obligations to pay the contributed pension after SONGEA WSSA staff members retire from active employment with the Authority.

(xii) Provisions

SONGEA WSSA follows the guidance of IPASA 19 Provisions, contingent liabilities and contingent assets. Provisions are recognized when Authority has a present legal or constructive obligation as a result of past events; and it is probable that an outflow of resources will be required to settle the obligation and the amount has been established reliably.

(xiii) Taxation

SONGEA WSSA is a public utility and as such it is exempted from corporation tax and other taxes accordingly, no provision for tax has been made in the financial statements. However, like all other entities collect and deduct other taxes on behalf of Tanzania Revenue Authority and remit as required by various tax laws and regulations.

(xiv) Critical Accounting Estimates and Judgements

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

The preparation of the SONGEA WSSA's financial statements in conformity with IPSAS 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 end of the reporting period. However, uncertainties about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

(xv) Events after Reporting Date

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

(xvi) Segment Reporting

Since the Authority does not engage in activities that generate multiple sources of revenue which would require separate reports for the purpose of evaluating the Authority's performance and for making decisions about the future allocation of resources. Therefore, these financial statements do not include segment reporting.

	30.6.2023	30.06.2022
	<u>TZS</u>	<u>TZS</u>
5. CASH AND CASH EQUIVALENTS		
OPERATIONS:		
320301 - CRDB- Operating Account	15,102,304	1,819,104
320304 - NMB - Collection Account	38,068	15,625,636
320305 - NBC - Current Account	53,017,593	716,645
320312 - BOT - SOWASA	52,818,244	109,281,089
320303 - CRDB - Collection Account	<u>13,000,452</u>	<u>3,796,321</u>
	133,976,661	131,238,795
PROJECT:		
320302 - CRDB - Project Account	<u>95,549,268</u>	<u>265,851,276</u>
	<u>95,549,268</u>	<u>265,851,276</u>
	<u>229,525,929</u>	<u>397,090,071</u>
6. Receivables From exchange Transactions		
320201 - Commercial	280,213,170	249,923,990
320202 - Domestic	719,473,146	476,919,598
320203 - Institutions	191,747,996	109,650,785
320208 - Industry	6,675	0
320204 - Kiosk	10,050,196	16,531,169
320205 - Sewerage		165,544,400

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

320206 - Service Charge	0	120,839,909
	<u>1,201,491,183</u>	<u>1,139,429,851</u>
Less: Provision for Impairment losses	<u>433,906,155</u>	<u>433,906,155</u>
	<u>767,585,028</u>	<u>705,523,696</u>
Other receivables	<u>7,920,000</u>	<u>44,776,800</u>
	<u>775,505,028</u>	<u>750,300,496</u>
<i>Movement of provision for Impairment losses</i>		
As at 1 July	433,906,155	433,906,155
As at 30 June 2022	433,906,155	433,906,155

Terms and conditions of the above trade receivables:

Trade receivables are non-interest bearing and are generally on 30-day terms.

As at 30 June 2023, impaired receivables amounted to TZS 433,906,155 (2022: TZS 433,906,155). Below is the ageing of the remaining receivables i.e., non-impaired receivables:

	30.6.2023	30.6.2022
	<u>TZS</u>	<u>TZS</u>
Overdue 1 - 60 days	108,570,704	105,042,070
Overdue 61 - 360 days	263,671,709	255,102,169
Overdue > 360 days	<u>403,262,614</u>	<u>390,156,258</u>
	<u>775,505,027</u>	<u>750,300,497.00</u>

	30.06.2023	30.06.2022
	TZS	TZS
7. INVENTORIES		
Pipes and fittings	518,561,881	589,095,382
Water Meters	23,340,594	45,341,714
Water Chemicals	40,200,000	5,044,500
Printing & Stationeries	6,250,050	4,197,500
Fuels and Lubricants	<u>723,000</u>	<u>585,828</u>
	<u>619,075,525</u>	<u>644,264,924</u>

	30.06.2023	30.06.2022
	TZS	TZS
8. ASSET HELD FOR SALE		
Generators held for sale	10,911,643	10,911,643
Less: Asset Held for sale Disposed off	<u>(10,911,643)</u>	<u>0</u>
	<u>0</u>	<u>10,911,643</u>

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

9.0 PROPERTY, PLANT AND EQUIPMENT

	Lands	Buildings	Water network	Motor Vehicles	Motor Cycles	Office Equipment	Computer and equipment	Generator and control panel	Pumps	Furniture and fittings	Plant and machinery	Water meters	Total
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000		TZS '000
COST													
At 01 July 2022	298,590	8,269,706	33,471,914	431,833	77,526	127,043	445,247	303,630	402,927	21,066	73,939	226,624	37,278,927
Transfer From WIP			578,127										578,127
Additions	5,000	0	642,587	0	0	4,205	37,890	0	0	12,086	0	194,998	876,866
As at 31 June 2023	303,590	8,269,706	34,692,628	431,833	77,526	131,248	464,237	392,630	442,927	33,152	73,939	421,624	38,731,920
Depreciation													
At 01 July 2022	0	411,294	8,503,211	101,196	60,706	125,362	429,876	341,245	89,485	7,342	51,237	31,437	10,215,003
Charge for the year	0	16,382	461,389	23,971	7,754	420	987	15,705	17,717	1,658	2,958	79,514	578,935
As at 30 June 2023	0	428,776	9,024,600	125,167	68,460	125,782	430,863	356,950	107,202	9,000	54,194	60,951	10,793,938
As at 30 June 2023													
NET VALUE	303,590	840,520	35,668,028	306,666	9,076	9,466	33,374	35,680	335,725	24,152	17,744	360,673	27,939,984
As at 30 June 2022	298,590	857,402	24,908,703	329,937	16,830	1,654	16,368	51,385	353,442	13,724	20,702	195,189	27,063,926
NET VALUE													

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

9(b) Work in Progress (WIP) Movement Schedule for Financial Year 2022/23

Description	2022/23	2021/22
Cost	TZS	TZS
As at 1 July,	454,526,656	0
Additions During the Year	123,600,000	454,526,656
Total	578,126,656	454,526,656
Transfer to PPE (Water Networks)	578,126,656	0
As at 30 June 2023	<u>0</u>	<u>454,526,656</u>

	30.06.2023	30.06.2022
	TZS	TZS
10. Restricted funds		
Cash in bank - restricted funds (TIB)	26,468,932	26,468,932
	<u>26,468,932</u>	<u>26,468,932</u>

Restricted Fund represent Songea WSSA TIB Loan Service Reserve

	30.06.2023	30.06.2022
	TZS	TZS
11. TRADE AND OTHER PAYABLES FROM EXCHANGE TRANSACTIONS		
Trade payables	444,907,352	437,281,174
Ministry project control Account	51,924,968	35,851,566
Statutory liabilities	635,345,918	798,844,479
EWURA payable	90,531,060	73,459,836
NBC bank loan	11,182,077	11,182,077
Fine and Penalties	158,791,526	0
Other payables	348,913,777	320,427,757
	<u>1,741,596,678</u>	<u>1,677,046,889</u>

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

	30.6 2023	30.6.2022
	TZS	TZS
12. Borrowings (TIB Loan)		
Opening balance (Principal and interest)	279,444,836	397,552,418
Addition Loan interest during the year	21,603,112	47,129,847
LESS: Principal loan Paid	(120,583,116)	(120,583,116)
Less: Loan interest Paid	(25,875,146)	(44,654,313)
Total Balance loan from TIB(Principal and interest)	<u>154,589,686</u>	<u>279,444,836</u>
	2022/23	2021/22
	TZS	TZS
13. REVENUE FROM EXCHANGE TRANSACTIONS		
Water consumption	3,473,498,056	2,845,440,863
Sewerage disposal charges	<u>195,591,396</u>	<u>137,683,466</u>
	<u>3,669,089,452</u>	<u>2,983,124,329</u>
14. OTHER INCOME		
110201 - New Water Connection Fees	58,140,947	46,792,947
110203 - Rental Charges	21,406,000	20,160,000
110204 - Reconnection Fees	43,105,000	36,440,000
110205 - Sludge Disposal	23,985,180	17,935,100
110206 - Miscellaneous Income	<u>115,632,699</u>	<u>20,246,976</u>
	<u>262,269,826</u>	<u>141,575,023</u>
15. REVENUE FROM NON-EXCHANGE TRANSACTIONS		
Funds received from MoW for Mwengemshindo & Lilamba Project	450,000,000	0
Asset received from RUWASA Project	0	295,429,501
Grant Funds from Donors GIZ	7,210,000	124,213,833
Grants from MWIF - Songea WSSA Incremental cost)	42,045,400	0
Funds received from MoW	0	686,684,719
Debts forgiven by TRA	0	<u>78,132,090</u>
	<u>499,255,400</u>	<u>1,184,460,143</u>

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Revenue from non-exchange transactions relates to acquisition of water network infrastructural assets from Rural Water Supply Agency (RUWASA) and PNR Service Co LTD), following the government restructuring program of the water sector by Water and Sanitation Act No 5 of 2019.

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
16. WATER PRODUCTION EXPENSES		
2114104 - Food and Refreshments	752,000	462,000
2204109 - Chemicals	75,023,541	114,953,491
		1,586,500
2228101 - Medical & Laboratory Equipment	7,550,000	0
22018104 - Electrical cabling & equipment	6,606,200	
2003105 - Lubricants	0	1,781,512
2113103 - Extra Duty	0	40,000
		1,188,500
2220107 - Small Tools and Implement	636,000	
2219101 - Building Material	0	1,412,073
2003101 - Petrol	0	654,360
22003102 - Diesel	67,555	
2201112 - Outsourcing Cost	9,752,500	29,540,000
		69,076,450
2020108 - Direct Labour (Contract/Casual)	46,117,356	
213102 - Internship allowance	0	4,810,000
2120110 - Pipes and Fittings	15,176,100	80,000
2232118 - Compensation	11,305,000	0
1114102 - Hardship Allowances	2,772,500	734,000
1121101 - Electricity	167,311,236	150,427,911
261290 - Ruvuma Basin	12,000,000	9,072,000
261292 - Nyasa Basin	27,038,368	12,782,416
22028102 - Precision Tools and Measures	359,322	-
2208105 - Fire Protection Equipment	0	66,000
	<u>382,467,678</u>	<u>398,667,213</u>
17. SEWERAGE DISPOSAL AND SANITATION EXPENSES		
	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
2520108 - Direct Labour (Contract/Casual)	61,185,697	52,266,250
2520107 - Small Tools and Implements	2,625,244	30,000
22003101 - Petrol	594,284	0
2621101 - Electricity	1,350,000	2,160,000
22003101 - Extra Duty	396,825	0
2601101 - Office Consumables	0	1,316,504

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

17. SEWERAGE DISPOSAL AND SANITATION EXPENSES	2022/23 TZS	2021/22 TZS
2601103 - Printing & Photocopying Papers	0	26,998,154
2631108 - Customer Survey	0	370,000
212103 - Food and Refreshment	11,628,900	1,215,000
211302 - Internship expense	0	<u>700,000</u>
	<u>77,780,950</u>	<u>85,055,908</u>
 18. REPAIR AND MAINTENANCE		
2602010 - Casual Labourers	63,722,150	41,733,600
2420110 - Pipes and Fittings	1,503,773	933,332
27105 - Small Tools and Implements	17,443,727	118,000
2109101 - Building Material	12,171,106	3,547,143
22028102 Precision tools, weights and measures instruments	4,037,700	0
2021101 - Motor Vehicles and Water Craft	0	430,000
2021102 - Tyres and Batteries	5,880,000	37,288
2021105 - Small Car Mechanics Tools	180,000	1,535,500
2021108 - Spare Parts	57,272,519	36,323,498
2109104. Print and Weather Protection	600,000	35,000
21113103 Extra Duty	120,000	0
	<u>1,050,000</u>	0
22012115. Network maintenance costs	<u>163,980,975</u>	<u>84,693,361</u>
 19. WATER DISTRIBUTION EXPENSES		
	2023 TZS	2022 TZS
21121101. Electricity	650,000	-
21113103. Extra duty	1,960,000	-
2020109 - Measuring Instruments	14,762,712	-
2120108 - Direct Labour	47,137,764	3,854,509
2320110 - Pipes and Fittings	22,310,637	158,482,000
22012110. Mobile charges	20,267,352	17,841,135
22012105. Advertising and Publications	27,195,000	-
2420107 - Small Tools and Implements	1,121,480	-
2201101 - Office Consumables	3,060,000	250,000
41122204. Pre-paid battery	330,000	4,320,000
22003102. Diesel	232,865	0
	<u>139,027,810</u>	<u>184,747,644</u>
 20. PERSONNEL EXPENSES		
	2022/23 TZS	2021/22 TZS
2111101 - Civil Servant	1,215,715,115	978,041,047
2211101 - PSSSF	192,116,687	367,475,467
2211105 - NHIF	36,464,734	34,264,188
2018106 - Direct Labour (Contract/Casual)	0	850,000

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

20. PERSONNEL EXPENSES	2022/23	2021/22
2112103 · Extra Duty Allowances	26,703,000	5,525,000
2722108 · WCF	6,113,536	5,660,038
2831311 · Skills Development Levy (SDL)	0	46,973,521
2113101 · Leave Travel	14,296,700	12,091,500
2113108 · Acting Allowances	0	2,587,000
2113121 · Special Allowance	33,592,500	47,626,000
2113122 · House/Transport Allowance	32,792,500	1,376,000
2113102 · Internship Allowance	482,000	7,850,000
2113115 · Subsistence Allowance	0	910,000
2113112 · Responsibility Allowance	15,209,000	0
	<u>1,573,485,772</u>	<u>1,511,229,761</u>
21. ADMINISTRATION EXPENSES	2022/23	2021/22
	TZS	TZS
2031101 · Audit Fee	47,872,000	54,976,320
2207102 · Rental for offices	-	200,000
2311193 · ERB Fees	3,385,000	3,000,000
2631239 · Songea Municipal (SERVICE LEVY)	10,976,738	9,354,021
2012102 · Posts and Telegrams	1,721,000	1,535,000
2121104 · Telephone Charges	-	8,305,794
2012110 · Mobile Charges	6,104,994	26,172,616
2012113 · Subscription Fe	300,000	2,180,000
2831311 · Skills Development Levy	48,148,235	-
2214105 · Entertainment	6,279,107	6,265,000
2732110 · Insurance Expenses	-	3,441,500
1311195 · NBAA Fees	1,101,250	225,000
2001112 · Outsourcing Cost (Cleaning)	64,573,904	49,950,243
2002102 · Water Charges	9,940,000	20,621,114
2003106 · Lubricants	2,737,200	4,193,000
2010105 · Per Diem Domestic	224,074,099	187,839,720
2721101 · Electricity	18,249,090	11,781,000
2202108 · Direct labour	7,131,200	64,325,000
2313103 · Extra Duty	4,660,000	10,234,800
2320107 · Small Tools and Implements	402,940	991,717
4122107 · Other Equipment and Installation	-	260,000
2113121 · Special Allowance	10,440,000	-
2801101 · Office Consumables	30,227,756	6,062,429
2701102 · Computer Accessories and Supply	20,188,975	1,398,800
2113119 · Medical Expenses	50,000	150,000
2714104 · Food and Refreshments	22,417,650	20,938,580
2031102 · Legal Fees	2,289,500	6,481,000
2803102 · Diesel	135,738,442	80,966,692
2703102 · Petrol	44,600,564	47,604,604
2008102 · Tuition Fees	11,041,200	6,570,000
2008105 · Training Materials	9,758,316	1,100,000
2008107 · Training Allowances	3,662,800	3,461,000

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

	2022/23	2021/22
	TZS	TZS
21. ADMINISTRATION EXPENSES		
2208104. Board remuneration	56,382,000	57,987,941
2701101 - Workers Council	200,000	300,000
2032111 - Burial Expenses	5,435,000	10,270,000
	<u>1,500,000</u>	
22012116. Annual Fee for Operating TANEPS		-
2113128 - Court Attire	1,230,000	900,000
2719101 - Building Material	-	23,768,496
22012105. Advertising	1,200,000	-
22022102. Servers	-	
2028105 - Fire Fighting Expenses	143,644	175,000
21114101. Honorarium	24,410,000	8,100,000
2311196 - PSPTB Fees	500,000	1,603,900
2008101 - Accommodation	13,430,081	21,543,158
2008104 - Instructor Remuneration	10,501,765	10,521,000
		<u>158,881,526</u>
22032161. Fine & Penalties	158,791,526	
212104 - Sports & Games	21,743,000	21,743,000
2121105 - Family Day	-	1,305,000
2205127 - Land Scaping	8,175,130	12,186,495
3122210 - Office Chairs & Shelves	-	190,000
3221107 - Uniforms	20,665,000	475,000
2212101 - Internet and Email connections	25,644,024	36,861,790
282106 - Education support fees	0	600,000
2201404 - Meeting Expenses	0	<u>398,000</u>
	<u>1,098,023,130</u>	<u>1,008,395,256</u>
 22. OTHER EXPENSES	 2022/23	 2021/22
	TZS	TZS
2810105 - Per Diem Domestic	3,656,100	1,180,000
2903102 - Diesel	12,960,130	755,000
2014101 - Exhibition and Festivals an	22,323,812	5,263,000
21121103. Extra Duty	596,600	
2001108 - Newspaper & Magazines	0	250,000
22012111. Publicity (Messages)	3,631,543	12,972,475
22014105. Sports & Games	21,266,900	
2712105 - Advertising	0	100,000
2214104 - Food & Refreshments	14,455,500	93,000
2202106. Casual Labourers	0	255,480
226110. Special woman clothes	900,000	1,788,000
2111314 - Sitting Allowance	320,000	200,000
2232125- Donations Contributions	3,100,000	3,045,000
2113144 - Facilitation Allowances	1,000,000	1,000,000
2121108 - Accommodation	0	1,000,000
2031104. Consultancy fees	0	3,716,900
22002101. Water charges	895,000	0

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

22. OTHER EXPENSES	2022/23	2021/22
	TZS	TZS
22001101.Office consumables	10,000	0
22019101.Cement, Bricks and Building Mat.	451,000	0
22018105. small tool and implements	708,000	0
	<u>86,274,585</u>	<u>31,618,855</u>
	2022/23	2021/22
	TZS	TZS
23. DEPRECIATION AND IMPAIREMENT CHARGES		
Depreciation expenses -PPE	578,977,020	555,142,294
Amortization expense-Intangible assets	0	9,924,000
Bad debts	0	176,390,481
	<u>578,977,020</u>	<u>741,456,775</u>
24. FINANCE COSTS		
Interest expenses on TIB loan	21,603,112	58,688,315
Bank charges	5,637,543	0
	<u>27,240,655</u>	<u>58,688,315</u>

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

25.Reconciliation of Net Cash Flow on Revenue from Accrual to Cash Basis for 2022/23

	Total Revenue	Accrued Amount/ (Prepayments)	Actual Receipts to Cash Flow 2023	Actual Receipts to Cash Flow 2022
REVENUE FROM EXCHANGE	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>	
Water Consumption:				
110101 - Domestic	2,852,455,485	129,581,439	2,722,874,046	2,424,946,780
110102 - Commercial	224,538,080	(825,328)	225,363,408	227,905,924
110103 - Institutions	180,897,687	(80,219,512)	261,117,200	231,941,853
110104 - Industrial	2,042,918	-	2,042,918	1,094,275
110105 - Kiosk	13,291,009	3,505,702	9,785,307	10,262,743
110108 - Prepaid	200,272,877	(34,359,692)	234,632,569	218,938,562
Water Sales	3,473,498,056	17,682,609	3,455,815,448	3,115,090,137
Sewerage Disposal Charges				
110106 - Sewerage Charges	195,591,396	7,521,921	188,069,475	159,795,555
Total Revenue from Exchange	3,669,089,452	25,204,530	3,643,884,920	3,274,885,692
A OTHER REVENUE				
110201 - New Water Connection Fees	58,140,947	(232,563,790)	290,704,737	233,097,016
110203 - Rental Charges	21,406,000	-	21,406,000	9,223,200
110204 - Reconnection Fees	43,105,000	-	43,105,000	36,440,000
110205 - Sludge Disposal	23,985,180	-	23,985,180	17,935,100
110206 - Miscellaneous Income	115,632,699	-	115,632,699	19,659,836
B Total Other Income	262,269,826	-	494,833,616	316,355,152
OTHER RECEIPTS FROM NON-EXCHANGE				
Grants from MOW(Covid 19 Funds) Pambazuko Project	0		0	546,104,330
Grants from NWIF	100,000,000	0	100,000,000	100,000,000

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Grants from NWIF - Songea WSSA Incremental cost)	42,045,400	42,045,400	40,580,388
Grants from MoW (Fund for Mow project)	200,000,000	200,000,000	0
Grants from NWIF (Fund for Mwengemshindo project)	150,000,000	150,000,000	0
Grant Funds from Donors GIZ (GIZ, IFF OBA)	7,210,000	7,210,000	0
C	499,255,400	499,255,400	686,684,718
Grand total other revenue(C+B)	<u>761,525,226</u>	<u>994,089,016</u>	<u>1,003,039,870</u>
D	-	-	-
Total actual receipts (A+D)	<u>4,430,614,678</u>	<u>4,637,973,937</u>	<u>4,277,925,562</u>

26. Reconciliation of Net Cash Flow on Payments from Accrual to cash Basis for 2022/23

	Total Expenses	Accrued Amounts	Actual Payments to Cash Flow	Actual Payments to Cash Flow
Expenses	2023	2023	2023	2022
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>
Operating expenses				
Water production expenses	382,467,678	(4,816,002)	(387,283,680)	(330,413,798)
Sewerage expenses	77,780,950	6,311,137	(71,469,813)	(67,367,766)
Repair and maintenance expenses	163,980,975	(45,015,900)	(208,996,875)	(141,375,806)
Water distribution expenses	139,027,810	(446,782,071)	(585,809,881)	(801,694,039)
Personnel expenses	1,573,485,772	121,330,821	(1,452,154,951)	(1,290,238,686)
Administration expenses	1,098,023,130	304,595,122	(793,428,008)	(642,416,533)
Other expenses	86,274,585	(89,270,345)	(175,544,930)	(130,147,854)
Depreciation and impairment charges	578,977,020	578,977,020	-	-
Finance cost	<u>27,240,655</u>	<u>1,365,509</u>	<u>(25,875,146)</u>	<u>(44,654,313)</u>
	4,127,258,575	426,695,291	(3,700,563,285)	(3,448,308,795)
 Employees costs			(1,452,154,951)	(1,290,238,686)
Other expenses			(175,544,930)	(130,147,854)
Suppliers and other Payments			<u>(2,046,988,257)</u>	<u>(1,983,267,942)</u>

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

Total payment before finance cost	(3,674,688,138)	(3,403,654,482)
Finance Cost	<u>(25,875,146)</u>	<u>(44,654,313)</u>
Total payment and finance cost	<u>(3,700,563,284)</u>	<u>(3,448,308,795)</u>

27. Reconciliation of Net Cash Flow from Operating Activities

	2023	2022
	<u>TZS</u>	<u>TZS</u>
Surplus/(Deficit) from ordinary activities	303,356,102	204,606,406
Depreciation	578,977,020	741,456,775
Received motor vehicle 2020/21 prepayment	0	(162,934,584)
Project Grants		(419,643,334)
Increase/(Decrease) in Payables	64,549,789	429,270,269
Increase/(Decrease) in Borrowings		(118,107,581)
Gains/Losses on Sale of Property Plant and Equipment	16,417,040	
Increase/(Decrease) in Inventories	25,189,399	(62,787,920)
Increase/(Decrease) in receivables	<u>(25,204,531)</u>	<u>262,411,050</u>
	<u>963,284,819</u>	
Net Cash flow from operating activities		<u>874,271,081</u>

28 . Reconciliation of PPE Additions from Total Addition to Cash Flow

	2023	2022
	<u>TZS</u>	<u>TZS</u>
Total assets addition as per PPE Schedule	876,865,079	814,989,102
Less: Motor vehicle received	0	(162,934,584)
Less: Water meters from store		-
Less: Water network transfer from project	0	(419,643,334)
Balance purchase Addition in Cash (Monetary)	<u>876,865,079</u>	<u>232,411,184</u>
Represented by:		
Water network assets	642,587,000	144,284,738
Land	5,000,000	-
Office equipment	4,204,079	6,900,00
Computer and equipment	17,990,000	9,870,000
Furniture and Fittings	12,086,000	500,000
Water meters	194,998,000	59,693,318
Buildings	0	<u>11,163,128</u>
	<u>876,865,079</u>	<u>232,411,184</u>

29. Reconciliation of Government Grants Received for Small Towns Water Utilities Projects (Mbinga, Tunduru and Mamumbo)

	2023	2022
	<u>TZS</u>	<u>TZS</u>
Grants from the Government (MOW).		
Balance as of 01 July	35,851,566	573,799,498
Total receipts for the year on financing	<u>869,453,073</u>	<u>3,137,715,681</u>

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

905,304,639

3,711,515,179

Funds used for Investing in Small towns

853,379,671

3,445,663,901

Fund Balance as at 30 June 2021

51,924,968

265,851,278

30 FINANCIAL ASSETS AND LIABILITIES

Fair value of financial instruments

	Carrying amounts		Fair values	
	2022/23	2021/22	2022/23	2021/22
	TZS	TZS	TZS	TZS
Financial assets				
Trade and other receivables	775,505,028	750,300,497	775,505,028	750,300,497
Cash and cash equivalents	229,525,929	397,090,071	229,525,929	397,090,071
	1,005,030,957	1,147,390,568	1,005,030,957	1,147,390,568
Financial liabilities				
Trade and other payables	<u>1,741,596,678</u>	<u>1,685,248,223</u>	<u>1,741,596,678</u>	<u>1,685,248,223</u>
	1,741,596,678	1,685,248,223	1,741,596,678	1,685,248,223

Carrying values of the financial instruments approximates the fair values no adjustments needed.

Fair value hierarchy and measurement

	Level 1	Level 2	Level 3	Total
	TZS	TZS	TZS	TZS
Year ended 30 June 2022:				
Financial assets				
Trade receivables	-	775,505,028	-	775,505,028
Cash and cash equivalents	-	229,525,929	-	229,525,929
	-	1,005,030,957	-	1,005,030,957
Financial liabilities				
Trade and other payables	-	1,741,596,678	-	1,741,596,678
	-	1,741,596,678	-	1,741,596,678

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

31. Intra Government Entity Transactions

List of Balances with Other Government Entities for the Year ended 30 June 2023

(a) Receivables

S/N	Service Provided	Name of Entity Received Services	Amount Received	Receivable Balance
1.	Water Supply Services	Sabasaba primary School	368,000.00	137,041.67
2.	Water Supply Services	songea boys secondary school	251,000.00	0.00
3.	Water Supply Services	songea District council (mali asili) W	121,200.00	12,438.40
4.	Water Supply Services	Lidhiliti ubora wa shule	208,000.00	6,667.10
5.	Water Supply Services	shule ya msingi kiburangoma	407,468.60	80,962.65
6.	Water Supply Services	maabara ya maji (maji)	486,500.00	43,980.61
7.	Water Supply Services	shule ya msingi kipera	228,000.00	150,107.51
8.	Water Supply Services	Ofisi ya serikali ya mtaa wa mji mweni W A	30,000.00	5,031.45
9.	Water Supply Services	Shule ya sekondari mdandamo	418,078.10	0.00
10.	Water Supply Services	Halmashauri ya mji wa mbinga	100,000.00	0.00
11.	Water Supply Services	Association of Moshi Technical graduates	26,150.00	2,031.06
12.	Water Supply Services	Kituo cha polisi Kizaboni	84,556.00	21,927.35
13.	Water Supply Services	Ofisi ya Kata seedfarm	50,000.00	36,400.45
14.	Water Supply Services	TAA Airport Songea	4,524,999.30	0.00
15.	Water Supply Services	TMA AIRPORT Songea	168,800.00	0.00
16.	Water Supply Services	Samora primary School	142,129.48	107,299.51
17.	Water Supply Services	Songea urban teachers(SUT)	736,942.32	0.00
18.	Water Supply Services	Shule ya Msingi mwembe chwi	129,766.45	115.65
19.	Water Supply Services	Ofisi ya mwenyeji wa mkoa (TEMESA-RUVUMA)	335,000.00	0.00
20.	Water Supply Services	N.H.C	146,719.70	8,433.50
21.	Water Supply Services	Mahakama ya mkoa Ruvuma	358,150.05	0.00
22.	Water Supply Services	GPSA RUVUMA NO 2	1,105,557.20	99,342.90
23.	Water Supply Services	Ofisi ya Mkuugenzi Mtendaji (w) madaba	425,886.00	0.00
24.	Water Supply Services	Likuyufusi Primary School	556,500.00	90,546.85
25.	Water Supply Services	Siri sekondari	787,400.00	0.00
26.	Water Supply Services	VETA	3,536,063.95	0.00
27.	Water Supply Services	Regional Administrative secretary (Ikulu)	1,000,000.00	0.00
28.	Water Supply Services	District Executive Residence	350,000.00	205,621.18

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Service Provided	Name of Entity Received Services	Amount Received	Receivable Balance
29.	Water Supply Services	Kisiwand primary school	250,000.00	64,138.25
30.	Water Supply Services	Tembo Mashujaa P/School	30,000.00	0.00
31.	Water Supply Services	CCM. Songea	117,369.00	0.00
32.	Water Supply Services	Ofisi ya Afisa mtendaji Kata	202,000.00	0.00
33.	Water Supply Services	mahakama ya mwanzo	492,000.00	79,047.32
34.	Water Supply Services	TAKUKURU	551,000.00	0.00
35.	Water Supply Services	Matambi Primary school	25,800.00	225,108.70
36.	Water Supply Services	songea primary school	401,000.00	0.00
37.	Water Supply Services	kawawa primary school	91,500.00	0.00
38.	Water Supply Services	mfaranyaki primary school	408,100.00	0.00
39.	Water Supply Services	RPC QUARTER NO 6	940,000.00	0.00
40.	Water Supply Services	Majengo PRIMARY School	183,400.00	0.00
41.	Water Supply Services	mazoezi primary school	499,800.00	0.00
42.	Water Supply Services	zimanimoto primary school	104,200.00	0.00
43.	Water Supply Services	mashujaa secondary school	641,951.00	0.00
44.	Water Supply Services	majinaji stadium no 1	25,000.00	14,053,953.50
45.	Water Supply Services	mfaranyaki primary school	741,800.00	0.00
46.	Water Supply Services	Area commissioner office	789,500.00	0.00
47.	Water Supply Services	mkuu wa magereza	1,459,350.00	0.00
48.	Water Supply Services	regional police commander	565,000.00	0.00
49.	Water Supply Services	regional police commander	767,026.00	0.00
50.	Water Supply Services	RPC QUARTER NO 7	329,450.00	0.00
51.	Water Supply Services	RPC DAWATI house	130,000.00	0.00
52.	Water Supply Services	London secondary	2,808,033.72	0.00
53.	Water Supply Services	Moel Nindi (POLISI MATARAWI)	100,000.00	0.00
54.	Water Supply Services	mkuu wa magereza- Songea	67,300.00	0.00
55.	Water Supply Services	RPC STAFF NO 2	330,000.00	0.00
56.	Water Supply Services	MKURUGENZI MANIPAA GARDEN	819,100.00	0.00
57.	Water Supply Services	MGANGA MKUU MATARAWI	206,170.00	0.00
58.	Water Supply Services	POLISI JAMII STATION	30,000.00	0.00
59.	Water Supply Services	REGIONAL EMGRATION OFFICER	1,700,000.00	0.00
60.	Water Supply Services	MKUU WA SOKO	41,000.00	0.00
61.	Water Supply Services	M/MKUU SHULE YA MSINGI MIEMBENI	157,000.00	45,377.68
62.	Water Supply Services	RPC HOUSE STAFF NO 3	201,500.00	0.00
63.	Water Supply Services	RPC STAFF NO 1	180,000.00	0.00
64.	Water Supply Services	Regional Administrative secretary	2,400,000.00	0.00
65.	Water Supply Services	RPC OFFICE TUNDURU ROAD	1,240,000.00	0.00
66.	Water Supply Services	mail maji stadium no 2	50,000.00	0.00
67.	Water Supply Services	rahanati ya magereza	158,200.00	0.00
68.	Water Supply Services	MGANGA MKUU Mjimwema	6,035,000.00	0.00
69.	Water Supply Services	songea girls sec school	15,610,000.00	0.00
70.	Water Supply Services	Mkurugenzi wa manispaa	2,150,000.00	0.00

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Service Provided	Name of Entity Received Services	Amount Received	Receivable Balance
71.	Water Supply Services	Regional commissioner	5,400,000.00	259,867.00
72.	Water Supply Services	Regional police commander	688,000.00	0.49
73.	Water Supply Services	Mahenge primary school	182,500.00	51,914.80
74.	Water Supply Services	High court tanzania	1,825,000.00	721,279.00
75.	Water Supply Services	The principal t.t.c	21,504,804.00	0.00
76.	Water Supply Services	Songea medical school (cote)	11,287,737.00	0.00
77.	Water Supply Services	Shule ya msingi makinginda	79,500.00	0.00
78.	Water supply services	Jwtz chandamali block c no 10	24,100.00	0.00
79.	Water supply services	Jwtz chandamali block c no 11	78,000.00	0.00
80.	Water supply services	kituo cha afya mletele	76,000.00	0.00
81.	Water supply services	Matarawe primary school	195,600.00	397,093.95
82.	Water supply services	Shule ya msingi misufini B	127,660.00	0.00
83.	Water supply services	Matarawe sec school	221,900.00	0.00
84.	Water supply services	Shule ya msingi mloweka	59,000.00	0.00
85.	Water supply services	Ruhuwiko primary school	20,000.00	0.00
86.	Water supply services	Shule ya msingi bombambili	217,100.00	0.00
87.	Water supply services	Mazoezi secondary school	3,259,900.00	0.00
88.	Water supply services	Bombambili sekondari	520,000.00	115,300.00
89.	Water supply services	Shule ya sekondari nchimbi	2,648,000.00	0.00
90.	Water supply services	Regional medical officer	68,900,100.00	0.00
91.	Water supply services	R.p.c msamala	2,061,000.00	0.00
92.	Water supply services	Mashujaa primary school	511,000.00	245,409.55
93.	Water supply services	Kilimo (w)	30,000.00	10,529.96
94.	Water supply services	Usalama wa Taifa (office)	743,396.90	0.00
95.	Water supply services	Sido ruvuma	464,900.00	0.00
96.	Water supply services	Mahakama (W)	125,000.00	0.00
97.	Water supply services	Shule Ya Msingi Chemchemo	150,970.30	15,150.55
98.	Water supply services	Mfaranyaka Dispensary	206,050.00	5,547.41
99.	Water supply services	Baraza La Makumbusho Ya Majimaji	134,467.58	22,617.30
100.	Water supply services	Chama Cha Walimu Songea (M)	154,800.00	225.39
101.	Water supply services	Makumbusho Ya Taifa - Songea	270,000.00	168,734.60
102.	Water supply services	Nhc Ruvuma	675,495.90	8,433.50

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Service Provided	Name of Entity Received Services	Amount Received	Receivable Balance
103.	Water supply services	Government Store	704,909.30	37,107.40
104.	Water supply services	Mahakama Ya Mwanzo Ya Mfaranyaki	100,000.00	0.00
105.	Water supply services	Shule Ya Msingi Msamala	244,258.40	0.00
106.	Water supply services	Ofisi Ya Mtendaji Kata Majengo	52,000.00	0.00
107.	Water supply services	Open University Of Tanzania	269,500.00	0.00
108.	Water supply services	Sokoine Primary School	87,000.00	17,217.65
109.	Water supply services	Soko Jipya Bombambili	1,200,400.00	138,490.20
110.	Water supply services	Ikulu	500,000.00	623,139.70
111.	Water supply services	Kalemba Secondary School	280,000.00	302,083.30
112.	Water supply services	Tanroad	1,973,471.20	0.00
113.	Water supply services	Mkuu Wa Idara (Idara Ya Zimamoto)	500,000.00	0.00
114.	Water supply services	The Principal SONGEA V.T.C.	5,999,999.40	0.00
115.	Water supply services	Town Director Stand Msamala	857,760.55	2,787,917.25
116.	Water supply services	T.R.A	1,725,018.60	107,888.70
117.	Water supply services	Mahakama	135,000.00	3,551.82
118.	Water supply services	Zahanati Ya Matogoro Kati	150,000.00	0.00
119.	Water supply services	Zahanati Ya Mateka	200,000.00	213,000.00
120.	Water supply services	Ras Maabara Songea	191,369.75	72,528.10
121.	Water supply services	Shule Ya Msingi Msiende Mbali	216,000.00	0.00
122.	Water supply services	Majimaji Primary School	358,000.00	70,232.40
123.	Water supply services	Shule Ya Msingi Mji Mwema	988,000.00	0.00
124.	Water supply services	Ofisi Ya Kata Mjini	66,000.00	46,204.76
125.	Water supply services	Mahakama Ya Mkoa Ruvuma	120,573.80	0.00
126.	Water supply services	Kambarage Primary School	205,970.00	0.00
127.	Water supply services	Shule Ya Msingi Mlete (06)	80,500.00	19,373.85
128.	Water supply services	Chandamali Primary School	120,000.00	245,801.90
129.	Water supply services	Shule Ya Msingi Amani	203,456.53	87,632.59
130.	Water supply services	Zahanati Ya Seedfarm	130,000.00	0.00
131.	Water supply services	Nganga Mkuu (Bombambili)	520,000.00	0.00
132.	Water supply services	Msamala Secondary	250,000.00	0.00
133.	Water supply services	T.T.C.I.	454,500.00	0.00
134.	Water supply services	Misufini Primary School	205,000.00	0.00
135.	Water supply services	Jwtz Chandamali Block	25,000.00	0.00
136.	Water supply services	Mkurugenzi (M) Disp Ya Ruvuma	835,000.00	0.00
137.	Water supply services	Kituo Cha Afya (Mshangano)	200,000.00	0.00
138.	Water supply services	Shule Ya Msingi Mkuzo	166,750.00	0.00

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

S/N	Service Provided	Name of Entity Received Services	Amount Received	Receivable Balance
139.	Water supply services	London Primary School	106,100.00	10,124.55
140.	Water supply services	Ofisi Ya Bonde	211,104.94	72,528.10
141.	Water supply services	Labour Office	347,687.15	39,223.50
142.	Water supply services	Chemchem Dispensary	49,247.60	52,287.70
143.	Water supply services	Mateka Secondary School	485,154.74	40,480.80
144.	Water supply services	Ofisi Ya Ukaguzi Mkoa	400,000.00	0.00
145.	Water supply services	Ukaguzi ASP	254,155.80	0.00
146.	Water supply services	Elimu Wilaya	388,000.00	36,514.20
147.	Water supply services	Area Coordinator Songea	25,200.00	0.00
148.	Water supply services	Ruvuma Regional Library	412,444.90	0.00
149.	Water supply services	Wizara Ya Nishati Na Madini	163,217.75	0.00
150.	Water supply services	Idara Ya Maji Wilaya	279,209.60	0.00
151.	Water supply services	Gosa Songea	47,000.00	8,787.25
152.	Water supply services	Madizini Primary School	564,400.00	59,728.37
153.	Water supply services	Wizara Ya Fedha Na Uchumi Hathua Ndogo	3,000,000.00	0.00
154.	Water supply services	Mateka Primary School	791,149.01	52,464.10
155.	Water supply services	Ukombozi Primary School	74,000.00	0.00
156.	Water supply services	Prison Officer	107,642,095.45	160,731,654.37
157.	Water supply services	Songea Power Station	10,581,133.40	0.00
158.	Water supply services	Songea Domestic Centre	96,000.00	0.00
159.	Water supply services	Shule Ya Msingi Mbuluni	37,000.00	0.00
160.	Water supply services	Ruvuma Sec School	36,000.00	0.00
161.	Water supply services	Luwawasi Primary School	172,841.30	52,287.70
162.	Water supply services	Shule Ya Msingi Mjimwema	33,296.85	0.00
163.	Water supply services	Majimaji Stadium No 2	44,800.00	1,438,883.30
164.	Water supply services	Afisa Kilimo Wilaya	400,000.00	1,048,556.75
165.	Water supply services	TanESCO Rest House	2,308,875.15	40,480.80
166.	Water supply services	TanESCO Ltd Old Power	477,535.30	26,987.20
167.	Water supply services	TanESCO Regional Office - Ruvuma	18,992,125.80	1,461,729.10
168.	Water supply services	Toca Airport Songea	969,434.00	0.00
169.	Water supply services	Mkuu Wa Jkt	133,300.00	0.00
170.	Water supply services	Misufini Secondary School	21,758.00	0.00
171.	Water supply services	Dispensary Likuyu A	100,000.00	0.00
172.	Water supply services	Mkuu Wa Magegeza (Nyumbani)	568,000.00	0.00
173.	Water supply services	Ofisi Ya Mtaa Wa Oysterbay (Msamala)	25,000.00	0.00
174.	Water supply services	Mkuu Wa Kambi 401KV (Chandamali Barracks)	29,628,646.68	4,790,433.02
175.	Water supply services	Zahanati Ya Mahilo	20,000.00	0.00
			384,156,749.5	192,222,996.22

SONGEA URBAN WATER SUPPLY AND SANITATION AUTHORITY

(b) Payables

S/N	Goods/Services Received	Name Of Entity Provided Goods/Services	Amount Paid/Bill	Payable Balance
1.	Internet Service	Tanzania Telecom Communication Limited	25,644,023.80	0
2.	Electricity Service	Tanzania Electronic Supply Company	209,480,353.54	0
3	Measures Quality Of Water	Weight Measurement Agency	7,625,000.00	8,000,000.00
4	Retirement Services	National Security Social Fund	2,533,048.75	47,168,470.25
5	Retirement Services	Public Social Security service Fund	112,657,038.20	489,538,290.00
6	Health Insurance Service	National Health Insurance	46,281,420.31	47,629,109.90
7	Regulator of Water Price	Energy and Water Utilities Regulatory Authority	50,432,683.06	90,531,060
8	Message For Billing	Electronic Government Agency	20,267,352.45	0
9	Water Right User	LAKE NYASA BASIN	27,038,368.00	3,782,416
10	Water Right User	RUVUMA SOUTHERN RIVER	12,000,000.00	20,940,550
11	Printing Service	Rural Printing Press	688,135.59	0
12	Insurance Service	National Insurance Company	3,690,600.00	9,674,956.29
13.	Post And Telegram	Tanzania Post cooperate	1,721,000.00	0
14.	Credit Facility Services	Tanzania Investment Bank	146,458,262.38	154,589,686.25
15.	College Loans	Higher Education Students Loan Board (HESL)	0	79,904,384.92
16.	Professional Consultancy	NBAA	1,101,250.00	0
17	Professional Consultancy	ERB	3,385,000.00	0
18.	Professional Consultancy	PSPTB	500,000.00	0
19.	Service Levy	Songea Municipal	3,420,759.01	23,556,413.15
			674,924,295.09	975,315,336.76

32. Capital Commitments

The Management certifies that there were no capital commitments as at 30 June 2023.

33. Contingent Liabilities

The Management certifies that there were no contingent liabilities as at 30 June 2023.

34. Events after Reporting Date

On the date of signing of these accounts, there have been no material events, favourable or unfavourable, incurred between the date of the Statement of Financial Position and the date when the financial statements have been authorized for issue that would have impacted these statements.

35. Comparative Figures

The previous year's figures have been regrouped whenever considered necessary to facilitate comparability with the current year's figure.

36. Authorization date for Issue of Financial statements

The financial statements were approved for issue by the Songea WSSA's Board of Directors on _____ and were signed on its behalf by


Chairman

25/03/2024
Date


Director