



CONTRACTORS REGISTRATION BOARD

ANNUAL REPORT AND ACCOUNTS FOR THE FINANCIAL YEAR 2021/22

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List of Abbreviations

MIS	-	Management Information System
DPS	-	Default Point System
CRB	-	Contractors Registration Board
PPRA	-	Public Procurement Regulatory Authority
SSTP	-	Sustainable Structured Training Program
JV	-	Joint Venture
CIMIS	-	Computerized Integrated Management Information System
CAF	-	Contractors Assistance Fund
OHS	-	Occupational Health and Safety

1.0. REGISTRAR'S REPORT

1.1. Introduction

The Contractors Registration Board (CRB) was established by the Contractors Registration Act CAP 235, (RE). 2002. The Board is a regulatory body charged with the responsibility for Registration, Regulation and Development of Contractors in Tanzania mainland. The Board has its head office located at Mkandarasi Place 1st and 2nd Floor, Dodoma and Zonal Offices in Dar- es-Salaam, Mwanza, Mbeya, Dodoma and Arusha Regions.

The corporate functions of CRB can be summarised as follows:-

- To register local and foreign contractors in the Construction Industry
- To regulate the activities and conduct of contractors in the Construction Industry.
- To set criteria for registration of contractors in different classes and review these criteria from time to time.
- To verify and ensure that all construction works are being undertaken by registered contractors
- To ensure that all construction works comply with governing regulations and laws of the country
- To review the performance of registered contractors from time to time.
- To develop skills and capacity of Local Contractors.
- To liaise and interact with both local and international professional boards and associations.
- To publish and disseminate information related to the Construction Industry
- To register construction projects for the purpose of regulation
- To settle disputes or complaints amongst contractors themselves and their employees, consultants, suppliers, manufacturers or clients presented to the Board.

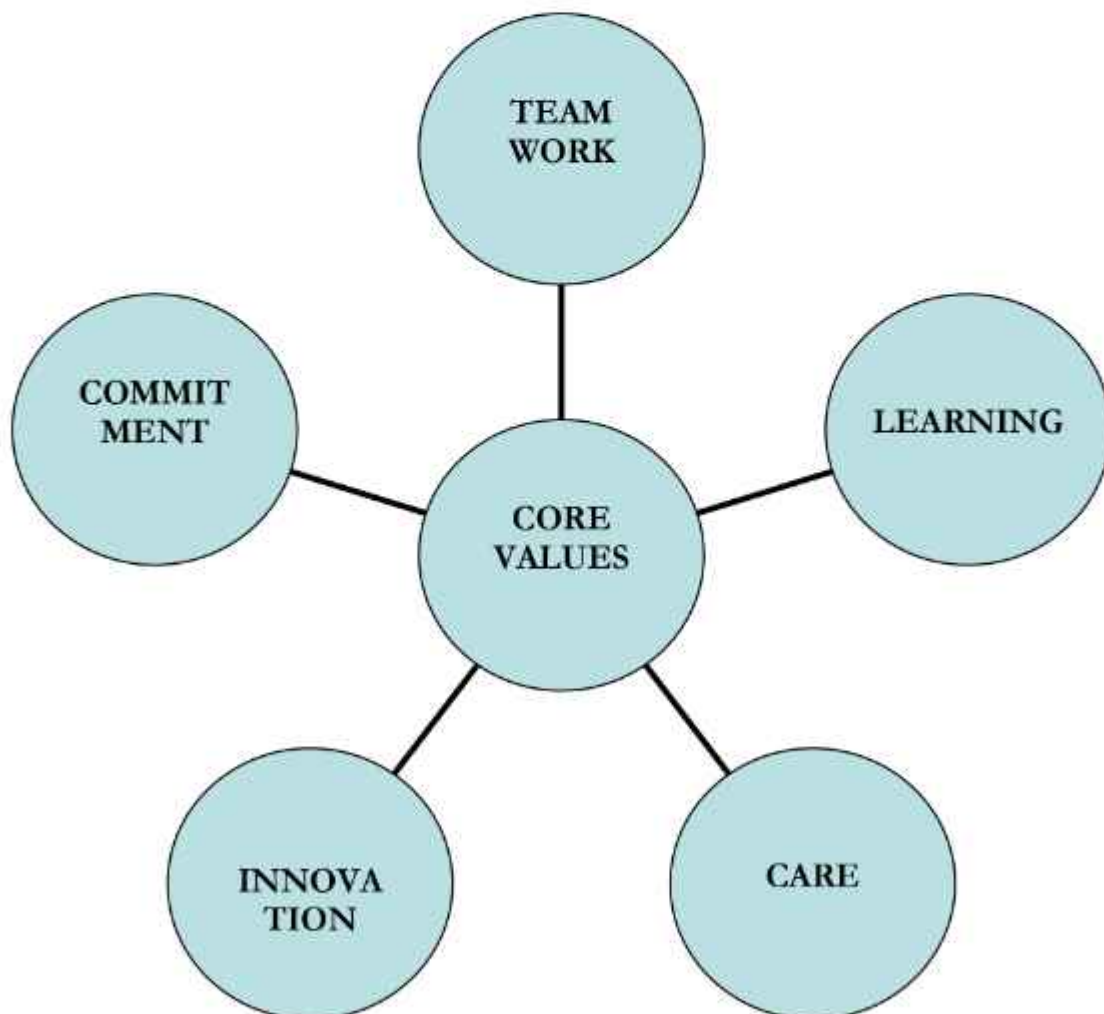
1.2. Mission, Vision and Core Values of the Board

MISSION

To regulate and develop a competitive and sustainable contracting industry with capable contractors who deliver quality works and observe safety in pursuit of economic growth.

VISION

To be a leading institution in the Regulation and Development of Contractors.





1

TEAM WORK

We believe in teamwork in overcoming challenges and achieving corporate objectives



2

LEARNING

We believe in lifelong learning. We upgrade our skills and knowledge so that we can give our best to those we serve



3

CARE

We show concern for one another's wellbeing and appreciate each other's contribution



4

INNOVATION

We seek new and creative ideas to improve our products and services



5

COMMITMENT

We are committed to offer the highest professional standards in delivery of our services to satisfy our customers.

1.3. Corporate Governance

CRB continues its commitment to good corporate governance and has put in place various self-regulatory and monitoring mechanisms to achieve this objective. The Institution is led by a Board of Directors who have the responsibility of providing strategic guidance to Management. This entails the approval of annual activities and financial plans and budgets in accordance with its Strategic Plan

2018/19-2022/23, monitoring of Strategic Outputs, Financial Performance and Internal Control procedures and reviewing CRB's performance and its levels of responsibility and accountability as a public body. The Board of Directors is guided by the Board Charter.

1.4. The Board of Directors

CRB Board Members are appointed by the Minister responsible for works, for a period of three years and are eligible for reappointment upon completion of their tenure. The Board Members are representatives of various Stakeholder's Groups as stipulated in the Contractors Registration Act and are appointed based on their range of complimentary knowledge and skills, public and private sector experience and understanding. The Board of Directors for the financial year 2021/22 comprised of the following members: -

CRB BOARD OF DIRECTORS



ENG. CONSOLATA C. NGIMBWA
BOARD CHAIRPERSON

Eng. Consolata Ngimbwa is a Professional Electrical Engineer. She holds an Advanced Diploma in Electrical Engineering. She is the Managing Director of V/C Tanzania Limited (Building and Electrical Contractor Class One, and Civil Contractor Class Four)

CPA. RHOBEN NKORI
CHIEF EXECUTIVE OFFICER

*CPA. Eng. Rhoben Nkori is the Chief Executive Officer and the Registrar of the Board. He Holds MBA Finance, FCPA (PP).
Bsc. Mechanical Engineering*



Q.S. JOSEPH TANGO
BOARD VICE CHAIRPERSON

Qs Joseph Tango is a Professional Quantity Surveyor. He Holds an Advanced Diploma in Building Economics. He is the Managing Director of CQS Services Ltd, a Quantity Surveying Services firm

CRB BOARD OF DIRECTORS

MR. ANDREW W. MASSAWE **BOARD DIRECTOR**

Mr Andrew Massawe is an IT expert. He Holds an MBA (Tech Management), Post Grad (Comp Science) and Bsc (Hons)



ENG. SAMWEL SHILA **BOARD DIRECTOR**

Eng. Samwel Shila is a Consulting Electrical Engineer. He Holds a Bachelor degree in Engineering (Hons). He is the Managing Director of Service Consult Ltd an Electrical Engineering Consulting Company.



ARCH. DUDLEY MAWALLA **BOARD DIRECTOR**

Arch Dudley Mawalla is a Professional Architect. He Holds a Doctorate in Architecture. He is the Managing Director of MD Consultancy, an Architectural Services Consulting firm.



CRB BOARD OF DIRECTORS



ENG. LAWRENCE G. MWAKYAMBIKI
BOARD DIRECTOR

Eng. Lawrence G. Mwakyambiki is a Professional Civil Engineer. He Holds an Msc. Cons. Technology and Bsc in Civil Engineering. He is a Director and co-owner of MAC Contractors Co. Ltd, a class one contracting firm in Building and Civil works.

ENG. STEPHEN P. MAKIGO
BOARD DIRECTOR

Eng. Stephen P. Makigo is a Professional Civil Engineer. He Holds a Master of Engineering Management and a Bsc in Engineering. He is the Managing Director of Mayanga Contractors Co. Ltd; a Class One Civil Engineering Works Contractor



ENG. LIGHT CHOBYA
BOARD DIRECTOR

Eng. Light Chobya is a Professional Civil Engineer. She Holds an Msc Civil Engineering and a Bsc Civil Engineering degree. She is the Assistant Director of Roads in the MoWT

ADV. NTULI MWAKAHESYA
BOARD DIRECTOR

Adv. Ntuli Mwakahesya is a State Attorney. He holds a Masters of Laws. He is the Principal Officer at the Attorney General's office.



1.6 Board of Directors Activities during 2021/22

Board Meetings

The Board meets once in every two months, with additional meetings convened as and when necessary.

During the financial year 2021/22, the Board and its committees met to discuss, decide and approved annual activities and financial plans and budgets in accordance with its Strategic Plan 2018/19-2022/23, monitoring of Strategic Outputs, Financial Performance and Internal Control procedures. The Board committees act on behalf of the Board to direct the management effectively and accelerate the decision making process. The two Board committees are: Audit and Risk Management Committee and Technical Committee.

The Board, during the financial year 2021/22 held a total of six (6) Ordinary Board Meetings and one (1) Extraordinary Board Meeting.

1.7 Audit and Risk Management Committee

The Board was assisted by Audit and Risk Management Committee whose mandate includes inter alia;

- ❖ To review and approval of internal audit plan
- ❖ To review the risk exposure and conduct risk analysis to the Boards activities and develop risk management plans
- ❖ To monitor compliance with the Boards policies and procedures

Members of the Audit and Risk Management Committee are selected amongst the Board members to serve for a period of one financial year and are eligible for re-selection at the end of the tenure.

The Board may also co opt any person or persons to the Audit and Risk Management Committee as it may determine to assist it in its deliberations either for particular items or for the whole meetings.

During the Financial year 2021/22, the Audit and Risk Management Committee held a total of five (5) meetings.

During the financial year 2021/22, the composition of the Audit and Risk Management committee was as follows:

S/No	Name	Position
1	Arch. Dudley Mawalla	Chairman
2	Mr. Andrew Massawe	Member
3	Mr. Ntuli Mwakahesya	Member
4	Eng. Samwel Shilla	Member
5	Ms. Fatuma Chillo	Co-opted Member

1.8 Technical Committee

The Board was also assisted by a Technical Committee whose mandate includes inter alia;

- ❖ To review report of the regulation activities of the Board
- ❖ To review and approve applications for registration as contractors of class five and below (V-VII) for civil, building, electrical and mechanical and class two and below (II-III) for specialist contractors.
- ❖ To review and recommend applications for registration as contractors' class four and above (IV-I) for civil, building, electrical and mechanical and class one (I) for specialist contractors.
- ❖ To review reports related to Research and Development activities of Contractors

Members of the Technical Committee are selected among the Board members to serve for a period of one financial year and are eligible for the selection again at the end of the tenure.

During the financial year 2021/22, the composition of the Technical committee was as follows:

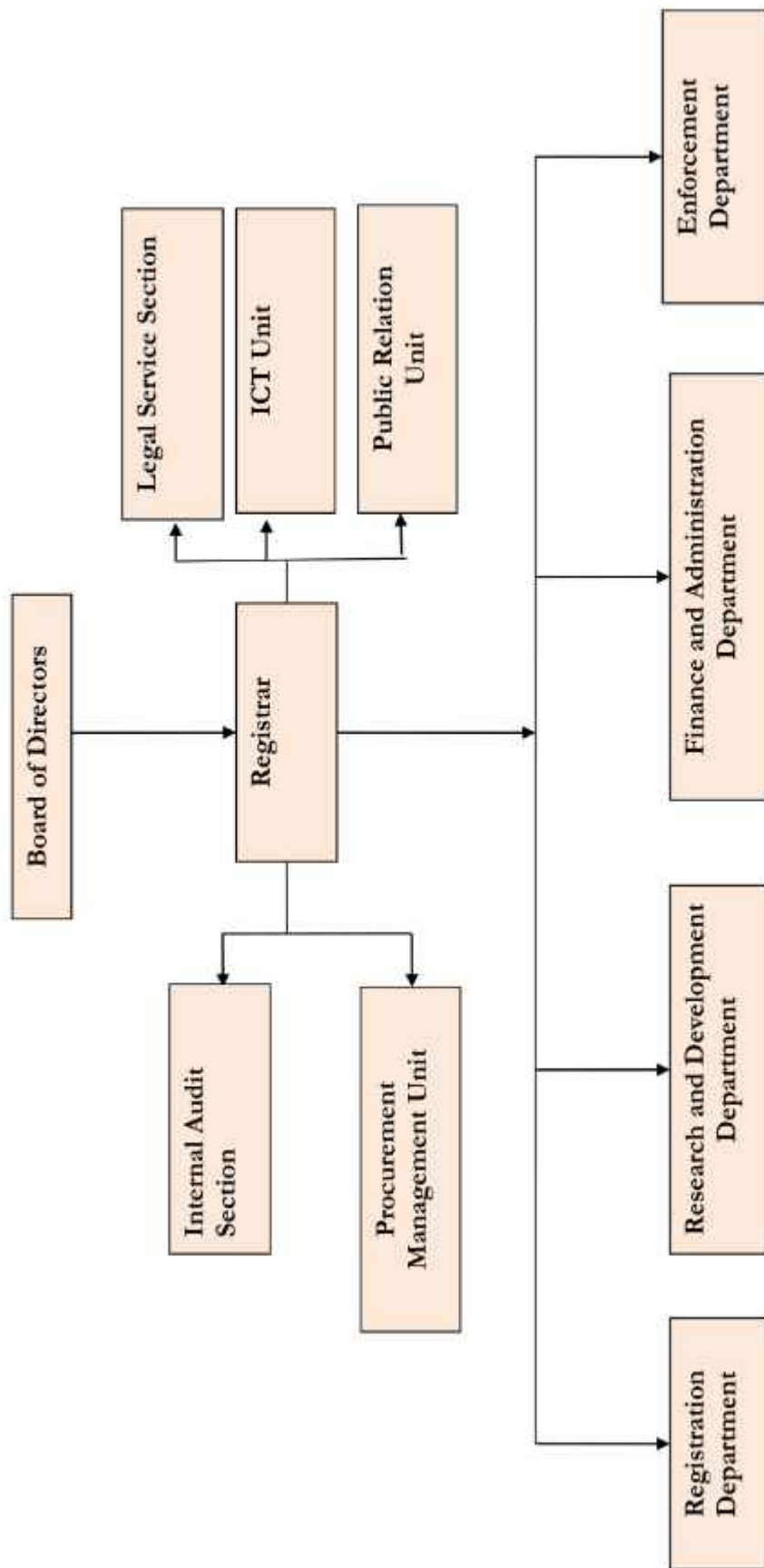
S/No	Name	Position
1	Qs. Joseph Tango	Chairman
2	Eng. Stephen P. Makigo	Member
3	Eng. Light Chobya	Member
4	Eng. Lawrence Mwakyambiki	Member

During the year under review the Technical Committee held a total of six (6) meetings.

1.9. Organization of the Board

The Chief Executive Officer of the Board is the Registrar who is recruited by the Board of Directors. The Registrar also serves as Secretary to the Board. The Registrar is responsible for the day to day activities of the Board and is assisted by a management team comprising of Heads of the following Departments/ Sections

- ❖ Registration Services Department
- ❖ Finance and Administration Department
- ❖ Enforcement Department
- ❖ Research and Development Department
- ❖ Legal Services Section
- ❖ Internal Audit Section
- ❖ Information and Communication Technology (ICT) Unit
- ❖ Procurement Management Unit (PMU)



1.10. CRB Executive Management



CPA.ENG. RHOBEN NKORI
REGISTRAR
MBA FINANCE, BSC (ENG), FCPA(PP)

ADV SALEHE NJAA
HEAD- LEGAL SERVICES
LLB, PDLM, MSC-HRM



CPA. KILEMILE RAMADHANI
HEAD- INTERNAL AUDIT
MBA, ACPA, CLA



CPA. ANGELO NGALA
**ASSISTANT REGISTRAR – FINANCE AND
ADMINISTRATION**
MBA Finance, ACPA

ENG LEONARD LUCAS
ASSISTANT REGISTRAR
REGISTRATION SERVICES
BSC (ENG), PENG (T)



ENG DAVID JERE
ASSISTANT REGISTRAR
RESEARCH AND DEVELOPMENT
MBA, B.SC (ENG), PENG(T)

ENG. MELECK MWANO
ASSISTANT REGISTRAR
ENFORCEMENT
MSC (ENG), BSC (ENG), CE (T)



1.11. CRB Zonal Offices

In pursuit of its vision to be an exemplary regulator, apart from the head office in Dodoma the Board have 5 zonal offices in Mwanza, Mbeya, Arusha, Dodoma and Dar es Salaam. These offices are fully functional units and perform all the function of the Board and offer all services that are available at Head Office. Below are the Contact details for CRB Head Offices and Zonal Offices

HEAD OFFICE

P.O.Box 96, Dodoma
Mkandarasi Place
1st and 2nd Floors, Udom Road
Tel: +255-262962403/4
Fax: +255-22-2137964
Email: crbhq@crb.go.tz

SOUTHERN ZONE

P.O.Box 1690, Mbeya
NHIF Tower 3rd Floor
Tel: +255-025-2502480
Email: crbsz@crb.go.tz

EAST ZONE

P.O.Box 33621, Dar es Salaam
Tetex House, 3rd Floor
Tel: +255-22-2771877/2701747
Email: crbez@crb.go.tz

NORTHERN ZONE

P.O.Box 16795, Arusha
NSSF Mafao House, 11th Floor
Tel: +255-27-2547107
Email: crbnz@crb.go.tz

LAKE ZONE

P.O.Box 2815, Mwanza
Station Road
Tanroad, Compound
Tel: +255-28-2500218/2502212
Email: crblz@crb.go.tz

CENTRAL ZONE

P.O.Box 2618, Dodoma
Mkandarasi Place
Mezzanine Floor, Udom Road
Tel: +255-26-2962405
Email: crbcz@crb.go.tz

2.0. PERFORMANCE REVIEW FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2022.

2.1 Introduction

In the financial year ended 30th June 2022, the Board was in the implementation of its fourth Five Year CRB Corporate Strategic Plan which covers the financial years of 2018/19 – 2022/23.

During the review period, the Board's functional and corporate activities were successfully implemented attaining over ninety percent (90%) achievement on planned activities.

Cooperation received from contractors, employers, suppliers and other stakeholders in the industry massively contributed on the success of CRB in discharging its functions. The Board of Directors and Management acknowledge support extended to it from the sixth regime Government through the Ministry of Works and Transport (MoWT) in furtherance of its mission of developing a sustainable contracting industry in Tanzania.

This report presents an overview and summary of the Board's performance for the financial year ended 30th June 2022.

2.2 Salient Issues during the period

- a) A total of 1,213 Contractors comprising of new and upgrading contractors were registered by the Board against a planned target of 940 contractors (see tables 1 and 2).
- b) The Board carried out an inspection of 3,400 construction sites against the planned 3,100. Out of the inspected sites 2,499 (73.5%) sites were found to comply while 901 (26.5%) sites were found with various shortfalls. Common shortfalls were as follows: -
 - Failure to register projects – 19.7%
 - No registered contractor - 2.8%
 - Failure to use subcontractors – 2.3%
 - Non Compliance to Occupational Safety– 1.03 %
 - Failure to erect project signboard – 1.08%
- c) The Board Head offices shifted from the Tetex Building in Dar es Salaam to the Mkandarasi Place, in Dodoma, in compliance to the Government directive to Government institutions to shift to Dodoma, the capital city.

- d) The Board, using its internal staff capacity made enhancement to the CIMIS to enable contractors to apply for project registration online.
- a) The Board hosted a delegation of two Engineers from the Uganda Ministry of Works and Transport, who visited the Board to conduct a benchmarking exercise.

3. REVIEW OF PERFORMANCE ON PLANNED ACTIVITIES FOR THE FINANCIAL YEAR ENDED 30TH JUNE 2022

3.1 Registration of Contractors

(a) *New and Upgrading Registrations*

During the period under review, a total of **1,213** contractors were registered. The registered contractors figure comprises of **1,030** new and **183** upgrading contractors. The breakdown of contractors registered under the review period is as follows: -

- Civil – 375
- Building – 312
- Electrical – 107
- Mechanical – 41
- Specialist – 272
- Temporary Contractors – 29
- Joint ventures (Local) - 77

The table 1 below shows the number of registered contractors in different categories and classes.

Table 1: Number of Newly registered Contractors during the Period.

Type	I			II	III	IV	V	VI	VII	Total
	L	F	T							
Building	13	1	14	30	9	31	75	114	39	312
Civil Works	8	1	9	19	20	33	92	175	27	375
Electrical	7	5	12	16	6	22	28	8	15	107
Mechanical	1	3	4	3	1	5	9	15	4	41
Specialist	14	6	20	44	208					272
Temporary		29	29							29
Joint Ventures	25		25	7	17	14	11	3		77
GRAND TOTAL			113	119	261	105	215	315	85	1,213

From table 1 Civil contractors formed the majority of all the registered contractors, 31% followed by Building Contractors, 25.7%. Furthermore Mechanical works contractors were the least registered type, 3.4% during the financial year 2021/22. Distribution of registered Contractors for the period is presented under figure 1.

Figure 1 :Distribution of contractors by type of Work

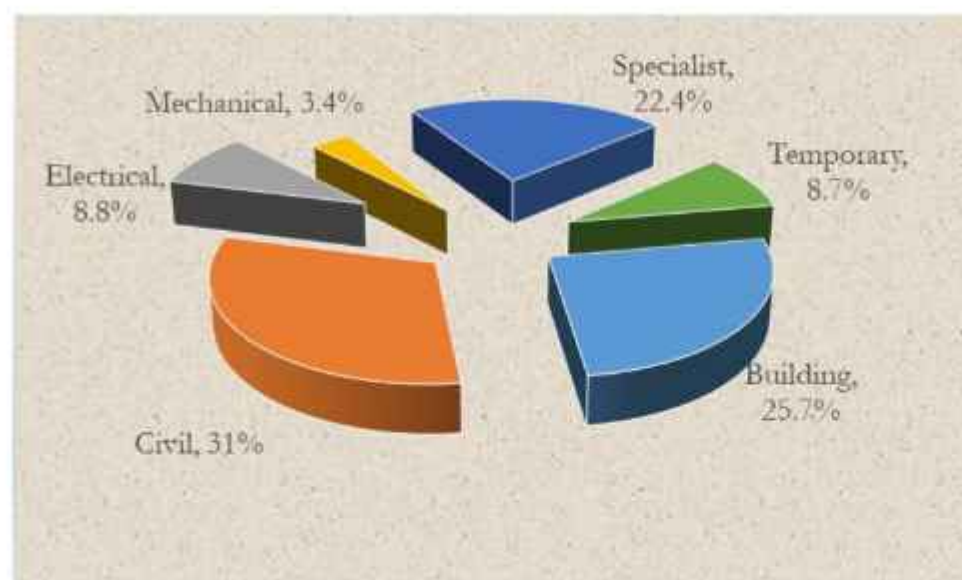


Table 2: Number of new Contractors Registered Annually for the past ten years

The trend for the past ten years shows that, the number of newly registered contractors has been fluctuating from time to time. The trend also shows that there was a significant increase of number of newly registered contractors for the financial year 2015/16. The significant difference compared to other financial years is attributed by the difference in the review period. The Review period for the aforementioned year covered 18months (Jan 2015 to June 2016) compared to 12 months covered in the other financial years.

(b) Review of Registration Criteria for Contractors

The Board completed the review of registration criteria for General Contractors and harmonization of specialization with objective of updating them in line with developments in the Construction Industry. Changes which were approved by the Board of directors were compiled into the amendment document to be incorporated into the by-laws. The Amendment Document is due for the Minister's approval and signature.

3.2 Regulatory Activities

(a) Inspection of Construction Sites

In fulfilling its regulatory functions, during the financial year 2021/22, the Board inspected a total of 3,400 construction sites. A total of 3,100 construction sites were planned to be inspected by end of the financial year 2021/22.

Out of the inspected sites, 2,499 (73.5%) sites were found to comply while 901 (26.5%) sites were found with various shortfalls. Appropriate actions were taken on sites found with shortfalls.

Table 3 shows statistics indicating the number of sites inspected for the past ten years and the rate of compliance with respect to some of the major defaults.

Table 3: Inspected Sites for the Past ten years

	2012	2013	2014	2015	2016/ 17	2017/ 18	2018/ 19	2019/ 20	2020/ 21	2021/ 22
No. of Sites Visited	2480	2687	2,700	2,735	3,329	3,467	3,304	3,153	3,864	3,400
Compliant Sites	1672 [67.4%]	1866 [69.4%]	1779 [65.9%]	1873 [68.5%]	2,485 [74.6%]	2,500 [72%]	2,232 [68%]	2,294 [73%]	2,700 [70%]	2,499 [73.5%]
Sites With Shortfalls	808 [32.6%]	821 [30.6%]	921 [34.1%]	862 [31.5%]	844 [25.4%]	967 [28%]	1,072 [32%]	859 [27%]	1,164 [30%]	901 [26.5%]

Figure 3: Compliance Trend on Inspected Sites



From figure 3 above, the compliance in the construction sites has been fluctuating; the lowest was 65.9% in the year 2014 and the highest was 74.6% in the financial year 2016/17. Furthermore, looking at the past five years, the trends have demonstrated a relatively more impressive compliance of 70% and above, save for the financial year 2018/19 when compliance was 68%.

Failure to register projects is leading in defaulting. During the period under review, the default rate decreased to 19.7% from 20.5% in the financial year 2020/21. The Board is very concerned with the defaulting rate in project registration. The Board worked upon the recommendations on establishment of online project registration. Projects are now being registered online. With this the Board is hoping the rate on defaulting in project registration will be decreased.

Table 4: Common Shortfalls on Construction Sites for the last ten years.

Most Common Defaults	Yearly Percentage Default on Inspected Sites									
	2012	2013	2014	2015	2016 /17	2017 /18	2018 /19	2019/ 20	2020 /21	2021/ 22
No Registered Contractor	3.5	2.9	2	3.0	3.0	3.0	1.7	2.1	3.5	2.8
No Sub-Contractor	2.0	3.9	1.3	0.6	3.9	3.0	3.0	3.6	3.8	2.3
Compliance to OHS	3.5	3.5	3.9	3.5	1.9	2.0	2.5	1.4	1.3	1.03
No Signboard	6.0	5.6	4.4	4.0	2.6	1.0	1.3	1.7	0.8	1.08
No Hoarding	0.9	0.74	0.4	0.5	0.03	0.3	0.2	0.1	0.2	
Works Above Contractors Class Limit	1.1	1.6	1.2	1.0	1.0	1.0	1.2	1.1	0.9	
Un registered Project	13.2	18.6	22.2	19.5	14.2	20.0	22	20.9	20.5	19.7
Abuse of Business Name	0.03	0.3	0.3	0.1	0.3	0.2	0.2	0.03	0.1	
Obstruction of Staff of Board on Duty	0.2	0.4	0.7	0.6	0.3	0.1	0.1	0.1	0	

During the period under review, out of nine shortfalls noted on the visited sites, top four major shortfalls were failure to register projects (19.7%), Failure to use registered Contractors (2.8%), failure to engage sub-contractors (2.3%), and failure to erect project signboard (1.1%).

(b) Review of non performing contractors

During the year under review, a total of **six (6)** contractors were subjected to the review process following nonperformance reported to the Board. **One (1)** contractor agreed to re-do the works at his own costs, **one (1)** contractor mutually agreed with the Employer to terminate the contract, **one (1)** contractor has agreed to pay the guarantor and the workers and **two (2)** contractors have taken their cases for arbitration. The remaining **one (1)** contractor has been instructed to give explanations and investigation is underway

(c) Verification of complaints reported to the Board

The Board received a total of **62** complaints for the financial year 2021/22. **46** complaints were verified and concluded whereby relevant parties were advised accordingly. **16** complaints are still under verification and mediation. The complaints are attributed mainly to non-engagement of registered contractors by some developers, nonperformance of works, contractors' failure to pay workers and suppliers, failure to observe contractual obligations and noncompliance of works in project registration, safety and signboard.

3.3 Legal Aspects

(a) Court cases

During the reporting period, the Board conducted a total of **80** court cases out of which **66** were newly filed and **14** were carried forward from previous years. Out of the **66** new court cases, **39** defaulters opted for out of court settlement. Based on previous experience **90** new court cases were anticipated to be filed during the financial year 2021/22. A decrease of the number of court cases indicates an increased stakeholders' compliance to the contractors' registration Act and its Bylaws.

(b) Work on suspicious documents

During the financial year 2021/22 a total of three **(3)** forgery incidents detected from applications for registration of contractors were identified and worked upon. The applications with suspicious documents were deferred and the applicants involved are not allowed to reapply for a period of two years. Based on previous experience it was anticipated to identify **40** forgery cases during the financial year 2021/22. The decrease in forgery incidents is attributed to efforts by Management to strengthen scrutiny of the documents attached in support of applications and other documents submitted to the Board.

3.4 Contractors Development Activities

a) *Contractors Training Programme*

During the year under review, **six (6)** courses for training of contractors under the Sustainable Structured Training Programme (SSTP) were successfully conducted as follows:-

- **Morogoro;** Construction Pre contract Practices; 11th to 13th August 2021, a total of **73** participants attended.
- **Mwanza;** Financial Management; 22nd to 24th September 2021, a total of **92** participants attended.
- **Iringa;** Business Management Skills; 3rd to 5th November 2021, a total of **72** participants attended.
- **Dar es Salaam;** Contracts Management; 1st to 3rd December 2021, a total of **127** participants attended.
- **Dodoma;** Construction Pre contract Practices; 26th to 28th January 2022, a total **192** participant attended.
- **Dodoma;** Contracts Management; 23rd to 25th February 2022, a total **92** participant attended.

Along with the training courses in all the six centres, the Board also conducted training on the use of the Tanzania National Electronic Procurement System (TANEPS).

The attendance was good in all the six centres. The good turnout of participants in all of the six centres indicates that the Board's objective to enhance contractors' technical and managerial skills will impact on contractors' competitiveness and improvement of their performance.

Through the conducted courses, contractors have been imparted with the knowledge and skills on preparation of responsive tenders with realistic prices, the necessary skills to manage their businesses and their financial resources, skills to manage their contracts and the skills to use the TANEPS to submit their bids for public projects.

The acquired knowledge and skills are highly needed by contractors for prosperity and sustainability in their business. Skills to use TANEPS are not only very important but mandatory to contractors because tender submission for Government projects is only submitted through TANEPS and the Government is the main employer of contractors.

Also a Joint Venture workshop was conducted in Dodoma from 24th to 25th March 2022, a total of 66 participants attended.

A total of 128 courses have been conducted under SSTP by the Board since inception of the programme in 2001 with a total of 6,712 participants attending the courses. Table 5 below shows the courses and number of participants for the past ten years.

Table 5: Training Courses Conducted under SSTP for the past ten years

Year	2012	2013	2014	2015 /16	2016 /17	2017 /18	2018 /19	2019 /20	2020 /21	2021 /22	Total
No of Courses	6	6	5	9	5	3	4	5	5	6	54
No of Participants	255	231	212	407	327	120	434	441	613	648	3,688

b) Annual Consultative Meeting 2021

During the year under review, The Board conducted one Annual Consultative Meeting which was conducted at the Jakaya Kikwete Convention Centre in Dodoma. The theme for the meeting was ***“Umuhimu na Mchango wa Makandarasi katika uchumi wa Tanzania”*** (“Importance and Contribution of contractors in the Tanzania Economy”). The meeting also hosted a commercial exhibition for construction goods and services. A total of 713 participants attended the meeting

All deliberations in the meetings aimed at finding the best way to make contractors to contribute more to the country’s economy through identification of challenges that hinder their ability to contribute more efficiently.

Furthermore, a number of resolutions were reached from deliberations. These resolutions had recommendations to various stakeholders for implementation. In a nutshell, the resolutions centred around the following broader areas:-

- i. **Preference of Employers to specify only the use of bank guarantees for bid and performance security;** the Government was requested to review the Public Procurement Act and its Regulations such that bidders should choose the type of guarantee that is most convenient to them. Currently, the legislation gives discretion to the employer to specify between bank guarantees and insurance bonds but mostly only bank guarantee is being preferred by Procuring Entities.
- ii. **Inadequate number of special projects for capacity building of local contractors;** it was recommended that all Government Ministries, Department and Institutions should set aside special projects for capacity building whenever they procure for construction works. The Government should instruct all its institutions to set aside special projects for capacity building of local contractors as provided for by the Public Procurement Act (PPA) and its Regulations (PPRs)
- iii. **Challenges experienced in implementation of special capacity building projects;** it was recommended that the Government should create an enabling environment for contractors implementing special capacity building projects.

There should be a training component in every such project and inter alia, the respective contractors should be trained in areas of project management and financial management.

- iv. **Uplifting the amount of advance payment;** it was recommended that the Government should consider uplifting the amount of advance payment from 15% to 35% or above, depending on the nature of the project.
- v. **Delayed payment to contractors;** it was recommended that the Government should give preference to clearance of contractors' payments backlog while embarking on payment of Government debtors.
- vi. **Newly introduced costs related to meteorological information in all construction projects;** it was recommended that the newly introduced costs should be included in BOQs in bidding documents.
- vii. **Mistreatment of contractors by Political and Government Leaders visiting construction projects;** it was recommended that leaders who visit construction projects should be briefed by the respective project consultants on the progress of the projects or any challenges that affect the implementation. Moreover, even in situations where it is found that contractors have defaulted, punitive action to be taken should be only those specified in the respective contract agreements.
- viii. **Levies charged on raw construction materials;** it was recommended that the Tanzania Minerals Agency, major employers and contractors should meet and discuss the best way the aforementioned levies can be paid.

b) Capacity Building

i. MoU with the NMB PLC to assist Contractors with financial services

During the year under review, the Board entered into a Memorandum of Understanding (MoU) with the NMB Bank PLC. The MoU, which was signed between the two parties in October 2021, is aimed at establishing a collaboration for enhancing financing opportunities to the Contractors. The Bank is assisting contractors with respect to Bank Guarantees, Short term loans, Certificate Discounting and any other financial structure required to enable contractors to meet their obligation as provided in their contract agreements with respective employers. NMB PLC will have separate agreements with beneficiary contractors.

Under the MoU, the Board's roles are to provide verification on registration and reference i.e. provide recommendations either on years of experience or any information deemed necessary to NMB on prospective contractors who request for financial assistance from NMB, to inform NMB on any performance issues on the referenced contractors that

shall be noted or discovered by CRB and to take action against Contractors; upon being informed by NMB on any of the contractors mis-projection/mis-performance of the financial facility.

ii. Lobbying for work opportunities for Local contractors

During the year under review, the Board continued with its efforts to lobby for work opportunities for local contractors. The Board closely followed up developments in the East Africa Crude Oil Pipeline (EACOP) Project to see to it that local contractors participate in the project. The Board is closely following up any upcoming work opportunities in the project through frequent visits to the EACOP website and the print media. Once identified, the appropriate work opportunities information was widely shared with contractors.

Two contractors are undertaking subcontract works related to the EACOP project. M/S Milembe Construction Co. Ltd is implementing a TZS 17.76bn contract for undertaking site preparations and associated access roads and M/S Fabec Investment Limited, a class 2, civil works contractor is implementing a TZS 2.26bn contract for designing and construction of pipe coating plant in Tabora.

On the same vein of lobbying missions, the Board also visited the Julius Nyerere Hydropower project in Rufiji and advocated for participation of local contractors in the project.

d) Project Registration

During the financial year 2021/22, the Board processed and registered a total of 3,863 projects. The plan was to register 3,200 projects by the end of the financial year 2021/22.

Total value of the registered projects for the period is TZS 5,572 billion. Local contractors registered 3,738 (96.8%) projects worth 3,083 billion (55.3%) and Foreign Contractors registered 125 (3.2%) projects worth 2,489 billion (44.7%) as shown in figure 4.

Figure 4: Market share by categories of Contractors (Value & Number)



The five years trend shows that, there was a percentage increase of market share by value for local Contractors from 36.2% for the financial year 2017/18 to 55.3% for the financial year 2021/22 as shown under table 7 below.

Table 7: Ten years trend of market share by Value.

Financial Year	2012	2013	2014	2015/16	2016/17	2017/18	2018/19	2019/120	2020/21	2021/22
Local (%)	21	47	20.8	43	32.2	36.2	44.7	51.8	44.2	55.3
Foreign (%)	79	53	79.2	57	67.8	63.8	55.3	48.2	55.8	44.7

e) Research Activities.

During the period under review, the Board conducted one research study on *“Assessment on Implementation of Affirmative Provisions by the PPA & PPRs in the Construction Industry”*. Data collection and analysis was done and the draft report is under review.

3.5 Institutional Development

(a) Recruitment

During the year under review, the Board recruited two (2) new staff in different capacities as follows:-

- CPA Musti Khalfan – Internal Auditor
- Ms. Leonora Simon – Registry Assistant

Furthermore, two staff left the Board as follows:-

- Eng. Evod Lyamuya - Retired from public service.
- Eng. David Msekeni – His two years term contract with the Board expired.

(b) Staff Development

During the year under review, the Board continued with training of its staff with the objective of ensuring that the Board's human resources continue meeting the present and future challenges of the industry.

A total of 26 (68%) staff attended various training courses related to their areas of expertise. It was planned to train a total of 38 staff by the end of the financial year 2021/22.

(c) Information and Communication Technology (ICT) Activities

The Board continued to maintain its Information and Communication Technology (ICT) infrastructure to ensure smooth operations of the Board activities.

The following activities were conducted during the year under review: -

- Implementation of e-office; the project registration module was enhanced to enable online project registration
- Overseeing and enhancement of CIMIS
- Migration of systems to Dodoma; Servers were purchased, Systems installed and configured
- Maintenance of ICT Operational systems
- Maintenance of the CRB website
- User support on the use of CIMIS for payments, posting ARF and use of other ICT services

(d) Procurement Management Activities

During the year under review, the Board Continued to manage its procurement activities with adherence to the Public Procurement Act.

Furthermore, during the year under review, the Board embarked in implementation of the second phase of a project to construct CRB building in Dodoma. The second phase entails internal finishing of the third to the eighth floors. Major activities were floor tiles, Electrical works, AC works, fire prevention works and sanitary works.

(e) Public Relation Activities

During the year under review, the Board continued to maintain its relations with the public by ensuring that the public is well informed on the role and responsibilities of the Board, the public is well served and the Board's image is not tarnished.

The following activities were conducted during the reporting period: -

- Documentary feature article about CRB duties and responsibilities was prepared and published.
- Prepared and published adverts on Government events, e.g. 22 years' anniversary of the death of the father of the Nation, 60 years of Independence, 58 years of Zanzibar Revolution and 1-year anniversary of H. E Samia Suluhu Hassan, the URT President in office.
- Completed preparation of a newspaper advert on safety measures at a construction work place which is ready for publishing in newspapers.
- Concluded preparation of CRB 2022 Diaries and calendars
- Collection of information and photos from CRB events for compilation for updating website
- Dealing with inquiries from the public, press/mass media and related organizations

3.6 Internal Audit

3.6.1 Routine Audits and Investigations

During the year under review, 34 processes covering departments of Finance and Administration, Enforcement, Registration Services, Research and Development, Legal Services Section, ICT unit and the Procurement unit were audited. Generally, the system of internal controls and procedures on operations covered as of the end of the review period audit were in order and no major risk was foreseen in terms of likelihood and impact.

3.6.2 Implementation of the Risk Management Policy:

During the review period, implementation of the Risk Management has started. Risk Management Treatment Action Plans have been prepared. Quarterly Risk Management Implementation Report will be submitted to the Committee meetings from the first quarter of the financial year 2022/23.

3.7 Financial Performance

During the financial year ended 30th June, 2022 the Board earned a surplus of Tzs **1.09** billion whereas a surplus of Tzs **0.81** billion was earned during the year ended 30th June, 2021. Total revenue for the year ended 30th June, 2022 was Tzs **14.16** billion whereas Tzs **12.72** billion was earned during the year ended 30th June, 2021. Operating expenses for year ended 30th June, 2022 was Tzs **13.07** billion as against Tzs **11.90** billion during the year ended 30th June, 2021.

Full details are given in the attached Report of the Controller and Auditor General.



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



CONTRACTORS REGISTRATION BOARD

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

Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
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March 2023

AR/PA/CRB/2021/22

About the National Audit Office

Mandate

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

Vision

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

Mission

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

Motto: "Modernizing External Audit for Stronger Public Confidence"

Core values

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

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

We do this by:

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

© This audit report is intended to be used by Contractors Registration Board (CRB) 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.

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ABBREVIATIONS

ACM	Annual Consultative Meeting
CAF	Contractors Assistance Fund
CAG	Controller and Auditor General
CRB	Contractors Registration Board
IESBA	International Ethics Standards Board for Accountants
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
KRA	Key Result Area
NBAA	National Board of Accountants and Auditors
NBAQS&BC	National Board of Architects/Quantity Surveyors & Building Contractors
PAC	Public Accounts Committee
PAR	Public Audit Regulation
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPE	Property, Plant & Equipment
PPR	Public Procurement Regulations
PSSF	Public Service Social Security Fund
TFRS	Tanzania Financial Reporting Standards
URT	United Republic of Tanzania

CONTRACTORS REGISTRATION BOARD

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chairperson of the Board,
Contractors Registration Board,
P.O. Box 96.
DODOMA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

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

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

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Other Information

Management is responsible for the other information. The other information comprises the Councillor's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

If, based on the work I have performed on the other information that I obtained prior to the date of this audit report, I conclude that there is 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.

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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.

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on procurement of works, goods and services in the Contractors Registration Board for the financial year 2021/22 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Contractors Registration Board is generally in compliance with the requirements of the Public Procurement laws in Tanzania.


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 Contractors Registration Board for the financial year 2021/22 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Contractors Registration Board is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.


Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2023



CONTRACTORS REGISTRATION BOARD

2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE.

2.1 Introduction

The Directors present their report which discloses the affairs of CRB for the financial year ended 30 June 2022 in compliance with TFRS 1(Directors' Report).

2.2 Establishment

CRB was established by the Contractors Registration Act, Cap 235, [R.E. 2002]. CRB is a regulatory body charged with the responsibility for registration, regulation and development of contractors. CRB has its head office located at Mkandarasi Place, Plot no.5, Block A, NCC Link, 41104 Tambukareli Dodoma and zonal offices in Dar es Salaam, Mwanza, Dodoma, Mbeya and Arusha regions.

2.3 Financing

The financing of the Board consists of:-

- a) Registration and Annual Subscription fees paid by Registered Contractors;
- b) Such sums which may in any manner become payable to or vested in the CRB either under the provisions of the Contractors Registration Act, Cap 235, [R.E. 2002] or any other written law or incidental to the carrying out of its functions.

2.4 Vision

The vision of the Board is to be a leading institution in the Regulation and development of Contractors.

2.5 Mission

The mission of the Board is to regulate and develop a competitive and sustainable contracting industry with capable contractors who deliver quality works and observe safety in pursuit of economic growth.

2.6 Principal Functions

The Board's principal activities include registration, regulation and development of contractors in the country. The Board, therefore, ensures that the construction industry in

Tanzania is served by competent contractors who observe business ethics, work quality and safety of workmen at large. The Board's functions may be summarized as follows: -

- i. To register contractors (local and foreign) in the construction industry.
- ii. To regulate the activities and conduct of contractors in the construction industry
- iii. To verify and ensure that construction works are undertaken by registered contractors.

CONTRACTORS REGISTRATION BOARD

- iv. To ensure that all construction works comply with governing regulations and laws of the country.
- v. To set criteria for registration of contractors in different classes and review these criteria from time to time.
- vi. To review the performance of registered contractors from time to time.
- vii. To develop skills and capacity of Local Contractors.
- viii. To liaise and interact with both local and international professional boards and associations.
- ix. To publish and disseminate information related to the construction industry.

2.7 Management Structure

The Contractors Registration Board is governed by a Board of Directors comprising members appointed by the Minister responsible for Works. The role of the Board of Directors is to maintain a link between the Government which is the main stakeholder and other stakeholders; establishing policies on the Board's main activities and ensuring management performance in the attainment of corporate objectives.

Management of CRB under the leadership of the Registrar who is the Chief Executive Officer/Accounting Officer is organized in four-line departments as follows: -

- i. The Registration Services Department
- ii. The Enforcement Department
- iii. The Research and Development Department
- iv. The Finance and Administration Department

Under the Registrar's office there are four independent units as follows: -

- i. Legal Service Unit
- ii. Internal Audit Unit
- iii. Procurement Management Unit
- iv. Information, Communication and Technology Unit

2.8 Composition of the Board of Directors

Members who served the Board of CRB during the period ended 30 June 2022 are: -

S/N	Name	Position	Academic & Professional Qualification	Nationality	Age Years	Date of Appointment	Ending Date of Appointment
1.	Mrs Consolata C. Ngimbwa	Chairperson	Advanced Diploma in Electrical Engineering	Tanzanian	65	21.01.2020	20.01.2023
2.	Mr Joseph T. Tango	Vice Chairperson	Advanced Diploma in Building Economics	Tanzanian	57	22.07.2019	21.07.2022

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S/N	Name	Position	Academic & Professional Qualification	Nationality	Age Years	Date of Appointment	Ending Date of Appointment
3.	Mr Lawrence G. Mwakyambiki	Member	MSC Cons. Tech, BSc in Civil Engineering	Tanzanian	65	22.07.2019	21.07.2022
4.	Mr Dudley Mawalla	Member	Doctorate in Architecture	Tanzanian	66	22.07.2019	21.07.2022
5.	Mr Andrew W. Massawe	Member	MBA (Tech Management), Post Grad (Comp Science), BSc (Hons)	Tanzanian	59	21.01.2020	20.01.2023
6.	Mr Ntuli Lutengano Mwakahesya	Member	Master of Laws	Tanzanian	41	22.07.2019	21.07.2022
7.	Mr Samwel Shila	Member	B. Engineering (Hons)	Tanzanian	63	22.07.2019	21.07.2022
8.	Mr Stephen P. Makigo	Member	Master of Engineering Management, BSC in Engineering	Tanzanian	60	22.07.2019	21.07.2022
9.	Mrs Light Chobya	Member	MSC Civil Engineering, BSc Civil Engineering	Tanzanian	59	22.07.2019	21.07.2022
0.	Mr Rhoben P. Nkori	Registrar / Secretary	MBA (Finance), ADA, B. Mechanical Engineering, FCPA-PP	Tanzanian	49	07.09.2016	

2.8.1 Board Meetings

The Board of Directors held 7 meetings during the year 2021/22. The attendance of the Board members at the meetings was as follows: -

Name of Director	Position	Number of Meetings	Number Attended
Mrs Consolata C. Ngimbwa	Chairperson	7	7
Mr Joseph T. Tango	Vice Chairperson	7	7
Mr Lawrence G. Mwakyambiki	Member	7	7
Mr Dudley Mawalla	Member	7	7
Mr Andrew W. Massawe	Member	7	7
Mr Ntuli L. Mwakahesya	Member	7	7
Mr Samwel Shila	Member	7	7
Mr Stephen P. Makigo	Member	7	7
Mrs Light Chobya	Member	7	7
Mr Rhoben P. Nkori	Registrar/secretary	7	7

The major issues deliberated on by the Board of Directors during the period under review include:

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- i. Considered and approved plan activities and budget for financial year 2022/23
- ii. Considered and approved registration of contractors
- iii. Considered and adopted different report on deliberate capacity building of local contractors
- iv. Received and considered quarterly reports presented by the two committee of the Board of Directors.
- v. Approval of Budget and Procurement plan for 2022/23.
- vi. Tabling and approving audited financial statements for the year ended 30 June 2021.
- vii. A list of contractors due for deletion in accordance with the provisions of the establishing Act.
- viii. Report on development of CRB Dodoma Plot No. 75, Block 'A' NCC Link Dodoma.

2.8.2 Committees of the Board of Directors

During the year ended 30 June 2022, the Board had two committees namely:

- Audit & Risk Management Committee and
- Technical Committee.

2.8.2.1 Audit & Risk Management Committee of the Board

The overall objective of the Board's Audit and Risk Management Committee is to ensure that CRB has created and maintained effective control systems within the Board and that the Management demonstrates and stimulate the necessary oversight of internal control structure amongst all parties. The audit committee also ensures that both the internal and external auditors have unlimited access to all information required in performing their responsibilities.

Audit and Risk Management Committee mandate includes: -

- Review and approval of internal audit plan.
- Review the risk exposure and conduct risk analysis to the Board's activities and develop risk management plans.
- Monitor compliance with the Boards policies and procedures.

Members of the Audit and Risk Management Committee are appointed by the Board to serve for a period of one financial year and are eligible for re-appointment at the end of the tenure.

During the financial year ended 30 June 2022, the following served in the Audit and Risk Management Committee: -

Name	Position	Academic & Professional Qualification	Nationality	Date of Appointment
Mr. D. Mawalla	Chairman	Doctorate in Architecture	Tanzanian	22.07.2019
Mr. A. Massawe	Member	MBA (Tech Management), Post Grad (Comp Science), BSc (Hons)	Tanzanian	21.01.2020
Mr Ntuli. L. Mwakahesya	Member	Master of Laws (LLM)	Tanzanian	22.07.2019

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Mr. S. Shila	Member	B. Engineering (Hons)	Tanzanian	22.07.2019
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The Board also co-opted CPA Fatuma Chillo, to serve as a member of the Committee.

During the financial year 2021/22, the Audit and Risk Management Committee held five meetings.

The major issues deliberated on by the Committee during this period include:

- Reviewing and recommending to the Board quarterly internal audit reports for the year 2021/22.
- Reviewing and recommending to the Board quarterly progress reports covering all departments and sections.
- Reviewing and recommending to the Board CRB draft financial statements for the year ended 30 June 2021.
- Reviewing and recommending to the Board CRB draft risk register.
- Reviewing and recommending to the Board Management Letter and Audited Financial Statements for the year ended 30 June 2021.
- Reviewing and recommending to the Board CRB Planned Activities for the year 2022/23.

2.8.2.2 Technical Committee of the Board

The Technical Committee is responsible for regulatory activities of the Board including registration, enforcement and development of contractors.

Technical Committee mandate includes: -

- Reviewing and recommending to the Board for approval of registration of Contractors in general category classes I-IV and specific category class I
- Reviewing and approving registration of Contractors in general category Classes V-VII and specific category classes II -III
- Reviewing and recommending to the Board Enforcement and legal Reports.
- Reviewing and recommending to the Board reports related to Research and Development of Contractors.

Members of the Technical Committee are appointed by the Board to serve for a period of one financial year and are eligible for re-appointment at the end of the tenure.

During the year 2021/22 the following served in the Technical Committee: -

Name	Position	Academic & Professional Qualification	Nationality	Date of Appointment
Mr. J. Tango	Chairman	Advanced Diploma in Building Economics	Tanzanian	22.07.2019
Mr. S. Makigo	Member	Master of Engineering Management, BSc in Engineering	Tanzanian	22.07.2019
Mr.L.Chobya	Member	MSC Civil Engineering, BSc Civil Engineering	Tanzanian	22.07.2019

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Name	Position	Academic & Professional Qualification	Nationality	Date Appointment	of
Mr.L. Mwakyambiki	Member	MSC Cons. Tech, BSc in Civil Engineering	Tanzanian	22.07.2019	

During the financial year 2021/22 the Technical Committee held a total of six meetings.

The major issues deliberated on by the Technical Committee during this period include:

- Reviewing and recommending to the Board for approval of registration, upgrading and review of contractors in general category classes I-IV and specific category class I
- Reviewing and approving registration of Contractors in general category Classes V-VII and specific category classes II -III
- Reviewing and recommending to the Board periodic regulatory reports.
- Reviewing and recommending to the Board reports on research and development of contractors.

2.9 Corporate Governance

The Directors believe that high standards of corporate governance directly influence the Board's stakeholders' confidence and the Board recognizes the importance of integrity, transparency, responsibility and accountability. In so doing the Board therefore confirms that: -

- Seven (7) Board of Directors meetings were held during the year
- The Board of Directors retain full and effective control over the Board and the Management team.
- Different persons in accordance with the Contractors Registration Act, hold the positions of Chairperson and Registrar (Chief Executive Officer).
- The Directors accept and exercise responsibility for strategic and policy decisions, the approval of budgets and monitoring of performance.
- The Board ensure that discussions on issues of performance, policy and strategy are informed and that debate is rigorous but constructive.
- The Board bring skills and experience from their own spheres of business to complement the professional experience and skills of the Management team.
- The Board appoints executive staff and further discloses that the Minister appoints non-executive directors.
- The Board of Directors has the mandate to hire and fire any member of staff.

2.10 Overview of the Board's Performance

The financial year ended 30 June 2022 marked the twenty fifth year of the Contractors Registration Board operations. The Board carried out its activities in accordance to the approved Plan activities and Budget for the financial year ended 30 June 2022. In general, the Board's registration, regulatory and development functions were successfully implemented as per planned targets.

In the financial year ended 30 June 2022, the Board registered a total of 1,213 new contractors in various disciplines and conducted 6 training courses to contractors. Furthermore, significant

CONTRACTORS REGISTRATION BOARD

initiatives have been made in developing the capacity and competence of contractors during the financial year and regulatory activities were intensified (see 1.13.1 below).

The Board has also continued to nurture its major asset base. Board's staff attended various training programs, meetings, workshops and seminars. These initiatives have enhanced the cross fertilization of better practices from different institutions in the country.

These are geared towards equipping staff with the necessary skills and knowledge to enable the Board to be an exemplary institution.

2.11 Operating Performance Review

2.11.1 Key Performance Indicators

CRB has developed Strategic Plan for the period covering 2018/19-2022/23. This is a rolling plan which at every year-end is reviewed to ensure its validity and appropriateness for the period ahead so as to assure management of the achievement of the Board's mission. Through the strategic plan, the Board prepares its annual activities for achieving the Board's objectives.

The following are some of the achievements attained during the year under review: -

S/N	Physical Achievement	Target (Plan)	Actual
1	Registration of Contractors The Board registered 1,213 contractors during the year against the plan of 940 contractors thus excess of 273 contractors against the target.	940	1,213
2	Site Inspection The Board inspected a total of 3,832 project sites during the year under review against 3,100 sites planned. Out of the inspected sites, 2,504 (74%) sites were found to comply while 878 (26%) sites were found with various shortfalls. Appropriate actions were taken on sites found with shortfalls. Furthermore, 69 defaulters were taken to court for contravening the contractor's registration act and its bylaws. This has enhanced stakeholders' compliance to the contractor's registration act.	3,100	3,382
3	Project Registration During the year under review 3,863 construction projects were registered in comparison with 3,200 projects planned	3,200	3,863
4	Training of Contractors During the year under review, 6 courses were conducted as planned. The course attendance was as follows: - <ul style="list-style-type: none"> ▪ Morogoro; Construction Pre contract Practices - 73 Participants attended ▪ Mwanza; Financial Management - a total of 92 participants attended. ▪ Iringa; Business Management Skills - a total of 72 participants attended. ▪ Dar es Salaam; Contracts Management; a total of 127 participants attended. ▪ Dodoma (2); Constructions Management; a total number of 192 participants attended. Through the conducted courses, contractors were imparted with necessary skills for preparation of responsive bids including skills to build rates for construction works. Contractors were also imparted with business and financial management skills and necessary skills to manage their contracts.	6	6

CONTRACTORS REGISTRATION BOARD

S/N	Physical Achievement	Target (Plan)	Actual
	In all centers, along all the conducted courses, contractors were also trained on the use of the Tanzania National Electronic Procurement System (TANEPS) to enable them to submit their bids for public tenders.		

2.11.2 Financial Performance

During the financial year ended 30 June 2022 the Board earned a surplus of TZS 1.09 billion whereas a surplus of TZS 0.81 billion was earned during the year ended 30 June 2021. Total revenue for the year ended 30 June 2022 was TZS 14.16 billion whereas TZS 12.72 billion was earned during the year ended 30 June 2021. Operating expenses for year ended 30 June 2022 was TZS 13.07 billion as against TZS 11.90 billion during the year ended 30 June 2021 as summarized below: -

	2021/22 TZS (billion)	2020/21 TZS (billion)
Revenue	14.16	12.72
Expenditure	13.07	11.90
Surplus	1.09	0.81

2.11.3 Appropriation of Surplus

The Contractors Registration Board is a non-profit public organization. For that reason, there is no declaration of dividends. Any surplus generated from its operations shall, in accordance with its Corporate Plan, be utilized for financing the Boards' subsequent year activities. As no government subvention is available, the Board entirely depends on fees collected from contractors for running its activities.

2.11.4 Five-year Trend for the CRB Financial Statements

(Financial figures in TZS'000)

Description	2017/18 (12Months)	2018/19 (12months)	2019/20 (12Months)	2020/21 (12months)	2021/22 (12months)
Number of Employees	56	60	60	59	59
Operating Income Before Depreciation	2,166,754	1,871,789	1,531,071	1,148,574	1,439,874
Surplus/(Deficit) For Year	1,910,784	2,594,470	1,213,394	813,896	1,094,977
Revaluation Surplus	-	-	-	-	-
Investment in Fixed Assets	5,720,226	8,622,073	10,592,989	15,234,875	17,570,008
Depreciation & Amortization	(2,427,912)	(2,398,745)	(2,644,642)	(2,688,895)	(3,033,792)
	3,293,314	6,223,328	7,948,347	12,545,980	14,536,216
Non-Current Assets	3,292,314	6,223,328	7,948,347	12,545,980	14,536,216

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Current Assets	21,445,345	20,380,015	18,766,770	14,898,554	14,392,573
Total Assets	24,737,659	25,476,408	26,715,117	27,444,534	28,928,789
Equity	21,340,748	22,801,275	24,014,669	24,828,565	25,923,541
Non-Current Liabilities	2,400,486	2,083,157	2,254,478	2,453,280	2,659,679
Current Liabilities	996,425	591,976	445,970	162,688	345,569
Total Equity and Liabilities	24,737,659	25,476,408	26,715,117	27,444,533	28,928,789

2.11.5 Budget Performance

In the financial year ended 30 June 2022 the Board earned revenue amounting to TZS 14.16 billion against its planned revenue amounting to TZS 14.64 billion resulting into a deficit of TZS 0.48 billion. Actual expenditures during the year were TZS 13.07 billion against the planned expenditure of TZS 13.25 billion.

Budget Performance Summary for the Year ended 30 June, 2022

S/N	Budget item	Budget TZS '000'	Actual TZS '000'	Difference TZS '000'
1	Revenue	14,635,383	14,160,171	475,212
2	Recurrent Expenditure	13,246,495	12,720,298	526,197
3	Capital Expenditure	2,500,000	2,335,133	164,867

2.12 Related Party Transactions

All related party transactions and balances are disclosed in note 23 to these financial statements.

2.13 Internal Controls

The Board of directors is responsible for the Board's system of internal control. Whilst no system of internal control can provide absolute assurance against all misstatements or losses, the Board's system is designed to provide the Board of Directors with reasonable assurance that the procedures in place are operating effectively. The key elements of the system of internal control are as follows:

2.14 Delegation

The overall objectives of the Board are agreed by the Board of Directors, which delegates the day-to-day operations to Management for execution. There is a clear organization structure, detailing lines of authority and responsibility.

2.15 Budgets

Detailed annual budgets are prepared by the management for review by the Audit and Risk Committee and approved by the Board of Directors. The annual budgets are derived from the Board's approved corporate plan.

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2.16 Competence

Staff skills are maintained both by a formal recruitment process and a performance appraisal system, which identifies training needs. Also, necessary training, both in house and externally, helps to consolidate existing staff skills and competences.

2.17 Internal Audit

An internal audit Unit has been established in compliance with good corporate governance and growth of the Boards' activities. The unit assesses risks and reviews controls. The Unit ensures that recommendations to improve controls are properly implemented by the management. Four Quaterly reports were availed to the Board during the year.

2.18 Contractors Assistance Fund

The Board established Contractors Assistance Fund (CAF) in the year 2002 being a special fund aimed all local Contractors to take full advantage of available work opportunities and improve their capability through participation in competitive bidding and execution of works within their class limits by facilitation of Bid Bonds and Bank Guarantees for Advance Payments. The Board conducts a risk assessment prior to issuing of guarantee to ensure that the contractor has the capacity adequate enough to execute the work thereby minimizing the probability of the contractors' default. Membership of the fund increased from 1,193 at 30 June 2021 to 1,317 members as at 30 June 2022. A total of 161 contractors benefited from the Fund through Bid Bonds and Advance Payment Guarantees amounting to TZS 14.8 billion.

2.19 Employee's Welfare

2.19.1 Management and Employees' Relationship

The average number of employees of the Board during the financial year 2021/22 was 59 of which 35 are male and 24 are female the same as was the case in financial year 2020/21. The relationship between the management and employees was good. There were no unresolved complaints received by management from the employees during the year.

2.19.2 Training Facilitation

During the year 2021/22 twenty-two employees were facilitated to attend short term training on various courses while in 2020/21 fifteen staff members were facilitated.

2.19.3 Medical Assistance

All members of staff including their families (beneficiaries/dependents) were availed with medical insurance facility funded by the Board through National Health Insurance Fund (NHIF) amount to TZS 257,621,000.

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2.19.4 Financial Assistance

The Board has established a Revolving Fund to assist in providing and promoting of the welfare of its employees. Financial assistance in terms of cash advances/soft loans is provided to employees confirmed at work stations depending on the Management's assessment of the need and circumstances of each individual case and the ability to repay in accordance with the existing Board's Staff Regulations.

2.20 Solvency

The Board confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis. The Board has reasonable expectation that the Board has adequate resources to continue in operational existence for the foreseeable future.


2.21 Future Plans

The Board's future plans are guided by the Corporate Strategic Plan 2018/19-2022/23 which focuses on four Key Result Areas (KRA's) namely enhancing Compliance and Conduct of Contractors and Other Stakeholders; Capacity and Competence of Contractors; Occupational Health, Safety and Environment and the Board's Organizational Performance.

2.22 Auditors

The Controller and Auditor General is the statutory auditor of the Contractors Registration Board by virtue of Article 143 of the Constitution of the United Republic of Tanzania and as amplified in Sec.32(4) of the Public Audit Act No.11 of 2008. However, in accordance with Sec.33 of the Act, M/s MIKIMAS Associates were authorized to carry out the audit of the Board on behalf of the Controller and Auditor General.

BY ORDER OF THE BOARD


Consolata C. Ngimbwa
CHAIRPERSON

DATE.....22/03/2023


Rhoben P. Nkori
REGISTRAR

CONTRACTORS REGISTRATION BOARD


3.0 STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are required by the Contractors Registration Act, RE cap 235, revised edition 2002 to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Board as at the end of the financial year and of the surplus or deficit for that financial year. The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the financial year ended 30 June 2022.

The directors also confirm that International Public Sector Accounting Standards (IPSAS) have been adopted. The Directors are responsible to ensure proper keeping of accounting records, for safeguarding the assets of the Board and hence for taking reasonable steps for prevention of fraud and other irregularities.

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

Nothing has come to the attention of the Directors to indicate that the Board will not remain a going concern for at least twelve months from the date of this statement.


.....
Consolata C. Ngimbwa
CHAIRPERSON

DATE..... 22/03/2023

CONTRACTORS REGISTRATION BOARD

4.0 STATEMENT OF DECLARATION OF THE ASSISTANT REGISTRAR - FINANCE AND ADMINISTRATION OF THE CONTRACTORS REGISTRATION BOARD

The National Board of Accountants and Auditors (NBAA) according to the powers conferred upon it by virtue of 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 an entity showing a true and fair view of the entity's position as at the end of the financial period and of its performance during the period in accordance with the applicable International Public Sector Accounting Standards (IPSAS) and the statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on the earlier page.

I, CPA Angelo F. Ngalla being the Assistant Registrar - Finance and Administration of the Contractors Registration Board hereby acknowledge my responsibility of ensuring that the financial statements for the financial year ended 30 June 2022 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by: 

Position: Assistant Registrar- Finance & Administration

NBAA Membership No ACPA 1500

Date: 22/03/2023

CONTRACTORS REGISTRATION BOARD

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Notes	30.06.2022 TZS '000'	30.06.2021 TZS'000'
ASSETS			
Current Assets			
Trade and Other Receivables	3	3,346,485	2,454,447
Contractors Assistance Fund (CAF) Deposits	4	4,016,049	3,937,634
Cash and Cash Equivalents	5	7,030,039	8,506,473
Total current Assets		14,392,573	14,898,554
Non-Current Assets			
Property, Plant and Equipment	6	2,261,787	1,824,427
Capital Work in Progress	7	11,019,429	9,466,553
Investment Property	8	1,255,000	1,255,000
Total Non-Current Assets		14,536,216	12,545,980
TOTAL ASSETS		28,928,789	27,444,534
EQUITY AND LIABILITIES			
Current Liabilities			
Accrued Leave	9	28,508	10,957
Trade and Other Payables	10	317,060	151,731
Total Current Liabilities		345,568	162,688
Non-Current Liabilities			
Provisions for (Complimentary Benefits)	9	2,659,679	2,453,280
Total Current and Non-current Liabilities		3,005,247	2,615,968
Equity			
Capital Fund	11	283,304	283,304
Accumulated surplus	12	25,640,238	24,545,261
Total Equity		25,923,542	24,828,565
TOTAL EQUITY AND LIABILITIES		28,928,789	27,444,533

Notes form an integral part of the financial statements which were approved by the Board of Directors on

22/07/2022 and signed on its behalf by: -

Name CONDOLETA C. NDIRA Title CHAIRPERSON Signature [Signature]

Name RHOBEN P. NYIRI Title REGISTRAR Signature [Signature]

CONTRACTORS REGISTRATION BOARD

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

	Notes	30.06.2022 TZS '000'	30.06.2021 TZS '000'
REVENUE			
Revenue from Non-exchange Transaction	13.1	13,612,336	12,246,279
Revenue from Exchange Transaction	13.2	495,165	360,115
Other Gain or Losses	14	52,671	109,216
		14,160,172	12,715,610
LESS: EXPENSES			
Personnel Expenses	15	5,338,243	4,679,941
Administrative and Office Expenses	16	4,801,433	4,606,080
Contractors Development Related Expenses	17	2,243,131	1,926,684
Depreciation and Amortization	6 & 6.1	344,897	334,678
Board Expenses	18	337,491	354,331
		13,065,195	11,901,714
Surplus for the Year		1,094,977	813,896

Notes form an integral part of these financial statements.

Name CONSILATA C. NIMBWA Title CAPIA PERSON Signature [Signature]

Name ALTOREN P. NKOFI Title REGISTERAR Signature [Signature]

CONTRACTORS REGISTRATION BOARD

5.3 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2022

	Capital Fund	Revaluation Reserve	Accumulated Surplus/(Loss)	Total
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
At 1 July 2021	283,304	-	24,545,261	24,828,565
Surplus for the Year	-	-	1,094,977	1,094,977
At 30 June 2022	<u>283,304</u>	<u>-</u>	<u>25,640,238</u>	<u>25,923,542</u>
At 1 July 2020	283,304	-	23,731,365	24,014,669
Surplus for the Year	-	-	813,896	813,896
At 30 June 2021	<u>283,304</u>	<u>-</u>	<u>24,545,261</u>	<u>24,828,565</u>

Notes form an integral part of the financial statements.

Name CONTRAC. NGIMA Title CHAIRPERSON Signature [Signature]

Name RHOEN ANKORI Title REGISTRAR Signature [Signature]

CONTRACTORS REGISTRATION BOARD

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2022

	Notes	30.06.2022 TZS '000'	30.06.2021 TZS '000'
Cash Flows from Operating Activities			
Receipts			
Collections from Fees & Penalties	19.1	11,131,030	10,194,600
Other Operational Receipts	19.2	497,265	297,744
Fees Received in Advance	10.2	106,301	91,749
Other Income	19.3	30,181	85,815
Total receipts		11,764,777	10,669,908
Payments			
Personnel Expenses	19.4	(5,114,292)	(4,488,700)
Administration Expenses	19.5	(3,211,163)	(2,054,722)
Contractors Development Related Cost	17	(2,243,131)	(1,926,684)
Board of Directors Expenses	18	(337,491)	(354,331)
Total Payments		(10,906,077)	(8,824,437)
Cash Flows from Operating Activities		858,700	1,845,471
Cash Flows from Investing Activities			
Acquisition of Property, Plant and Equipment	6	(782,257)	(161,813)
Acquisition of Capital Works in Progress	8	(1,552,875)	(3,642,492)
Net Cash Flows used in Investing Activities		(2,335,132)	(3,804,305)
Net Decrease in Cash and Cash Equivalents		(1,476,432)	(1,958,834)
Cash and Cash Equivalents At: -			
Beginning of the Year		8,506,473	10,465,307
End of the Year	5	7,030,039	8,506,473

Notes form an integral part of the financial statements.

Name COMPLAIA C. NGIMWA Title CHAIRPERSON Signature [Signature]

Name RHODEN D. MUKORI Title REGISTRAR Signature [Signature]

CONTRACTORS REGISTRATION BOARD

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

REVENUE	Original Budget (A)	Final Budget (B)	Actual Amount on accrual (C)	Accrued amount (D)	Actual Amount E=(C-D)	Performance difference (A-E)	Remarks
	TZS '000'	TZS '000'	TZS '000'	TZS '000'	TZS '000'	%	
Revenue from Non-exchange Transaction	13,326,043	13,326,043	13,612,336	2,481,306	11,131,030	(2,195,013)	-16 (d)
Revenue from Exchange Transaction	1,145,040	1,145,040	495,165	(2,100)	497,265	(647,775)	-57 (a)
Other Gain or Losses	164,300	164,300	52,671	22,490	30,18	(134,119)	-82 (b)
TOTAL REVENUE	14,635,383	14,635,383	14,160,172	2,501,696	11,658,476	(2,976,907)	-20
LESS: EXPENDITURE							
Staff Costs	5,397,356	5,397,356	5,338,243	223,951	5,114,292	(283,064)	-5
Administrative and Office Expenses	5,265,414	5,265,414	4,801,433	1,691,875	3,109,558	(2,155,856)	-41 (c)
Contractors Development Related Expenses	2,246,143	2,246,143	2,243,131	0	2,243,131	3,012	0
Board Expenses	337,582	337,582	337,491	0	337,491	(91)	0
Capital Expenditure	2,500,000	2,500,000	2,335,133	0	2,335,133	(164,867)	-7
TOTAL EXPENSES	15,746,495	15,746,495	15,055,431	1,915,826	13,139,605	(2,606,890)	-17
Surplus for the Year	(1,111,112)	(1,111,112)	(895,259)	585,869	(1,481,129)	(370,017)	

Explanation for Remarks

- The unfavourable variance is mainly attributed by delay in finding reliable tenants on Mkandarasi place in financial year 2022
- Unfavourable variance is largely attributed by unfavourable foreign exchange fluctuations.
- The favourable variance in administrative and office expenses is largely attributed by provision on bad debts and accrued expenses.
- The unfavourable variance is mainly attributed by outstanding fees, fines and penalties.

Controller and Auditor General

AR/PA/CRB/2021/22

NOTES TO THE FINANCIAL STATEMENTS

1.0 GENERAL INFORMATION

The Board is a Government owned institution established under the Contractors Registration Act, Cap 235[R.E. 2002]. The Board has its head office located at Mkandarasi Place, Plot no.5, Block A, NCC Link. 41104 Tambukareli Dodoma and Zonal offices in Dar es Salaam, Mwanza, Mbeya, Dodoma and Arusha regions.

2.0 SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared and presented in accordance with International Public Sector Accounting Standards (IPSAS).

Basis of Preparation

The financial statements have been prepared and presented in accordance with International Public Sector Accounting Standards (IPSAS) under the historical cost convention modified to include revaluation of property, plant and equipment. No adjustments have been made for inflationary factors affecting the financial statements.

Preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are noted and separately disclosed in the financial statements.

2.1 Summary of Significant Accounting Policies

2.1.1 Property, Plant and Equipment

All land and buildings up to 30 December 2017 were stated at valuation and additions thereafter at cost. Plant and equipment are initially recorded at historical cost which includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs of all are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the Board and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to reduce the cost of each asset to its residual value over its estimated useful life at a given rate per annum. Residual value is the estimated amount that an entity would currently obtain from disposal of the asset after deducting the estimated costs of disposal, if the asset were

already of the age and in the condition expected at the end of its useful life. The annual rates, which are consistent with those applied in the previous years, are as follows: -

<i>Description</i>	<i>Annual % rate</i>
Buildings	2.0
Office furniture and equipment	20.0
Fittings	20.0
Computers and electronic equipment	20.0
Motor vehicles	20.0

Depreciation is charged on assets from the date they are ready for use and cease on the date they are derecognized.

Assets that are subject to depreciation shall be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount and are credited/charged to the statement of financial performance. Carrying amount is the amount at which an asset is recognized after deducting any accumulated depreciation and any accumulated impairment losses. Impairment loss (if any) on fixed assets is determined by reviewing the asset at every balance sheet date and if any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment losses. Recoverable amount is the higher of fair value less costs to sell and value in use.

2.1.2 Intangible Assets

Acquired computer software licences are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on the basis of the expected useful life. Costs associated with developing or maintaining computer software programs are recognized as an expense as incurred. Intangible assets with finite useful lives are stated at cost less accumulated amortization and any accumulated impairment losses while assets with indefinite useful lives are stated at cost less any subsequent accumulated impairment losses.

Amortization of intangible assets with finite useful lives is provided on straight line basis over their estimated useful economic lives. Amortization is charged by apportioning the chargeable annual amount to the time the assets have been in use during the year. Amortization charge for the financial year is recognized in statement of financial performance as an expense.

Gains or losses from derecognizing an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of financial performance of when the asset is derecognized.

2.1.3 Investment Property

Property held for long-term rental yield that is not occupied by either the Corporation or the Government is classified as investment property.

Investment property comprises of freehold land and buildings. It is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any differences in the nature, location or condition of the specific asset. If this information is not available, the Board uses the alternative valuation methods such as discounted cash flow projections or recent prices on less active markets. These valuations are reviewed annually by an independent valuation expert. Changes in fair value are recorded in the statement of financial performance.

Subsequent Costs

Subsequent costs (major renovation costs) shall be included in the asset's carrying amount or to be recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the property will flow to the Board and the cost of the property can be measured reliably. Repairs and maintenance are charged to statement of financial performance in the financial period in which they are incurred.

Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

2.1.4 Impairment of Receivables

Receivables are recognized initially at fair value and subsequently measured at cost less provision for impairment. Provision for impairment in respect of annual subscription fee debts is made in the accounts on specific fee debtors with outstanding debts of one year. Provision for impairment in respect of other receivables is made in the accounts on specific other receivables determined to be doubtful of recovery. Bad debts are written off after all efforts to recover them are proven futile and upon seeking and obtaining Board of Directors approval.

2.1.5 Revenue Recognition

Revenue comprises Revenue from Exchange Transactions and Revenue from Non-Exchange Transactions. It includes the gross inflows of economic benefits or service potential received and receivable by the entity, and these benefits can be measured reliably. Revenue is recognized when it is determined that it will accrue to the Board.

2.1.5.1 Revenue from Exchange Transactions

Revenue from Exchange Transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

2.1.5.2 Non-Exchange Transactions (Transfers):

Revenue from Non-Exchange Transactions includes Government Grants and Grants from Donors. Grants are accounted for when there is a reasonable assurance that the grants will be received. Revenue recognition is based on an assessment of whether an asset or a liability has been created. For capital grants without conditions attached, revenue is recognized immediately in the statement of financial performance. If conditions are attached, a liability is recognized as capital funds in the statement of financial position and is reduced and revenue recognized as the conditions are satisfied.

2.1.6 Employee Benefits

2.1.6.1 Defined Contribution

CRB has statutory obligations to contribute to various pension schemes in favor of all the employees employed under permanent and pensionable terms. The pension schemes in force which the Board contributes include the Public Service Social Security Fund (PSSSF) to which CRB contributes 15% of each employee's basic pay. Contributions to this fund are recognized as an expense in the financial year the employees render the related services. For the year 2021/22 CRB has contributed TZS 427,710,000 (2020/21 was TZS 441,225,000).

2.1.6.2 Defined Benefit Plan

Staff retirement/retrenchment benefit scheme policy provides retirement benefits to employees on retirement or to the family of the staff in case of death. The benefits include gratuity of 4 years' gross salary calculated using the highest monthly salary for each year of full service for employees who served the Board more than 10 years. A liability has been made based on management computation as at 30th June 2022.

2.1.7 Cash and Cash Equivalents

The Boards' cash comprises cash in hand and demand deposits with banks. Cash equivalents comprise of short-term bank deposits with an original maturity of three months. The carrying amounts of these assets approximate their fair value. For the purposes of cash flow statements cash and cash equivalents comprise cash in hand and cash at bank.

2.1.8 Foreign Currency Translations

Foreign currency transactions during the year are translated into Tanzanian shillings at the rates of exchange ruling at the dates of the transactions. Monetary assets and liabilities at the year-end expressed in foreign currencies are translated into Tanzanian shillings at the rates of

exchange ruling at the year end. The resultant gains/losses on exchange rate translations are dealt with in the statement of financial performance.

2.1.9 Provisions

Provisions are recognized when the Board has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. When the Board expects a provision to be reimbursed, for example under insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

2.1.10 Risk Management

Risk is an inherent feature of the activities of any entity. Contractors Registration Board manages its risk by having in place appropriate functional risk management structures, systems and procedures which evolve continuously in response to changes in the environment in which the Board operates. The following are the main types of risks the Board is exposed to in the course of executing its day to day operations: -

2.1.10.1 Operational Risk

Operational risk is the risk of loss both financial and non-financial resulting from inadequate systems, management failures, ineffective internal control processes, fraud, theft, and human errors. The Board addresses this risk through ensuring existence of a sound internal control system.

Managing operational risk is an integral part of the day-to-day operations by the management. The risk is closely monitored by management and the Board of Directors.

2.1.10.2 Liquidity Risk

Liquidity risk is that risk the Board faces by not having adequate funds to settle its day-to-day obligations as and when they fall due. The Board ensures a prudent liquidity risk management through which it maintains sufficient cash/liquidity to cover committed credit facilities received working capital as well as capital project requirements. Liquidity risk management by the Board includes forward planning and close monitoring by the finance department.

Fair values

Set out below is a comparison by category of carrying amounts and fair values of the Board's financial instruments (Consolidated).

CONTRACTORS REGISTRATION BOARD

	Carrying amount		Fair value	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
Financial assets				
Cash	7,030,039	8,506,473	7,030,039	8,506,473
Held to maturity Deposits	4,016,049	3,937,633	4,016,049	3,937,633
Accounts receivables	3,346,485	2,454,447	3,346,485	2,454,447
Financial liabilities				
Provision for Complementary benefit	2,659,679	2,453,280	2,659,679	2,453,280
Provision (Accrued Leave)	28,508	10,957	28,508	10,957
Accounts payables	418,664	151,731	418,664	151,731

2.1.10.3 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. CRB is exposed to credit risk from its operating activities, primarily trade receivables, financial investment held-to-maturity, and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions. Trade receivables are presented net of allowance for impairment. Accordingly, CRB has no significant credit risk which has not been adequately provided for.

2.1.11 Events Subsequent to the Reporting Date

There are no events subsequent to the reporting date of such nature that would require additional disclosure or adjustments to the financial statements.

2.1.12 Comparative Figures

Where necessary, comparative figures have been re-classified to conform to the current year's presentation.

2.1.13 Functional and Presentation Currency

These financial statements are expressed in Tanzania Shillings which is the Boards

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
3 Trade and Other Receivables		
Trade Receivables	12,188,597	9,777,471
Other Receivables	257,420	248,425
Sub-Total	<u>12,446,017</u>	<u>10,025,896</u>
Provision for Impairment of Receivables	(9,887,189)	(8,534,237)
Sub-Total	<u>2,558,828</u>	<u>1,491,659</u>

CONTRACTORS REGISTRATION BOARD

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
Staff Receivables	9,481	13,614
Staff Loans	11,839	1,838
Safari Imprest	-	1,400
Special Imprest	401,090	469,312
Staff Car Loans	301,957	416,408
Staff Housing Loans	724,367	902,572
Sub-Total		
Deposits & Prepayments	63,290	60,216
Deposits & Other Prepayments	63,290	60,216
Sub-Total		
Total Trade & Other receivables	3,346,485	2,454,447

The increase in trade and other receivables by TZS 892,038,000 i.e. from TZS 2,454,447,000 as at 30 June, 2021 to TZS 3,346,485,000 as at 30 June, 2022 is mainly attributable to increase of Debtors.

4 Contractors Assistance Fund (CAF) Deposits

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
At 1st July	3,937,634	3,871,637
Exchange rate Fluctuations	7,025	3,626
Interest Earned for the Year	71,390	62,371
Total	4,016,049	3,937,634

The increase in CAF deposits i.e., from TZS 3,937,634,000 as at 30 June, 2021 to TZS 4,016,049,000 as at 30 June, 2022 is attributed by interest earned on deposits which matured during the year under review.

5. Cash and Cash Equivalents

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
BOT Collection Account Forex	5,988,402	7,621,083
BOT Collection Account Local	764,087	484,933
CRDB Collection Account Forex	229	26,232
CRDB Collection Account Local	68,195	41,535
FOREX Bank Account-CRDB	85,546	95,212
Local Bank Account-CRDB	(145,153)	67,394
NBC collection Account Forex	229	23,099
NMB collection Account Local	-	5,410
NMB collection Account Local	99,268	69,795
Revolving Fund	156,536	62,662
Petty Cash	12,700	9,118
Total	7,030,039	8,506,473

The bank accounts that seem to have overdrawn do not represent bank overdraft facilities as such but are mere cash book balances resulting from periodic transfers of funds to BOT collection accounts. There were direct online deposits done by contractors but had not present bank-pay-in slips to CRB to update bank accounts in cash book. Thus, they were not liabilities payable to some quarters at all.

CONTRACTORS REGISTRATION BOARD

6(a) Property, Plant and Equipment

	Land	Buildings	Electronic Equipment	Office Furniture	Office Equipment	Motor Vehicles	Total
Year Ended 30.06.2021	TZS'000'	TZS'000'	TZS'000'	TZS'000'	TZS'000'	TZS'000'	TZS'000'
Cost:							
At 1 July 2020	155,000	850,000	838,243	224,375	9,940	1,911,183	3,988,741
Write Off	-	-	(19,798)	(6,157)	-	(264,470)	(290,425)
Adjustment	-	-	-	-	-	7,590	7,590
Additions	-	-	-	1,397	-	160,416	161,813
During Year							
At 30 June 2021	155,000	850,000	818,445	219,615	9,940	1,814,719	3,867,719
Depreciation:							
At 1 July 2020	-	51,000	631,643	171,852	9,940	1,139,966	2,004,401
Write Off	-	-	(19,798)	(6,157)	-	(264,470)	(290,425)
Adjustment	-	-	-	-	-	-	-
Charge for the Year	-	17,000	68,492	25,012	-	218,812	329,316
At 30 June 2021	-	68,000	680,337	190,707	9,940	1,094,308	2,043,292
Carrying Amount:							
At 30 June 2021	155,000	782,000	138,108	28,908	-	720,411	1,824,427

6(b) Property, Plant and Equipment (Cont'd)

	Land	Buildings	Electronic Equipment	Office Furniture	Office Equipment	Motor Vehicles	Total
Year Ended 30 June 2022	TZS'000'	TZS'000'	TZS'000'	TZS'000'	TZS'000'	TZS'000'	TZS'000'
Cost:							
At 1 Jul 2021	155,000	850,000	818,445	219,615	9,940	1,814,719	3,867,719
Additions	-	-	-	-	-	-	-
During Year	-	-	478,574	303,683	-	-	782,257
At 30 Jun 2022	155,000	850,000	1,297,019	523,298	9,940	1,814,719	4,649,976
Depreciation:							
At 1 July 2021	-	68,000	680,337	190,707	9,940	1,094,308	2,043,292
Charge for the Year	-	17,000	86,363	22,722	-	218,812	344,897
At 30 June 2022	-	85,000	766,700	213,429	9,940	1,313,120	2,388,189
Carrying Amount:							
At 30 June 2022	155,000	765,000	530,319	309,869	-	501,599	2,261,787
At 30 June 2021	155,000	782,000	138,108	28,908	-	720,411	1,824,427

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Controller and Auditor General

AR/PA/CRB/2021/22

CONTRACTORS REGISTRATION BOARD

6.1 Armotization of Intangible Assets

Cost	CIMIS TZS '000'	MS Office TZS '000'	Total TZS '000'
As at 1 July 2021	611,859	33,744	645,603
Additions	-	-	-
As at 30 June 2022	<u>611,859</u>	<u>33,744</u>	<u>645,603</u>
Armotization			
As at 1 July 2021	611,859	33,744	645,603
Armotization Charge	-	-	-
As at 30 June 2022	<u>611,859</u>	<u>33,744</u>	<u>645,603</u>
Armotization			
As at 1 July 2020	611,859	28,382	640,241
Armotization Charge	-	5,362	5,362
As at 30 June 2021	<u>611,859</u>	<u>33,744</u>	<u>645,603</u>
Carrying Value			
As at 30 June 2021	-	-	-
As at 30 June 2022	<u>-</u>	<u>-</u>	<u>-</u>

	30.06.2022 TZS '000'	30.06.2021 TZS '000'
7. Capital Work in Progress		
At 1 July,	9,466,553	4,703,645
Additions during the year	<u>1,552,876</u>	<u>4,762,908</u>
Total	<u>11,019,429</u>	<u>9,466,553</u>

Capital Work in Progress is in respect of construction of CRB Headquarter Office building on Plot No 5 Block "A" NCC Link, at Dodoma City. The project is expected to be completed at a total construction cost of TZS 12,226,000,000.

8. Investment Property

Investment property of TZS 1,255,000,000 is in respect of a four-story leased building located at Ilala in Dar es Salaam. The investment properties were revalued (along with other landed properties) in June 2017 giving rise to a fair value of TZS. 1,255,000,000

	30.06.2022 TZS '000'	30.06.2021 TZS '000'
Opening Net Book Value	1,255,000	1,255,000
Additions	-	-
Closing Net Book Value	<u>1,255,000</u>	<u>1,255,000</u>

CONTRACTORS REGISTRATION BOARD

9. Provisions	Complementary Benefits	Leave Dues	Total
	TZS'000'	TZS'000'	TZS'000'
At 1 July 2020	2,254,478	18,518	2,272,996
Paid During the Year	-	(18,518)	(18,518)
Current Year	198,802	10,957	209,760
At 30 June 2021	2,453,280	10,957	2,464,237
Current 2021	-	10,957	10,957
Non-Current 2021	2,453,280	-	2,453,280
Total	2,453,280	10,957	2,464,237
At 1 July 2021	2,453,280	10,957	2,464,237
Paid During the Year	(409,192)	(10,957)	(420,149)
Current Year	615,591	28,508	644,100
At 30 June 2022	2,659,679	28,508	2,688,188
Current 2022	-	28,508	28,508
Non-Current, 2022	2,659,679	-	2,659,679
Total	2,659,679	28,508	2,688,187

Whereas complementary benefits are benefits payable to employees on retirement after serving the board for not less than 10 years as per CRB incentive scheme, leave dues are provisions for leave days not taken by staff as at year end.

10.1 Trade and Other Payables	30.06.2022 TZS'000'	30.06.2021 TZS'000'
Provision for Audit Fees	40,000	40,000
Miscellaneous Creditors	170,759	19,982
Sub-total	210,759	59,982

There is increase in Other Creditors of TZS 150,777,000 for this Financial year of which majority had been paid.

10.2 Fees Received in Advance	30.06.2022 TZS'000'	30.06.2021 TZS'000'
Deferred Revenue	106,301	91,749
Sub Total	106,301	91,749

11. Capital Fund TZS 283,304,348

Capital Fund of TZS 283,304,348 represents assets that were taken over from the defunct National Board of Architects, Quantity Surveyors (NBAQS) and Building Contractors (BC).

CONTRACTORS REGISTRATION BOARD

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
12. Accumulated Surplus		
At 1 July,	24,545,261	23,731,365
Surplus for the Year	1,094,977	813,896
At 30 June,	<u>25,640,238</u>	<u>24,545,261</u>
13. Revenue		
13.1 Revenue from Non-Exchange Transactions		
	30.06.2022 TZS'000'	30.06.2021 TZS'000'
Fines and Penalties	568,640	526,520
Registration Fees	2,057,890	1,245,306
Annual Subscription Fees	9,148,163	8,841,738
Project Registration	1,431,978	1,115,020
Processing Fees	69,495	49,545
Change of Name Fees	500	400
Settlement Fee	335,670	467,750
Total	<u>13,612,336</u>	<u>12,246,279</u>

The increase of TZS 1,366,058,000 i.e., from TZS 12,246,279,000 for year 2020/21 to TZS 13,612,337,000 for year 2021/22 is mainly attributed by increase of collection of Annual subscription fees and registration fees from contractors by the Board.

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
13. Revenue (Cont'd)		
6.13.2 Revenue from Exchange Transactions		
CAF/ACM & Training	314,543	205,410
Sale of Publication	3,675	5,269
Sales of application forms	83,216	60,210
Interest on CAF Deposits	71,391	62,371
Income from Investment	22,340	26,855
Total	<u>495,165</u>	<u>360,115</u>

The increase of TZS 135,050,000 i.e., from 360,115,000 for year 2020/21 to TZS 495,164,000 for year 2021/22 is mainly attributed by increase in collections from Consultative meeting and decrease of interest on CAF

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
14. Other Gain or Losses		
Bad Debts recovery	13,520	51,138
Gain/Loss on Foreign exchange Fluctuations	36,866	58,078
Gain/Loss on Disposal of Assets	2,285	-
Total	<u>52,671</u>	<u>109,216</u>

The decrease of TZS 56,545,000 i.e., from TZS 109,216,000 for the year 2020/21 to TZS 52,672,000 for the year 2021/22 is mainly attributed by decrease in collection from Bad Debts recovery and decrease in gain on foreign exchange fluctuation.

CONTRACTORS REGISTRATION BOARD

15	Personnel Expenses	30.06.2022 TZS'000'	30.06.2021 TZS'000'
	Salaries and Wages	2,905,774	2,907,444
	Employer Pension contribution	423,948	418,772
	Skills and Development Levy	115,651	115,325
	Medical Expenses	257,621	187,355
	Recruitment & Terminal Benefits	48,338	-
	WCF Contribution	14,430	14,383
	Leave Passages	257,040	249,911
	Staff Welfare	368,673	392,298
	Staff Training	302,669	184,694
	Accrued Complementary benefit	615,591	198,802
	Accrued staff leave	28,508	10,957
	Total	5,338,243	4,679,941

The increase of TZS 658,301,000 i.e., from TZS 4,679,941,000 for the year 2020/21 to TZS 5,338,242,000 for the year 2021/22 is mainly attributable to a increase in Accrued Complementary benefits payable to employees on retirement after serving the Board for not less than 10 years as per CRB incentive scheme.

16	Administrative and office Expenses	30.06.2022 TZS'000'	30.06.2021 TZS'000'
	Transport & Travelling Expenses	227,340	189,689
	Office Stationery	70,861	44,192
	Printing Expenses	33,169	31,995
	Postage & Annual Rent	43,081	50,289
	Telephone, Fax & Internet	103,270	72,833
	Water & Electricity	81,412	57,210
	Entertainment & Public Relation	43,069	2,027
	Office Upkeep	261,127	108,203
	Advertising	81,910	33,491
	Bank Charges	20,674	15,169
	Consultancy & Professional Fees	178,416	103,345
	Fuel and Oil	155,215	120,204
	Repair and Maintenance- Building	1,065	46,921
	Repairs and Maintenance- Vehicle	190,799	119,280
	Repair/Maintenance-Furniture and Equipment	22,844	6,019
	Repair/Maintenance- Electrical Equipment	36,199	32,651
	Repair/Maintenance- Residential	1,685	1,190
	Property Insurance	107,127	48,100
	Land Rent/Property Tax	61,129	104,539
	Provision for Impairment of Receivables	1,439,494	2,567,164
	Donations	16,000	-
	Review/Inspect & Visits-DSM and Upcountry	530,712	550,538
	Publications	19,529	68,144
	Development of MIS & Resource Centre	131,288	92,283

CONTRACTORS REGISTRATION BOARD

Newspapers and Periodicals	7,459	12,175
Committee Meeting Expenses	41,960	24,850
Car Hire Expenses	65,219	63,579
Audit Fees & Related costs	40,000	40,000
Moving Expenses to Dodoma	789,380	-
Total	4,801,433	4,606,080

The increase of TZS 195,355,000 i.e., from TZS 4,606,080,000 for year 2020/21 to TZS 4,801,433,000 for year 2021/22 is mainly attributed by moving expenses from Dar es Salaam to Dodoma

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
17 Contractors Development Related Costs		
Contractors' seminars & Workshops expenses	671,647	780,963
Training of Contractors	1,495,371	1,074,231
Research and Studies	76,113	71,490
Total	2,243,131	1,926,684

The increase of TZS 316,447,000 i.e., from TZS 1,926,684,000 for year 2020/21 to TZS 2,243,131,000 in 2021/22 is mainly attributable to increase of the development of contractor's activities

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
18 Board Expenses		
Board Expenses	282,221	216,581
Directors Fees	55,270	137,750
Total	337,491	354,331

Decrease of TZS 16,840,000 in Board expenses incurred during the year 2021/22 is mainly attributable to efficiency and effectiveness of the Board.

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
19 Cash Flows Workings		
19.1 Cash Receipt from Non-Exchange transactions		
Registration Fees	2,057,890	1,245,306
Fines and penalties	464,367	526,520
Annual Subscription Fees	6,730,940	6,790,059
Project Registration	1,506,168	1,115,020
Processing Fees	69,495	49,545
Fees for Change of Name	500	400
Out of court settlement Fee	301,670	467,750
Total	11,131,030	10,194,600

CONTRACTORS REGISTRATION BOARD

19.2 Cash Receipt from Exchange Transactions

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
CAF/ACM & Training	316,644	205,410
Income on Investment	22,340	26,855
Interest on CAF Deposits	71,390	-
Sales of Application Forms	83,216	60,210
Sale of Publication	3,675	5,269
Total	497,265	297,744

19.3 Other Income:

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
Other Income (Note 16.0)	52,671	109,216
Less: Unrealised gain	(22,490)	(23,401)
	30,181	85,815

19.4 Personnel Expenses

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
Total Personnel Expenses	5,338,242	4,679,941
Less: Provision - Complementary Benefit	(206,399)	(198,802)
Provision for Staff Leave	(17,551)	7,561
Total	5,114,292	4,488,700

19.5 Administrative Expenses

	30.06.2022	30.06.2021
	TZS'000'	TZS'000'
Total Administrative Expenses	4,801,434	4,606,080
Less: Provision for Bad Debts	(1,439,494)	(2,567,164)
Miscellaneous Creditors	(150,777)	15,806
Total	3,211,163	2,054,722

CONTRACTORS REGISTRATION BOARD

19.6 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SUPPLUS/DEFICIT

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
Surplus for the year	1,094,976	813,896
Amortization	-	5,362
Depreciation	344,897	329,316
	<u>1,439,873</u>	<u>1,148,574</u>
(Increase)/Decrease in Trade and Other Receivables	(892,038)	1,967,789
(Increase)/Decrease in Contractors Assistance Fund (CAF) Deposit	(78,415)	(65,996)
(Increase)/Decrease in Provision (Accrued Leave)	17,552	(7,561)
(Increase)/Decrease in Trade and Other Payables	165,329	(275,721)
(Increase)/Decrease in Provisions for (Complimentary Benefits)	206,399	198,802
Net Cash Flows from Operating Activities	<u>858,700</u>	<u>2,965,887</u>

20 Contingent Liabilities

In 2002 The Board established a Contractors Assistance Fund (CAF) to assist and/or guarantee contractors on advance guarantees and bid bonds. The Board had set aside TZS 4.02 billion deposited with CRDB bank PLC on FDR terms. As at 30 June 2022 the Board guaranteed contractors work to the tune of TZS 4.02 billion. Contingent liability arises as a result of possible default by contractors to meet the requirements of the guarantee and the bid bonds whereby the Board shall be clearly bound to repay the guaranteed amount. 261 Contractors benefited from the guaranteed amount.

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
21 Capital Commitments		
Authorized and contracted for	1,206,572	2,759,447
Total	<u>1,206,572</u>	<u>2,759,447</u>

22 Corporate Tax

The Board is exempted from Corporation tax.

23 Related Party Transactions

Related party transactions are dealt with at arm's length in the normal course of business and on the terms and conditions similar to those applicable to other customers. Related party transactions involve remunerations of directors and the key management personnel (Heads of departments and Units) During the year ended 30 June 2022 remunerations to the Board members and the key management personnel were as follows: -

	30.06.2022 TZS'000'	30.06.2021 TZS'000'
Board Expenses	282,221	216,581
Directors' Fees	55,270	137,750
Key Management Personnel Remuneration	1,076,981	1,057,373
Total	<u>1,414,472</u>	<u>1,411,704</u>

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