



EWURA CONSUMER CONSULTATIVE COUNCIL



ANNUAL REPORT

FOR THE FINANCIAL YEAR
ENDING 30th JUNE, 2018

March, 2019

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FOR THE FINANCIAL YEAR ENDING 30 JUNE, 2018

MARCH, 2019



EWURA Consumer Consultative Council
Kawe Beach, Plot No. 565,
Old Bagamoyo Road,
Dar es Salaam, Tanzania



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List of Acromyms and Abbreviations

AICC	ARUSHA International Conference Centre
CS	Communication Strategy
COMA	Customer cum Office Management Assistant
DITF	Dar es Salaam International Trade Fair
EWURA	Energy and Water Utilities Regulatory Authority
EWURA CCC	Energy and Water Utilities Regulatory Authority Consumer Consultative Council
FY	Financial Year
HQ	Head Quarters
ITV	Independent Television
KASHWASA	Kahama Shinyanga Water Supply Authority
KUWASA	Kahama Water Supply and Sanitation Authority
ME	Ministry of Energy
MoWI	Ministry of Water and Irrigation
NIP	National Institute for Productivity
OPRAS	Open Performance Review and Appraisal System
RCC	Regional Consumer Committee
REA	Rural Electrification Agency
SHUWASA	Shinyanga Urban Water Supply and Sanitation Authority
SP	Strategic Plan
TaGLA	Tanzania Global Learning Agency
TANESCO	Tanzania Electric Supply Company
TBC	Tanzania Broadcasting Corporation
SJMC	School of Journalism and Mass Communication
WEOs	Ward Executive Officers
VEOs	Village Executive Officers
CBO	Community-Based Organizations
NGO	Non-Governmental Organization
ES	Executive Secretary
RCC	Regional Consumers Committee
DITF	Dar es Salaam International Trade Fair
CCC	Consumer Consultative Council
WCRD	World Consumer Rights Day
ESAMI	Eastern and Southern Africa Management Institute
MS-TCDC	MS Training Centre for Development Cooperation
NIP	National Institute of Productivity
VIP	Very Important Person

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Letter of Transmittal

The Board Chairman,
EWURA Board of Directors,
P. O. Box 72175,
Dar es Salaam, Tanzania.

Dear Sir,

**RE: PRESENTING ANNUAL REPORT FOR FINANCIAL YEAR 2017/2018
FOR EWURA CONSUMER CONSULTATIVE COUNCIL**

Pursuant to Section 33 (5) of the Energy and Water Utilities Regulatory Authority Act, Cap 414, we are delighted to submit the Council's annual report for the year ending 30th of June 2018.

The report enclosed herewith provides information on organizational performance, specifically on achievements realized and challenges encountered in the course of implementing planned activities for the Financial Year 2017/2018.

We appreciate your continued support throughout the year and remain guided by you, while at the same time looking forward to receive further support during the coming year.

Yours Most Sincerely,



**Eng. David Ngula,
Chairman.**

cc: Director General - EWURA



Chairman's Statement

I am delighted to present an annual report and audited accounts of the Energy and Water Utilities Regulatory Authority - Consumer Consultative Council (EWURA CCC) for the year ending 30 June, 2018. Submission of this report is in accordance with Section 33 (5) of the Energy and Water Utilities Regulatory Authority (EWURA) Act, Cap. 414.

One of the main objectives of the Council is to protect and safeguard the interests of consumers who acquire EWURA regulated goods and services in mainland Tanzania. As detailed in this report, therefore, the Council worked hard to ensure that the objectives stipulated in the EWURA Act are attained.

The Council continued to effectively represent the interests of consumers, thereby achieving incredible results. The Council will continue being innovative, with the aim to reach out to more people and listen to their concerns and opinions regarding regulated water and energy services. On the other hand, site visits to our stakeholders will be increased to ensure that both service providers and consumers are satisfied.

The underlining objective of doing all this is to improve service delivery to consumers. The Council will also place emphasis on the development and enforcement of client service charters, as well as compliance with quality standards of services. In addition, consumers will continue to be sensitized and educated on areas of interest to them such as existing policies, legislations, rules, regulations and guidelines to mention just but a few.

Finally, on behalf of the Council, I would like to thank all stakeholders for their continued support and cooperation. My sincere appreciation specifically goes to the Minister for Water, Hon. Prof. Makame Mbarawa (MP) for his tireless and continued support to the Council. I am greatly indebted to all Council Members, the Secretariat, Regional Consumer Committees (RCCs) for their commitment and invaluable contributions which enabled the Council to realize its objectives. It is my sincere hope that the same working spirit is maintained in the year ahead.

**Eng. David Ngula,
Chairman.**

March, 2018



Statement from the Executive Secretary

It is with great pleasure that I present this EWURA Consumer Consultative Council (EWURA CCC) Annual Report, for the period from the 1st of July 2017 to the 30th of June, 2018. First of all, I take this opportunity to welcome onboard, new Council members. I also express my sincere appreciation to the Council Chairman, Eng. David Nguila, Council Members, Management, EWURA, RCCs, Consumers, Service Providers and Government for their support and undeserved cooperation bestowed upon the Council, during the period under review. It is this kind of cooperation and support that have enabled the Council to record significant achievements which are presented hereto.

This report, therefore, provides an appropriate overview of what the Council accomplished during the financial year under review. In the same period, the Council broadly focused on attaining five key objectives stipulated in its strategic plan. One of the objectives is that of improving capacity of consumers to defend their rights. Under this objective, outreach and awareness programs were conducted, mediations held and public hearing meetings attended. We are extremely happy to report significant achievements in this financial year. Another objective involved representing consumers of regulated energy and water services; receiving and assisting aggrieved consumers as well as strengthening institutional capacities. Outreach and awareness programs were conducted extremely well that 190,272 consumers were reached in this financial year alone. This was as a result of implementing 436 awareness programs and by any standard, this was an impressive achievement. This splendid performance was parallel to the influx of visitors to the Council's offices, whose number grew to 1,198 in the period.

Of the implemented awareness programs, 11 were fully funded, while awareness and education programs were mostly in form of seminars, meetings and exhibitions.

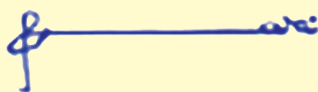
Furthermore, the Council participated in the 41st exhibitions at the Dar es Salaam International Trade Fair (DITF). It also participated in the 2017 Nane at Ngongo Grounds in Lindi from the 1st to 8th of August 2017. The Council went on to take part in commemorating the 2018 World Consumer Rights Day (WCRD) in Kagera. Participation in all these events offered the Council a rare opportunity to meet face to face with stakeholders, receive complaints, exchange views, sensitize them on their matters of interest and above all, receive feedback from them.

The Council did well in dealing with consumer complaints in the reporting period. A total of 2,120 complaints were received and resolved. Of the received complaints, 1,117 were from the water sector, 891 from electricity, 70 from Petroleum and 32 from LPG. In the preceding year, complaints registered were 697. This year, the complaints have more than doubled compared to the previous year. Thanks to awareness and education campaigns that motivated and enabled consumers and members of the general public to come forward and file complaints so that their concerns could be fixed. The consumers and stakeholders took the move after understanding their rights and obligations among other things. This explains the reason the number of complaints increased significantly, during the period. The trend is such that the number of complaints is set to continue increasing. The Council also went on to represent consumers during public hearing meetings called by EWURA, whenever there were issues requiring major regulatory decision like tariff adjustments. Participation in such meetings is meant to ensure that interests of consumers are well taken care of.

It is said that capacity building drives performance in organizations. And, it is against this background that during the year under review, the Council conducted capacity building programs to Councillors, Staff members and RCCs.

Though the Council realized record achievements, there were some setbacks and a few notable challenges, one of them being insufficient budget. Another major challenge was the cumbersome PPRA procedures which often resulted in unnecessary procurement delays. The Council, however, is working to address some of these challenges.

I am greatly indebted to the support and cooperation rendered to the Council upon which these excellent results are hinged. We pray that the same cooperation, support and working spirit are maintained in the coming financial year.



Eng. Goodluck E. Mmari,
Executive Secretary.
March, 2018

I. Introduction

With yet another financial year coming to an end for the Energy and Water Utilities Regulatory Authority - Consumer Consultative Council (EWURA CCC), this report covers activities implemented by the Council from July 2017 to June 2018. The first section contains the introductory part and objectives while the second section provides a summary of performance in general. In the year under review, there were five objectives to be realized and all of them were successfully realized. A three-year trend indicates that implementation of this year's plans yielded the best results, which were dazzling as highlighted in the second chapter of this report.

Specifically, it covers activities executed against plans for the FY 2017/18. Section three provides a synopsis of challenges and conclusions while the last section presents recommendations. The appendices make up the last part of the report.

In this reporting year, the Council made astounding achievements in raising consumer awareness resulting in a large turnout of users of regulated services. This suggests that the Council reached out to an unprecedented number of stakeholders (consumers and their service providers) in that period. Stakeholders totaling 190,272 were reached during the period. This unparalleled result was realized through the Council's hard work in conducting 436 awareness programmes.

The Council made a lot of inroads in representing the consumers' interests by making various submissions to different levels of authorities across the sectors. Relevant information has been received, analyzed and disseminated to consumers, who were empowered to hold service providers accountable for their actions. As a result, it is evidenced that during this reporting year, providers of regulated services had improved service delivery.

The Council also invested in building capacity for consumers in receiving and handling complaints, as well as assisting aggrieved consumers to get their rights. This year had the highest number of complainants compared to the previous one. Generally, these are excellent results which also benefited providers of regulated services. Remarkably, some of the complaints were instantly resolved by Council staff, while others were referred to service providers and regulators for further resolution. Water supply service generated the bulky of complaints reported throughout the year.

II. Objectives

The objectives for the Financial Year 2017/18 were mainly five and were formulated to guide a successful implementation of the Council's activities in all four quarters of the FY. The formulation of the objectives was primarily guided by the Council's Rolling Strategic Plan, the Council's Communication Strategy, RCC Awareness Raising Guidelines, and Human Resources and Financial Manuals. The following were the objectives of which implementation of this report is benchmarked:-

1. Increased consumer capacity to defend their rights;
2. Conducted Outreach and Awareness Programs;
3. Consumers of energy and water represented;
4. Aggrieved consumers received and assisted; and
5. Institutional capacity strengthened.

III. Statements of Purpose

The statements of purpose entail vision, mission and core values:

Vision, Mission and Core Values

Vision:

To be a well-established, effective and responsive organization in advocating for the rights of consumers of EWURA regulated Energy and Water Utilities Industry.

Mission:

To protect the rights of consumers of regulated energy and water utilities and to promote public awareness, better business relations, and networking with policy makers, and other consumer groups through enhancement of effective dialogue among key actors in the energy and water industries.

Core Values:

In discharging their activities, Council Members and the Secretariat are guided by the following core values:

- Volunteering spirit
- Knowledge sharing
- Commitment to vision and mission
- Integrity
- Responsiveness
- Accountability
- Stewardship
- Excellence
- Professionalism.

I. Council Members

EWURA Consumer Consultative Council is made up of seven members who are professionals in various fields of the regulated industry as provided below:-



Eng. David E.P. Ngula
Chairman



Mrs. Anna M. Mungai
Vice Chairman



Mr. George Nguruse
Member



Mrs. Hawa Ng'humbi
Member



Eng. Baruanya E.A.T. Luhanga
Member



Eng. Pius Mabuba
Member



Prof. Epaphra K. Mushi
Member



Eng. Goodluck Mmari
Executive Secretary

Part I

1.0 AN OVERVIEW

Pursuant to section 30(4) of the Energy and Water Utilities Regulatory Act, [Cap 414], the main objective of establishing EWURA CCC is to protect and safeguard the interests of consumers who acquire EWURA regulated goods and services. Section 31(1) of the Act, enlists functions of the Council as follows:-

- Represent the interests of consumers by making submissions to, providing views and information to, and consulting with the Authority, Regulator, Minister and sector Ministers;
- Receive and disseminate information and views on matters of interest to consumers of regulated goods and services;
- Establish local, regional and sector consumer committees and consult with them, and
- Consult with the industry, Government and other consumer groups on matters of interest to consumers of regulated goods and services.

The consumers referred to on this sub-section include the following:-

- Low income, rural and disadvantaged persons and groups;
- Industrial and business users; and
- Government and community based organizations.

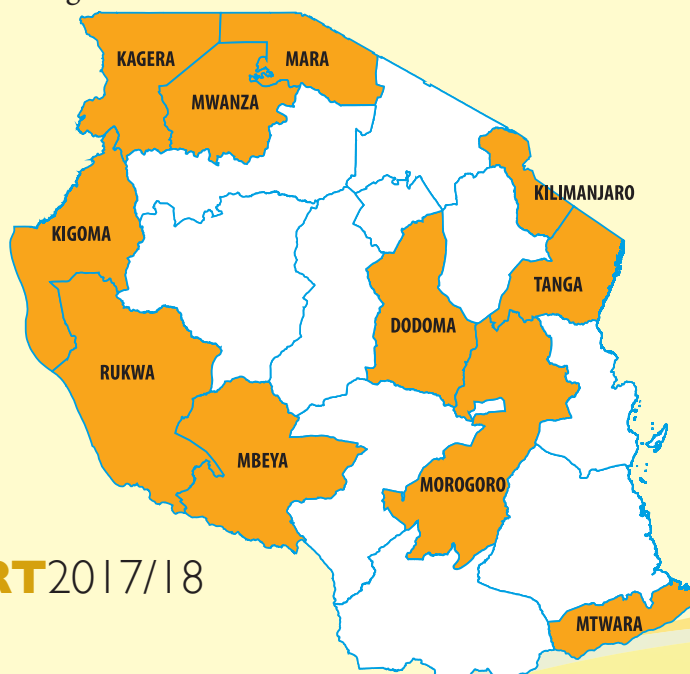
1.1 Governance

The Council is composed of seven members who are appointed by the Minister responsible for Water and Irrigation, to serve for a period of 3 to 4 years. The Executive Secretary is the Chief Executive Officer responsible for day to day running of the Council. He heads the Secretariat/Management team.

1.2 Organizational Framework and Service Locations

The Headquarters are located on Plot Number 565, along Old Bagamoyo Road, Kawe Beach, in Dar es Salaam. The headquarters will shift to Dodoma in the foreseeable future once acquisition of accommodation and other preparations are completed. Through regional offices and Regional Consumer Committees (RCCs), the Council has a network spread across the country. It has RCCs in 24 regions of Mainland Tanzania. It has 11 regional offices as shown by the diagram below:

**Figure 1: EWURA CCC
Regional Offices**



31

Mediations
and Public
Hearing
Meetings
Held in 17
different
locations

11

Awareness
Programmes
in RCCs were
Funded

23

Media Outlets
worked with
the Council

5

new RCCs were
inaugurated

1.3 Astounding Performance in 2017/18

The Council, during this reporting period, realized an impressive performance in the implementation of its plans. The Council reached out to a record 19,250 stakeholders in 91 awareness programs implemented across Mainland Tanzania. This was indeed an unprecedented achievement.

2.0 General Performance

During the period under review, a number of activities were planned and executed to ensure that the set objectives were achieved. Some of the major tasks carried out include initiating procurement of a consultant, to review the Council's Rolling Strategic plan and Communication Strategy whose lifetime had come to an end in June 2018; preparing and issuing the 7th and 8th editions of the Council's Newsflash; conducting awareness programs and undertaking capacity building to newly appointed RCCs and Students club patrons/matrons. The activities carried out during the period are outlined in the matrix below:-

Table 1: Activities implemented in 2017/18

S/N	Activity		
1	Procured working tools	17	Ministry's Workshops attended
2	Office Refurbishment	18	RCCs supported , facilitated to Conduct Awareness Programs
3	Facilitated Ministry's Task Force meetings for shortlisting and recruiting new Council members.	19	Madimba gas Plant and Somanga visited by Councillors, Staff and some RCC Members
4	Participated in 41st DITF Exhibitions	20	Oil and Gas Training conducted to Councilors
5	Prepared Reports (quarterly, weekly)	21	Training on News and Feature writing and reporting Conducted to COMAs
6	Council's Newsflash Prepared and published	22	Statutory and Technical meetings conducted
7	Participated in Nanenane 2017 Exhibitions	23	Councilors and Members of RCC in Dodoma visited Mtera Hydro Power Generation Plant
8	Committees Empowered (Financially)	24	Councilors, Some staff , and RCC Members Visited EWURA HQs in Dodoma
9	HR Manual Reviewed	25	Prepared and Participated in Commemoration of WCRD 2018
10	Visitors received and attended to at HQs and Regional offices	26	Reviewed Council's 5- Year Rolling SP and CS for 2018/23
11	Mediation meetings attended	27	Council's Budget for the FY 2018/19 Prepared
12	Stakeholders, Consumers Visited	28	Advertised Vacancies and Recruited 6 New Staff
13	150 RCC Members Appointed, Reappointed.	29	Participated in the Women's Week, Customer Service Week and Water Week
14	Auditors to review 2016/2017 accounts hosted	30	Attended Invitations extended to the Council by various Stakeholders
15	Prepared and printed Calendars		
16	Public Hearing Meetings attended		

2.1 Details of Key Activities Performed

Some of the major tasks carried out included review of the Council's Rolling Strategic Plan and Communication Strategy; Introducing the Open Performance Appraisal System (OPRAS to Staff; Conducting the 4th Annual Council Meeting; Capacity Building to Councillors, Secretariat Staff and COMAs; Monitoring of awareness programs; Publishing the 7th and 8th editions of the Council's Newsflash and Recruitment of six employees (5 COMAs and 1 Administrative Assistant). Details of these and other activities carried out in the period are provided in this section.

2.1.1 Preparation of Action, Monthly Activity Plans, and Monitoring Implementation - July 2017 to June 2018.

Failure to plan is planning to fail, goes the old age adage. The Council, therefore, follows ideals of scientific management in ensuring there is steady progress in implementing its planned activities. All plans were prepared, shared and discussed amongst staff members. During the period under review, over 96% of key planned activities were successfully implemented. The monitoring implementation helped to identify problems and corrective measures were taken to ensure the targets were met. Details of bottlenecks are provided in Section Three, which recount on challenges.

2.1.2 Education on Consumer Protection

One of the effective ways to transform people is through mass communication. Education which was offered to consumers mainly through mass media, was accorded due importance. Much as electronic media are effective, the print media too are as good, as they have the advantage of referral. Usually, newspapers change many hands and can be kept for future reference without having to use any gadget.

So, newspapers are one of the media channels used for effective public education. Five newspapers published various news and feature articles on effective implementation of the Council's activities. The newspapers were: Daily News, Habari Leo, Mwananchi, Uhuru and Tanzania Daima. And, the content of the stories were indisputably whimsical, with cuttings being filed for future reference and buttressing the Council's institutional memory.

A record of
190,272
People
reached in
awareness
programmes

Electronic media, mainly community and commercial radio and TV stations, were also engaged. The radio and television stations that the Council worked with are provided in detail under Advocacy, Outreach and Media Engagement.

2,120
Complaints
received and
resolved
successfully

2.1.2.1 Council's Media Coverage on National Television

The Council received prime coverage by the Independent Television (ITV) which is one of the mainstream TV stations in the country. A 15 minute TV programme, explaining the Council's activities was prepared and aired by ITV on 07 July 2018.

2.1.3 Advocacy, Outreach and Media Engagement

Advocacy and outreach programmes could be regarded as one of the Council's core activities. In this reporting year, more consumers filed their complaints.

923

Variation
of complaints
received in
the previous
financial year

1,117

complaints,
equivalent to
56.6%
emanated

This is a new and encouraging trend in a country where consumers used to murmur instead of formally complaining. When a consumer files a complaint (as opposed to murmuring), a stage is set for exhaustively resolving the it.



The success of advocacy and outreach programmes goes hand in glove with Media engagement. The media was used for effective dissemination of information. During the period, the Council worked with 23 media outlets to conduct consumer awareness and education. Some paid for and free to air programmes were effectively used to raise consumer awareness. The following print and electronic media were engaged by the Council:

Table 2: Media Outlets Worked with the Council during the Reported Period

S/N	Newspapers	S/N	Radio Stations
1.	Daily News;	1.	Top Radio FM (Morogoro);
2.	Habarileo,	2.	Pride FM (Mtwara).
3.	Tanzania Daima.	3.	Radio Ndingala (Rukwa);
4.	Mwananchi;	4.	Victoria FM (Mara);
5.	Uhuru.	5.	Abood FM (Morogoro);
		6.	Kunani FM (Tanga);
S/N	Television	7.	Radio Joy (Kigoma);
1.	Tanga TV;	8.	Mbeya Highlands FM (Mbeya);
2.	Azam TV;	9.	Kabisente (Kagera);
3.	Channel Ten	10.	Clouds FM (Dar);
4.	TBC1;	11.	Metro FM (Mwanza);
5.	ITV;	12.	Shnuz FM.
6.	Clouds TV		

2.1.4 Publications

The Council engaged in preparing, producing and distributing assorted publication materials such as calendars, newsflash and others. Two thousand (2000) wall calendars and five hundred (500) desk calendars were printed and distributed to various stakeholders in the period.

2.1.5 Newsflash Online Publication

Production and distribution of the 7th and 8th editions of the Council's Newsflash were done in December, 2017 and June, 2018, respectively. The Newsflash is an online publication which carries out assorted news articles along with captioned photographs. The articles emanated from the Council's activities which were implemented from July to December 2017 and January to

June, 2018. The two publications were circulated to stakeholders online. The electronic copies of both the Newsflash are kept for record.

2.1.6 Distributing Publicity Materials to all RCCs

Publicity materials help raise visibility of the Council. During the reporting year, the Council prepared, produced and distributed assorted publicity materials. Normally, the promotional materials are distributed to stakeholders upon request or during special or important occasions. The materials are dispatched to RCC and regional offices as and when needed.

2.1.7 Awareness Programmes

The well-regarded impetus was responsible for delivering 436 awareness programmes during this year of good work. Some of the programmes were fully funded, while others were self-initiated. The Council remained on top of all the operations, while imposing close monitoring of the programmes. At some stage, even the self-funded programmes would require some form of financial support.

During this reporting year, awareness campaigns had dazzling results. The action plans and monthly activity plans were prepared and shared amongst staff members.

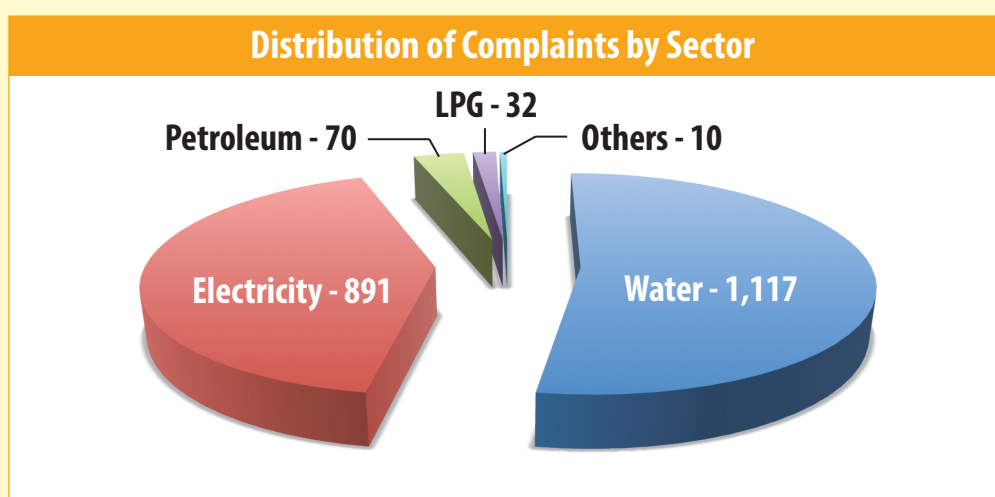
2.1.8 The Stakeholder Categories

The awareness programmes reached different targeted stakeholders including, various Women groups, Students, Teachers, Entrepreneurs, VICOBA, Bodaboda drivers, Local government leaders, NGOs, CSOs, WEOs and VEOs, SACCOS, Religious leaders, Youths, Political leaders, Persons with disabilities, Security officers and the General public. The awareness campaigns that were coupled with effective monitoring, delivered impressive results.



190,272

stakeholders were reached by 436 awareness programmes in the Financial Year

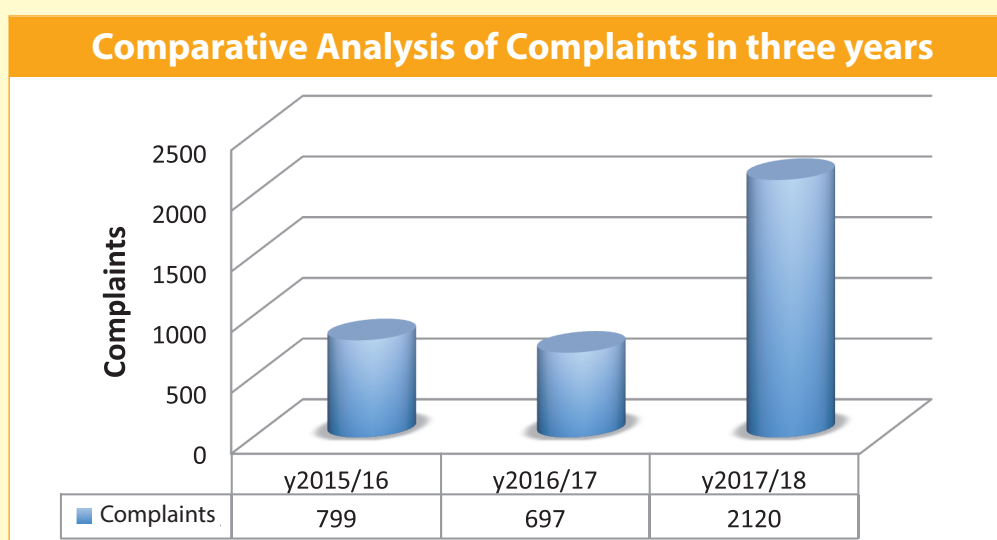
Figure 2: Distribution of Complaints of the Regulated Services in 2017/18

2.1.9 Comparative Analysis of Consumer Complaints in three years

The table below shows comparison analysis of the number of complaints registered in 2015/16, 2016/17 and 2017/18 financial years.

Table 3: Comparative Analysis of Consumer Complaints in three years

S/N	Services	Number of Complaints Registered				Remarks
		2015/16	2016/17	2017/18	Deviation	
1	Water	408	306	1,117	811	Increasing
2	Electricity	323	367	891	524	Increasing
3	Petroleum	54	21	70	49	Increasing
4	LPG	-	14	32	18	Increasing
Total		799	697	2,120	923	

Figure 3: Comparative Analysis of Complaints in three years

One of the responsibilities of the Council is to represent the interests of consumers of regulated energy and water services in various forums including mediation, public hearing meetings, Ministerial meetings etc, in order to defend their rights and demands. In this reporting year, the Council conducted 7 mediations, 3 public inquiries and 7 stakeholders' meetings in defense of consumers, of which some of the meetings included tariff reviews.

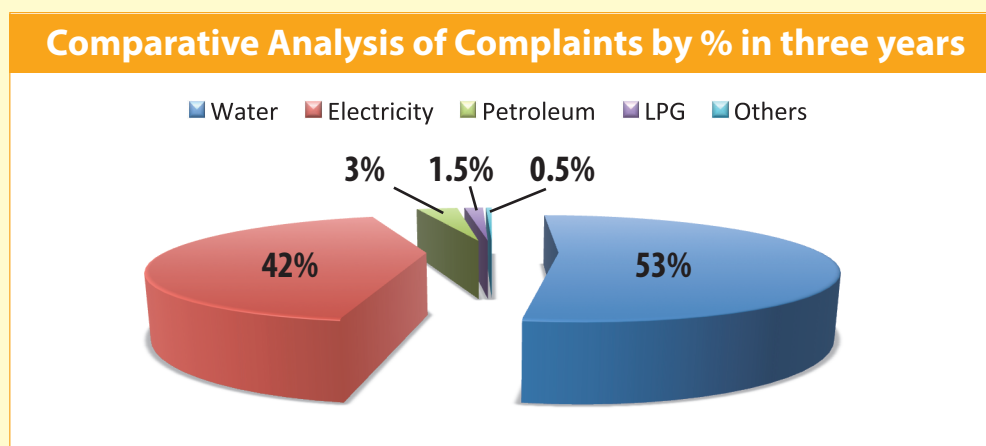
On the other hand, the Council encouraged consumers to file complaints each time the rendered service is unsatisfactory as detailed below:

2.1.10 Complaints

The Council continued to receive and handle complaints and at the same time encouraging consumers to officially complain so that remedies could be sought. During the reporting period, the Council received and resolved 2,120 complaints of which the bulky was from water services which recorded 1,117 equivalent to 53.0%, Electricity 891 equivalent to 42.0%, Petroleum 70 equivalent to 3.0% and LPG 32 which is equivalent to 1.5%. Other miscellaneous complaints accounted for a marginal 10 cases equivalent to 0.5%.

425
people visited
Council's
booths during
SabaSaba and
Nanenane
exhibitions

Figure 4: Comparative Analysis of Complaints in three years



162
Council visits
to stakeholders
were made

194
matrons/patrons
attended
induction
programmes

166
Inquiries
made

2.1.11 Observation

In the period under review, water supply had the most complaints compared with other regulated services. The Council registered 1,117 complaints which accounted for 52.6% of all the received ones. Much as there are many users of water than the rest of the regulated services, quality of delivery was also a key factor. The availability of water, its quality, billing and metering were key issues which triggered complaints. However, in figure 3, when last year's complaints are contrasted with those received this reporting year, a significant increase in complaints is inevitable.

For three consecutive years, the trend shows a significant proportional change in the upsurge of complaints. However, there was insignificant slowdown in 2016/17. Water and electricity remain the top two categories receiving most complaints. Clearly, this escalation is a good indicator of the Council's performance in raising awareness to consumers. The consumers, therefore, continue to appreciate the work of the Council by exercising their right to demand

better and satisfactory services. The commitment to succeed bequeathed on service delivery to consumers, increased their confidence on the Council and will impacted upon delivery of improved services by the regulated service providers.

On awareness programmes, this was a year of achievements. The Council reached out to a record of 190,272 stakeholders in 436 awareness programmes. These outcomes are impressive and unprecedented. Visitors flooded the Council's offices as a result of excellent care and welcoming attitude by staff. The Council has identified itself as a refuge for all those dissatisfied by regulated services. The more customers express their dissatisfaction over poor delivery of regulated services, the more the providers are compelled to improve their service delivery. Consumer awareness, which includes supply of requested information to visitors regarding regulated services, consistently registered outstanding performance.

Petroleum was the second sector in receiving the highest number of complaints during the reporting period.



2.1.12 The 4th RCC Annual Conference

The Council conducted its 4th RCC Annual Conference from the 19th to 21st of June, 2018. The conference was held at Galanos Secondary School conference hall in Tanga. The participants hailed from 29 RCCs while Five (5) Councilors, Six (6) Secretariat and 10 COMAs also attended. Six (6) conference papers were presented by the Secretariat. Resource Persons were invited from EWURA, MoWI, MEM, REA and TANESCO.

2.1.13 Statutory and Technical Meetings

During the year under review, two (2) technical meetings and four (4) Statutory Meetings were held in September 2017, January and April 2018. The Statutory meetings saw various Council decisions being made and documented. Technical meetings were held on 18 May 2018 and on 18 June 2018. A working group comprising few Councillors and Secretariat often convened to review and compile comments prior to public hearing meetings.

2.1.14 Filling vacant positions within RCCs establishments

During the period, RCC vacant posts were advertised in the Government

owned newspaper, Daily News and the ruling party (CCM) owned publication Uhuru which saw 158 people applying for the posts. A shortlist of eligible candidates was done before appointments for all 25 regions in Mainland Tanzania were made. The appointed comprised new members and the old ones who were reappointed. For ease administration, Dar es Salaam was treated as a special zone subdivided into five regions of Ubungo, Kinondoni, Ilala, Tememeke, and Kigamboni. So, in total, 30 RCCs each with 5 committee members were created. The recruitment was conducted from July to August, 2017. All 30 RCCs are now operational.

2.1.15 Induction programme to Newly Appointed RCCs

Induction and orientation programme for the newly appointed RCC members and Club Patrons/Matrons of EWURA CCC Students' Clubs was conducted from 15th to 17th of January 2018 in Singida at VETA Multipurpose Hall. The programme brought together 140 RCCs from 30 RCCs and 54 Patrons/Matrons from 33 out of 34 student clubs in mainland Tanzania. The purpose was to equip the participants with necessary skills to enable them perform duties and responsibilities for which they were recruited.

Table 4: Members participated in Induction Programme to Club Matrons/patrons and RCCs

Participants	Members Attended	Regions Participated	
RCC Members	140	RCCs Represented	30
Patrons/Matrons	54	RCCs Represented	33
Total	194		

2.1.16 Attending Mediation and Public Hearing Meetings

During the period, the Council participated in 17 mediations and public hearing meetings. The mediations were seven (7) and public hearing meetings held were 10 as shown in Table 7:-

2.1.16.1 Mediations

The Council represented consumers in 7 mediation meetings. Two (2) mediations were held in Kagera, Tanga (4) and Kigoma (1). The Mediations were convened by EWURA. The sectors which featured mostly in the mediations and public hearing meetings include the following:-

Table 5: Regions Mediations were held

S/N	Region	Frequency
1	Kagera	2
2	Tanga	4
3	Kigoma	1

2.1.16.2 Public Hearings

The Council represented consumers in three (3) public hearings and seven (7) stakeholders' meetings. The three public hearing meetings were held in Nzega, Tabora and Lindi. The stakeholders' meetings were all held in Dar es Salaam. The Table below presents details of the public hearing and stakeholder meetings.

Table 6: Public hearing and stakeholders' meeting attended

S/N	Name of the Utility	Place	Dates
1.	Nzega UWSA	Nzega	28/09/2017
2.	Tabora UWSA	Tabora	05/10/2017
3.	Lindi UWSA	Lindi	23/11/2017
4.	Tanzania Low Cost Connection Assessment Workshop	Dar es Salaam	07/03/2018
5.	Proposed Petroleum (Natural Gas) Transmission and Distribution Rules, 2017	Dar es Salaam	27/11/2017
6.	Natural Gas Construction Approval Templates and Rules	Dar es Salaam	14/03/2018
7.	Amendment to Formula for Petroleum Products Discharged at The Mtwara Port	Dar es Salaam	29/5/2018
8.	WGSPD for the Calculation of 2018 SPP Tariff	Dar es Salaam	18/05/2018
9.	Guidelines for Determination of Transport Costs for Distribution of Petroleum Products in Tanzania Mainland	Dar es Salaam	May 2018
10.	Petroleum (Refinery, LPG and Lubricant) Rules, 2018 as well as Electricity (Generation, Transmission and Distribution) Rules, 2018	Dar es Salaam	May 2018

The RCCs being an extended arm of the Council were fully involved in all the Public Hearing Meetings conducted in each respective region.

2.1.17 Capacity Building Programme for Councillors

The Council conducted induction programmes for its newly appointed Councillors. The four-day programme was conducted from the 26th to 29th of September 2017, at the National Carbon Monitoring Centre in Morogoro. During the programme, Councillors were exposed to issues related to corporate governance, knowing the Council, rules, regulations and overview of various legislations in the regulated industry.

2.1.17.1 Capacity Building to Student Clubs

During the period, the Council facilitated (by way of providing funds) Kingalu Students' Club from Morogoro to undertake a fa-

miliarization visit to Mindu Dam. The visit was aimed at orienting members to various activities performed at the dam including water abstraction, treatment, and transmission. The visit was made in October, 2017.



Mindu Dam, Morogoro Municipality

2.1.17.2 Student club Activities

A total of 413 Student's Club members graduated from their studies and were awarded certificates for being active members of EWURA CCC clubs. Vacancies left by the graduating members were filled in by new students who were appointed in accordance with standing regulations and guidelines.

2.1.17.3 Capacity Building to Staff

For the duration of the reporting period, ten (10) COMAs attended a tailor made intensive training on News and Feature article writing at the School of Journalism and Mass Communication (SJMC).

2.1.18 Participation in Exhibitions

The Council participated in a number of local and international exhibitions during the reporting year as follows:

2.1.18.1 Participation in the 41st DITF exhibitions

As one way of increasing visibility and reaching out to various stakeholders, the Council participated in the 41st Dar es Salaam International Trade Fair (Saba Saba) that took place at the Julius Kambarage Nyerere Grounds in Dar es Salaam from the 1st to the 13th of July 2018. During the event, about 292 stakeholders visited the Council's booth that was located in the Saba Hall. Visitors were educated on issues of interest to them like their rights and obligations, mandate of the Council etc. Questions were raised and answers were provided. Complaints were raised and some were resolved while others were referred to service providers or regulator for further management.



2.1.18.2 NaneNane Exhibitions 2017

The Council participated in the 2017 NaneNane exhibition at Ngongo Grounds in Lindi region from the 1st to the 8th of August 2017. The number of people who visited and registered at the Council's pavilion was 133.

2.1.19 Development of Working Tools

As one way of strengthening institutional capacity, the Council hired a consultant to develop (Aruti) Payroll and Human Resource Information System between September and November 2017. The software was intended to speed up processes, increase efficiency and improve record keeping.

425

Customers visited the Council's booths during Sabasaba and Nanenane

2.1.20 Participation in Workshops and Seminars

The Council facilitated its employees to attend various professional workshops and seminars to increase their knowledge and understanding of the regulated industry. A workshop on website and social media utilization for improved government communication was one of such seminars. The workshop was hosted by the Ministry of Water and was held in Dodoma from the 17th to the 23rd of December 2017. It brought together all Public Relations Officers from institutions under the Ministry and was attended by the Advocacy Officer.

On the other hand, the Accountant attended a professional workshop on Operational Risk and Forensic Accounting in Banks. It was hosted by the Bank of Tanzania in Arusha.

The Council also participated in the 9th African Consumer Protection Dialogue Conference held at Kairaba in Banjul, Gambia from the 06th to the 11th of March 2018. The Conference which was organized under the theme: 'Pro-

protecting Consumers in the Digital Age was organised by the Gambia Competition and Consumer Protection Commission (GCCPC), the Gambia Public and Regulatory Authority (PURA) and United States Federal Trade Commission (FTC).



Students from Teofilo Kisanji University register into a visitors book after awareness creation. The visit was to understand on the activities carried out by EWURA CCC in Mbeya Region.

2.1.21 Improve and Strengthen Institutional Capacity

The Council had the following activities in strengthening its institutional capacity:

2.1.21.1 Review Council's Rolling Strategic Plan 2013/2018 and Communication Strategy 2014/2018

Strategic Plan is an important working/planning tool for any institution intending to seriously realize its organizational goals. The timeline of the Council Strategic Plan (SP) and Communication Strategy (CS) for 2014/2018 came to an end in that period. Review of the two documents was important so that a decision would be made on whether the same would be rolled over or new one developed. A Consultant was hired to undertake the assignment. The review process involved key stakeholders namely the staff (Secretariat), Council members and RCCs. External stakeholders were also involved at a later stage of the process.

2.1.21.2 Councilors' familiarization Visits

Two major visits were made during the reporting period as follows:-

a. Visiting Madimba Gas Processing Plant

Familiarization tour of Madimba Gas Processing Plant and Somanga was done from 28 to 31 January 2018. The visit intended to enhance Councilors' knowledge on how natural gas is processed, transmitted and finally distributed to customers. It was also intend-

ed to inform members of challenges encountered during the process and future plans to ensure that Tanzanians are fully benefitting from the natural resource. During the visits, the delegation learnt that Natural gas consumption in Tanzania was still low and that considerable investment (in terms of infrastructure) was needed to reverse the trend, especially for domestic purposes.

b. Visiting Mtera Hydro Power Plant

A visit to Mtera Hydro Power Plant and an orientation trip to EWURA Head Office in Dodoma were conducted in April 2018. The visits enabled members to get an in-depth understanding of hydro power generation and current challenges facing the industry. Also, members had time to meet face to face with EWURA management team and exchange ideas on various regulatory issues.

c. Build Capacity to Councillors on Oil & Gas Governance

Capacity building is an essential undertaking if improved organizational performance is desired. In the time under review, five Councillors and the Executive Secretary were trained on oil and gas governance. A 5 day training programme was conducted by the Tanzania Global Learning Agency (TaGLA) in Arusha. The participants were: Mr. George Nguruse, Mrs. Hawa Ng'humbi, Eng. Baruary Luhanga, Prof. Epaphra Mushi and Eng. Goodluck Mmari.

2.1.21.3 Capacity Building to the Secretariat

The Advocacy Officer and Administrative, and Human Resource Officer attended a training on Proactive Management at ESAMI Headquarters in Arusha. The training to the two Officers was aimed at equipping them with necessary skills and knowledge to increase their effectiveness and efficiency in their daily work. The Council's Driver attended a training on Maadili ya Udereva (Ethics of Motor Vehicle Driving), conducted by the National Institute for Productivity (NIP) in Morogoro. The two training programmes were undertaken between 30 April and 18 May 2018.

2.1.21.4 Introduction to Employees Performance Appraisal System (OPRAS)

The Secretariat and COMAs from 10 regional offices attended a five-day training workshop on Open Performance Appraisal Review and Appraisal System (OPRAS) conducted by TaGLA in Tanga region. The training took place from the 11th to the 15th of May 2018. The Staff were expected to know OPRAS and start using it to gauge their performance relative to the set organizational goals.

2.1.22 Participate in the World Consumer Rights Day (WCRD);

The WCRD is commemorated on 15 March every year in recognition of consumer rights across the globe. In Tanzania, the WCRD commemorations and

its associated activities is undertaken jointly by six Institutions which are responsible for consumer protection. The Institutions are namely: TCRA CCC, EWURA CCC, TCAA CCC, SUMATRA CCC, FCC and FCT. During the year in question, the Council fully participated in the event to mark the WCRD celebrated at national level in Kagera. The theme of the event was “Making Digital Marketplaces Fairer”. A total of 720 stakeholders were reached. About 210 participants hailed from NGOs, FBO, WEOs and Hamlet Leaders; 310 participants were students from various secondary schools, accompanied by their teachers; 200 were from colleges. The event took place from 12 to 15 March 2018.

During WCRD Commemorations,

720

stakeholders were reached; Participants came from NGOs, FBO, WEOs and Hamlet Leaders. Others were secondary school teachers and college students.

2.1.23 Increase Consumer Capacity to Defend their Rights

The Council efficaciously increased awareness seminars in order to amplify the capacity of consumers to defend their rights. They were intended to ensure that more consumers were reached. Apart from the seminars, the Council used various events such as World Consumer Rights Day (WCRD) to reach out to more stakeholders. In the 2018 commemorations, the Council contacted 10,017 people, equivalent to 83.5% of the targeted 12,000 reached by various awareness programmes during the year.

2.1.24 Awareness Programmes

The Council performed tasks which had impressive results. In the period under review, the Council effectively conducted 436 awareness programmes. The outcome was astounding as the effort reached out to 190,272 consumers. Awareness increased consumers’ capacity to defend their rights. It also helped service providers to improve service delivery.

190,272

Number of Stakeholders reached

2.1.25 Recruitments and Regional Office Launching

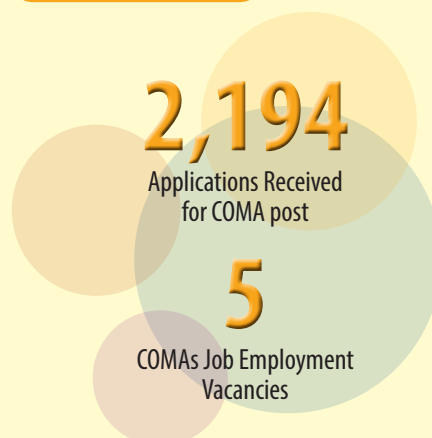
During this reporting year, the Council recruited six (6) employees in the posts of COMA to serve in six regions. The six regions are Kagera, Tabora, Mara, Kigoma, Rukwa and Geita. Another staff was recruited for the post of Administrative Assistant cum Receptionist at EWURA CCC Head Office. The new employees were expected to increase ability of the Council to render its services to consumers at grassroots level.

2.1.26 Funding of awareness programmes

The Council funded eleven (11) awareness programmes out of 24 requests received during the period. The programmes were executed in collaboration with RCCs as listed in the table 9 below:-

Table 7: Regions Implemented Funded Awareness Programmes in 2017/18

S/N	Location	Dates
1	Arusha	December, 2017
2	Mtwara	December, 2017;
3	Mbeya	December, 2017;
4	Rukwa	February, 2018;
5	Kigoma	March, 2018;
6	Coast Region	February, 2018;
7	Ruvuma	March, 2018;
8	Tabora	March, 2018;
9	Kagera (WCRD)	March 2018.
10.	Mara	May 2018



2.1.27 Procurement Management

The Council procured a number of goods and services in the reported period as follows:

2.1.27.1 Purchase of working tools

In July 2017, the Council purchased a professional digital camera (Canon 7D Mark II) for office use. The camera has increased work quality and efficiency.

2.1.28 Develop (Aruti) Payroll and Human Resource Information System

In the period, the Council hired a consultant to develop Aruti Human Resource Information System. The system was developed and put to use to fast track processes, improve work quality and increase efficiency.

2.1. 29 Receiving Inquiries

A total of 166 inquiries were received during the period. Usually, many enquiries were about finding out roles of the Council, processes involved in acquiring licenses related to running businesses in the regulated goods and services etc. A breakdown of the inquiries was as follows: Q1 (82), Q2 (25), Q3 (29), Q4 (30).

166

Inquiries received during the reporting period

2.1.30 Analysis

An efficient work was done during the first quarter of the FY 2017/2018. This led to a reduction in number of enquiries in the subsequent quarters. In other words, the awareness programmes were effectively conducted, helping the consumers to gain deep understanding of the Council's operations. This is a commendable milestone. These are inquiries not complaints.

2.1.31 Visitors

A total of 1,198 consumers visited the Headquarters and regional offices for different reasons during the period. These visits are important as they increase stakeholders' understanding of the regulated goods and services. At the end of the day, they help improve quality of service delivery. In 3rd quarter of the financial year, the Council received most visitors than in previous one. At least 525 visitors called at EWURA CCC offices in the third quarter alone.

Figure 5: Visitors per quarter



2.1.32 Breakdown of the Visitors

The visitors were received and had their various needs catered for. Below is the breakdown of the visitors per quarter:-

Q1 - 216

Q2 - 280

Q3 - 525

Q4 - 177

Figure 6: Number of visitors who called to the Council's Headquarters and at RCCs



2.1.33 Case for Stakeholder Visits

Visits by stakeholders enhance understanding of the needs of both service providers and consumers. From October 2017 to March 2018, about 162 visits were made to assorted stakeholders during the reporting year.

162

Council visits to stakeholders were made

2.1.34 Regulars

The Council attended to the regular (routine) activities to keep the organization running. These activities are, but not limited to the following:-

- Respond to inquiries, requests from different customers both orally and written;
- Receiving weekly, monthly and quarterly reports from COMA, RCCs;
- Receiving and making calls to RCCs and COMAs
- Planning for awareness programmes and following up on their implementation;
- Implementing CAG's audit recommendations;
- Handling all staff related matters e.g. processing leave applications etc.
- Carrying out all other office works like preparation of payroll, meetings, minor procurements etc.

2.1.35 Statutory Audit

The Council hosted external auditors to audit the Council's accounts for the FY 2016/2017. The scope of the audit exercise covered both the headquarters and regional offices. At the end of the exercise, an exit meeting was conducted.

2.1.36 Budget Preparations for the FY 2018/2019

Proposed budget for the FY 2018/2019 was prepared and submitted to EWURA for further action.

3.0 CHALLENGES

The Council understands that challenges are unavoidable and are part and parcel of its mission. This is because throughout human history, a human being has always been struggling with nature that challenged his quest for development. In the course of implementing its plans, the Council too encountered a number of setbacks. In the reporting period, there were four main challenges the Council encountered:-

3.1 Lean Council Structure Vs Huge Workload

The Council maintains a lean structure to scale down operational costs and uphold efficiency. This is because if operational costs are high as a result of a big structure, the burden is passed onto the very consumer who is supposed to be safeguarded by the Council. However, operations and activities of the Council have expanded so fast that the lean secretariat is now overwhelmed.

3.2 Delay or Non submission of Awareness Proposals

Most RCCs that are without the COMAs could not submit their proposals and work reports on time.

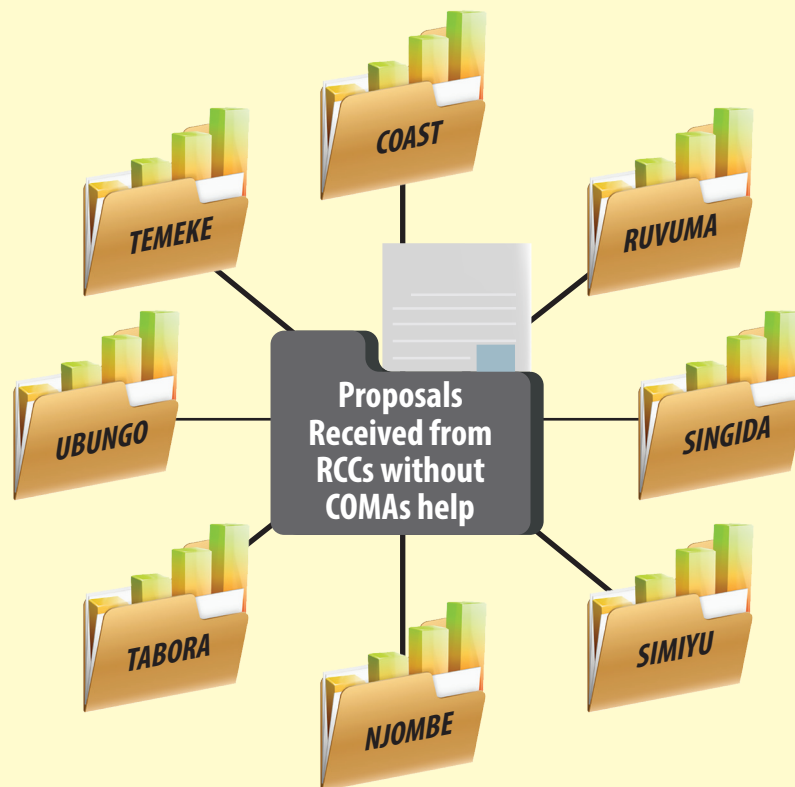
3.3 Public Procurement Regulations 2013

The Council continues to face challenges with the current procurement regulations. Most procurement operations take longer due to processes demanded by the regulations. This affects timely implementation and reporting of plans. Therefore, procurement continues to be a major hindrance to effective implementation of some of the Council's planned activities.

3.4 Role of COMAs in Awareness Proposals

Majority of RCCs without COMAs often find it difficult to submit their awareness proposals on time. The only proposals received from the RCCs without COMAs were from the Coast region, Ruvuma, Singida, Simiyu, Njombe, Tabora, Ubungu and Temeke.

Figure 7: Proposals Received from RCCs without COMAs help



4.0 Way forward and Conclusions

The Council is working to address some of the challenges including reviewing its organizational structure. It is working to see how best it can overcome the issue of budget deficit.

4.1 Way forward

The year under review has had success stories due to commitment of the Council right from the Members, Secretariat, RCCs and all other stakeholders. Effective management that enable them tick, motivated everyone to commit to resolving consumer needs in as far as delivery of the regulated services in water and energy sectors is concerned. In the cause of the coming year, the Council commits to deliver the following:-

- a. Capacity building, training and awareness creation will be enhanced covering such groups as NGOs, CSOs, CBOs, local government leaders including religious leaders, VIPs, MPs, Ward leaders and students. The focus will shift from regional headquarters to district and grassroots levels.
- b. Improving the management of complaints processes: The Council will continue assisting aggrieved consumers to lodge and follow up on their complaints in the regulated industries;
- c. Continue to build the capacity of service users, RCCs, Councillors and Secretariat in order to enhance effectiveness and efficiency in handling consumer needs, thereby improving service delivery in the water and energy sectors.

4.2 Conclusion

During the period under review, majority of activities were effectively implemented. The Council conducted awareness campaigns innovatively and the results were astounding. As a result, most consumers understood what their rights and obligations were. Clearly, the need for awareness creation has been unprecedented in this epoch where demands for improved services are on the rise. This means the need for the Council's activities to continue to increase by day as it acts as a catalyst for improved service delivery.

The knowledge received enabled consumers to increasingly complain over unsatisfactory services rendered to them. This practice, therefore, forces service providers to resort to continuous improvement of their service delivery. The Council, together with other consultative councils in the country renders a commendable job focused on culture transformations towards consumers' demand for quality services.

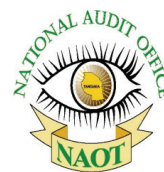
This is a pull strategy. By complaining, service providers are obliged to improve their services, hence raising the standards of service delivery in the country. More funds need to be allocated to finance awareness raising campaigns. On the other hand, the need for COMAs to help the RCCs develop awareness proposals and continue to empower them enhance their capacity to prepare proposals on their own can never be overemphasized.

This report stands to prove that, if everyone played their part effectively, the Council has the capacity to bring about positive changes and transformation in the delivery of social services, especially in areas of water and energy services. The Council will continue to apply innovation and creativity in resolving complaints brought forward by consumers, regarding them as opportunities for, not only service improvement, but also important drivers for the sector's growth and development.

Part II

REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE AUDIT OF
FINANCIAL STATEMENTS OF EWURA CONSUMER CONSULTATIVE COUNCIL
FOR THE FINANCIAL YEAR ENDED 30TH JUNE, 2018

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January, 2019

AR/ EWURA CCC 2017/2018

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EWURA CONSUMER CONSULTATIVE COUNCIL

Office of the Controller and Auditor General,
National Audit Office,
United Republic of Tanzania

(Established under Article 143 of the Constitution of the URT)

The statutory duties and responsibilities of the Controller and Auditor General are enshrined under Article 143 of the Constitution of URT and further amplified under Section 10 of the Public Audit Act No.11 of 2008

Vision

To be a highly regarded Institution that excels in Public Sector Auditing.

Mission

To provide high quality audit services that improves public sector performance, accountability and transparency in the management of public resources.

Core Values

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

- ✓ **Objectivity:** We are an impartial public institution, offering audit services to our clients in unbiased manner.
- ✓ **Excellence:** We are professionals providing high quality audit services based on standards and best practices.
- ✓ **Integrity:** We observe and maintain high standards of ethical behaviour, rule of law and a strong sense of purpose.
- ✓ **People focus:** We value, respect and recognize interest of our stakeholders.
- ✓ **Innovation:** We are a learning and creative public institution that promotes value added ideas within and outside the institution.
- ✓ **Results Oriented:** We are an organization that focuses on achievement based on performance targets.
- ✓ **Team work Spirit:** We work together as a team, interact professionally and share knowledge, ideas and experiences.

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 appropriate training, adequate working tools and facilities that promote their independence.

EWURA CONSUMER CONSULTATIVE COUNCIL

© This audit report is intended to be used by Government Authorities. However, upon receipt of the report by the Speaker and once tabled in Parliament, it becomes a public record and its distribution may not be limited.

EWURA CONSUMER CONSULTATIVE COUNCIL**Abbreviations**

CAG	Controller and Auditor General
EWURA	Energy and Water Utility Regulatory Authority
ISSAIs	International Standard of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
PAA	Public Audit Act No.11 of 2008
PAR	Public Audit Regulation, 2009
MDAs	Ministries, Departments and Agencies
PAC	Public Accounts Committee
PFA	Public Finance Regulations, 2009
PPA	Public Procurement Act, 2011
RCCS'	Regional Consumer Committees
The council	Means EWURA Consumer Consultative Council.

EWURA CONSUMER CONSULTATIVE COUNCIL

AUDIT OF THE FINANCIAL STATEMENTS OF EWURA CONSUMER CONSULTATIVE COUNCIL FOR THE YEAR ENDED 30TH JUNE, 2018

1.0 Introduction

I have audited the Financial Statements of EWURA Consumer Consultative Council (EWURA CCC) for the year ended 30th June, 2018. Audit findings arising from the examination of the accounting records and evaluation of the internal control system, which requires Management attention and action, has been issued separately to Management.

1.1 Audit Mandate

The Controller and Auditor General is the statutory auditor of all Public Revenues and Expenditures including the accounts of EWURA CCC by virtue of the provisions of Article 143 of the Constitution of the United Republic of Tanzania and Section 10 of the Public Audit Act No.11 of 2008.

1.2 Audit Objectives

The main objective of conducting the audit is to enable the Controller and Auditor General to express an independent opinion on the Financial Statements of the EWURA Consumer Consultative Council for the year ended 30th June, 2018 and in particular: -

- To determine whether the financial statements of EWURA CCC have been prepared in accordance with IPSAS (Accrual).
- To verify whether procurement of goods and services for the Council were acquired through laid down procurement procedures;
- To determine whether funds due to EWURA CCC were collected and spent as per the approved work plan.
- To evaluate the overall accuracy of information presented.

1.3 Scope of Audit

The audit of the EWURA Consumer Consultative Council Financial Statements for the year ended 30th June, 2018 was carried out in accordance with the International Standards of Supreme Audit Institutions (ISSA's) and other audit procedures that were considered necessary under the circumstances. The audit covered evaluation of the effectiveness of the financial accounting system and internal controls over the activities of EWURA CCC, the examination and verification of the accompanying Financial Statements and other auditing procedures as were considered necessary under the circumstances for the purpose of forming an opinion on the financial statements. The audit was carried out on a test basis, therefore; the audit findings and recommendations are confined to the extent that records, documents and information requested for the purpose of audit were made available to us.

EWURA CONSUMER CONSULTATIVE COUNCIL

As auditor I am not required to specifically search for fraud and, therefore, my audit cannot be relied upon to disclose all such matters. My audit however was planned in such a way that I would have a reasonable expectation of detecting material errors or misstatements in the financial statements resulting from irregularities or fraud. The responsibility for detection, prevention of irregularities or fraud and the maintenance of an effective and adequate system of internal control rest with the Management of the Council.

1.4 Audit Methodology

In auditing the financial statements together with the related records of EWURA CCC the following steps were followed:

- Planning the audit to obtain an adequate understanding of EWURA CCC, its activities, operations and assessment of the major risk areas;
- Carrying out substantive tests of the balances reported by EWURA CCC management in order to obtain reasonable assurance regarding the amounts and disclosures included in the financial statements;
- A review of the internal control structure to assess significant risks, and controls in place to mitigate them;
- Examination of receipts and disbursements to establish compliance with financial regulations and other instructions or directives issued;
- To examine the financial statements including the statement of expenditure and bank reconciliation statements;
- Conducting interviews and discussions with EWURA CCC management on the audit;
- Conducting entrance and exit meetings with the auditee to discuss the audit activities and the results of the audit respectively.
- Appraise the previous audit recommendation to determine whether management of the Authority has taken adequate corrective actions.

EWURA CONSUMER CONSULTATIVE COUNCIL

COUNCILOR'S REPORT FOR THE YEAR ENDED 30TH JUNE, 2018

2.0 INTRODUCTION

The Councillors have the pleasure to submit their report, together with the audited Financial Statements of the Council for the year ended 30th June 2018. The report discloses the state of affairs of the Council as well as its financial performance for the said financial year.

2.1 ESTABLISHMENT

The EWURA Consumer Consultative Council (EWURA CCC) was established under section 30 of the Energy and Water Utilities Regulatory Authority Act, 2001 Cap.414 of the Laws of Tanzania. Although the Council Members were appointed in September 2005 by the Minister for Water, it became operational in June, 2006 after the appointment of the Chairman of EWURA Board of Directors.

2.2 VISION OF THE COUNCIL

To become a well established effective and responsive organization for advocating for the rights of consumers of regulated Energy and Water Utilities Industry by 2018.

2.3 MISSION OF THE COUNCIL

To advocate the rights of consumers of regulated energy and water utilities through raising public awareness, enhancing better business relations, organizing consumers, networking with policy makers, operators, media, regulator consumer groups, consumer committees, and promoting effective dialogue among key actors in the industry.

2.4 FUNCTIONS OF THE COUNCIL

The core functions of EWURA CCC as stipulated in section 30 (1) of the EWURA Act are:

- a) Represent the interest of consumers by making submission to, providing views and information to and consulting with the Authority, Minister and sector Ministers;
- b) Receive and disseminate information and views on matters of consumer interest;
- c) Establish regional, local and sector consumer committees and consult with them
- d) Consult with industry, Government and other consumer groups on matters of interests to consumers of regulated goods and services.

EWURA CONSUMER CONSULTATIVE COUNCIL**2.5 ORGANIZATION STRUCTURE**

The day to day activities of the Council are vested on the Executive Secretary who is the Chief Executive Officer. The Executive Secretary is accountable to the Council which is obliged to meet at least once in every three months and is the Accounting Officer of the Council.

2.6 COMPOSITION OF THE COUNCIL

Members are appointed by the Parent Ministry which at the time being is the Ministry of Water. It is led by Chairperson appointed by the Minister for Water. There are clear demarcations of roles and functions of personnel.

The members of the Governing Council during the financial year 2017-2018 are;

NO	NAME	POSITION	AGE	QUALIFICATION	NATIONALITY	DATE OF APPOINTMENT
1	ENG. DAVID NGULA	Chairman	67	MSc Engineering Hydrology, (Ireland)	Tanzanian	Appointed September 2017
2	MRS. ANNA MUNGAI	Member	40	MSc Marketing, (Mzumbe)	Tanzanian	Appointed August 2017
3	ENG. BARUANY ELIJAH	Member	71	BSc Engineering, (Liverpool)	Tanzanian	Appointed August 2017
4	ENG. PIUS BLUBO MABUBA	Member	65	MSc Engineering (Water & Waste), Loughborough	Tanzanian	Appointed August 2017
5	MRS. HAWA NG'HUMBI	Member	63	MSc HRM (Salford); MSc Economics (ODESSA)	Tanzanian	Appointed August 2017
6	MR. GEORGE NGURUSE	Member	42	MSc Agricultural Economics (SUA)	Tanzanian	Appointed August 2017
7	PROF. EPAPHRAH MUSHI	Member	72	MA Development Studies (East Anglia)	Tanzanian	Appointed September 2017
8	ENG. GOODLUCK MMARI	Executive Secretary	55	MBA Finance, (UDSM)	Tanzanian	Reemployed November 2017

With the exception of Eng. Goodluck Mmari (Executive Secretary), all other Council members are non- executive.

EWURA CONSUMER CONSULTATIVE COUNCIL

During the year under review, the Council held 11 meetings (technical & statutory) and attended to 10 public inquiries and below are some of the issues that were discussed

- Tariff applications.
- Consumer protection and public awareness.
- Budget and financial performance reports.

2.7 SOLVENCY EVALUATION

Nothing has come to the attention of the Councillors to indicate that the Council will not operate as a going concern.

2.8 EMPLOYEES WELFARE

2.8.1 Relationship between Management and Employees

The Council believes that its employees should find working for the Council an inspiring and personally elevating experience, and consequently accepts co-responsibility for the development of each employee to his/her full potential. Career progress is based on the individual initiative towards the fulfilment of their responsibilities complemented by the Council. This encompasses individual commitment towards innovative thinking and professional expertise resulting to reward.

The Council is convinced that equal opportunities for all, irrespective of ethnicity, race, gender, disability or religion, should be pursued. The Council accepts that it is only through total commitment, loyalty and dedication of its employees will be able to achieve its goal. The Council provides various benefits to staff such as long service awards for retiring employees, best worker rewards and Sports bonanza.

Council gives gratuity equal to 25% of the employee's monthly basic salary times the period of the contract at the end of the employee's contract. The Council operates insured (health benefit) plan where contributions are paid to the National Health Insurance Fund (NHIF), where Council contributes 3% and employee contributes 3% of the gross salary.

2.8.2 Equal Opportunity Employer

The Council is an equal Opportunity Employer and gives disabled persons' opportunities for those vacancies that they are able to fill.

2.8.3 Related Party Transactions

Related party transactions are shown in the note 19 to the financial statements.

EWURA CONSUMER CONSULTATIVE COUNCIL

2.9 STATEMENT OF MANAGEMENT RESPONSIBILITIES

These Financial Statements have been prepared by the Consumer Consultative Council of EWURA (**EWURA CCC**) in accordance with the provision of Section 33(3) of the EWURA Act, Cap 414. The Financial Statements comply with the Generally Accepted Accounting Practices and are presented in a manner consistent with International Public Sector Accounting Standards (**IPSAS**).

The EWURA CCC is responsible for establishing and maintaining a system of effective internal control designed to give reasonable assurance that the transactions recorded in the accounts are within the statutory requirement and that they contain the receipts and use of all public resources by the Council.

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

We accept responsibility for the integrity of the Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (**IPSAS**).

2.10 FINANCING

The Council's operations are financed entirely by the fund from EWURA. EWURA gets its fund mainly through collection of levies from the regulated service providers in the electricity, petroleum, and natural gas and water sectors as well as through the collection of licence fees, penalties and interest income from fixed deposit.

2.11 IMPLEMENTATION OF THE PLAN AND BUDGET 2017/2018

The Council planned to implement activities worth TZS 2.29 billion, the actual achievements of implementation was TZS 2.29 billion equal to 100% of the entire budget. The setting of the plan is based on bottom up approach where by all stakeholders from the lower level are given equal opportunities to participate in the whole budgeting process to plan their needs according to priority and available scarce resources.

2.12 FUTURE PLANS OF THE COUNCIL

In the next financial year, the Council shall strive to ensure it develops and implements necessary policies and regulations to guarantee the achievement of its strategic objectives.

EWURA CONSUMER CONSULTATIVE COUNCIL

2.13 COUNCIL SOCIAL RESPONSIBILITIES

Special need

The Council upholds its policy of being a socially responsible Organization. The Council is intending to develop and implement a responsibility scheme as a way of interacting with the society.

Gender

The Council ensures gender balancing in all its managerial and other day to day responsibilities. The Council has 16 employees whereby eight are men and eight are women.

Environment

The Council ensures that environment is conserved for the better of the current and future generations as that move also helps to ensure the welfare of the consumers of energy and water in long-run.

HIV/AIDS

The Council has been joining hands with the nation in the fight against HIV/AIDS. The Council intends to provide in-house education to its staff.

2.14 AUDITORS

The Controller and Auditor-General (CAG) is the statutory auditor of the Council by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified by section 32(4) of the Public Audit Act No. 11 of 2008. However, in accordance to section 33(1) of the Public Audit Act, the Controller and Auditor General Authorized M/S Tax pro & Associates to carry out the audit of Consumer Consultative Council of EWURA (EWURA CCC) of Tanzania for the year 2017/2018.

BY ORDER OF THE COUNCIL

.....

Eng. David Ngula
Chairman

Date:.....

.....

Eng. Goodluck Mmari
Executive Secretary

Date:.....

EWURA CONSUMER CONSULTATIVE COUNCIL**3.0 STATEMENT OF DIRECTORS' RESPONSIBILITIES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2018**

These Financial Statements have been prepared by the Management of EWURA CCC in accordance with the provision of Section 25(4) of the Public Finance Act No.6 of 2001. The Financial Statements comply with the Generally Accepted Accounting Practices and are presented in a manner consistent with the International Public Sector Accounting Standards (IPSAS).

The Management of the EWURA CCC is responsible for establishing and maintaining a system of effective Internal Control designed to provide reasonable assurance that the transactions recorded in the accounts are within the statutory authority and that they contain the receipt and use of all public Financial resources by the Authority.

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

I accept responsibility for the integrity of the Financial Statements, the information it contains, and its compliance with the Public Finance Act. No 6 of 2001 as revised in 2004 and instructions issued by the Treasury in respect of the year under review.

CHAIRMAN

_____ 2019

EXECUTIVE SECRETARY

_____ 2019

EWURA CONSUMER CONSULTATIVE COUNCIL

4.0 DECLARATION OF THE HEAD OF FINANCE /ACCOUNTING OF CONSUMER CONSULTATIVE COUNCIL OF EWURA (EWURA CCC)

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by the 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/Governing Body/Management to discharge the responsibility of preparing Financial Statements of an Entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of Financial Statements rests with the Board of Directors/Governing Body as under Directors Responsibility statement on an earlier page 13.

I, Erasto G. Kishe being the Head of Finance & Accounting of EWURA CCC, hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30th June 2018 have been prepared in compliance with applicable accounting standards and statutory requirements.

I, thus confirm that the Financial Statements give a true and fair view of the position of EWURA CCC as on that date and that they have been prepared based on properly maintained financial records.

Signed by:

Position: Head of Finance & Accounting

NBAA Membership No.: GA 2225

Date: 25th March 2019

EWURA CONSUMER CONSULTATIVE COUNCIL**5.0 AUDIT REPORT ON THE FINANCIAL STATEMENTS**

Eng. David Ngula,
Chairman of the Council,
EWURA Consumer Consultative Council,
P.O. BOX 72175,
Dar es Salaam.

RE: REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL STATEMENTS OF EWURA CONSUMER CONSULTATIVE COUNCIL (EWURA CCC) FOR THE YEAR ENDED 30TH JUNE, 2018

Introduction

I have audited the accompanying Financial Statements of EWURA Consumer Consultative Council, which comprises the Statement of Financial Position as at 30th June, 2018 and the Statement of Financial Performance, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and the Notes to the Financial Statements which includes a summary of significant accounting policies and other explanatory notes set out on pages 25 to 35 of this report.

Opinion

In my opinion, the accompanying financial statements present fairly, in all material respects, the Financial Position of EWURA Consumer Consultative Council as at 30th June, 2018, and its Financial Performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the financial statements section of my report. I am independent of EWURA Consumer Consultative Council 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.

EWURA CONSUMER CONSULTATIVE COUNCIL

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

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

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

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

Key Audit Matters

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

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

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

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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.

EWURA CONSUMER CONSULTATIVE COUNCIL

Auditor's Responsibilities 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 auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Further, Sect. 48(3) of the Public Procurement Act No.7 of 2011 requires me to state in my annual audit report whether or not the audited entity has complied with the provisions of the Law and its Regulations.

Report on Other Legal and Regulatory Requirements

Compliance with the Public Procurement Act, 2011

In view of my responsibility on the procurement legislation and taking into consideration the procurement transactions and processes I have reviewed as part of this audit, I state that, EWURA Consumer Consultative Council procurement transactions and processes have generally complied with the requirements of the Public Procurement Act No.7 of 2011 and its underlying Regulations of 2013.

Prof. Mussa Juma Assad

Controller and Auditor General

..... February, 2019

Dar es Salaam, Tanzania

EWURA CONSUMER CONSULTATIVE COUNCIL

STATEMENT OF FINANCIAL POSITION AS AT 30TH JUNE, 2018

ASSETS	NOTE	30.06.2018 TZS	30.06.2017 TZS
Non Current Assets			
Property, Plant and Equipment	5	99,726,560	41,858,955
Total Non Current Assets		<u>99,726,560</u>	<u>41,858,955</u>
Current Assets			
Receivables	6	257,420,857	241,549,958
Inventory	10	3,190,000	5,425,000
Prepayments	13	10,565,000	-
Cash and Cash Equivalents	7	192,241,046	311,065,480
Total Current Assets		<u>463,416,903</u>	<u>558,040,438</u>
TOTAL ASSETS		<u>563,143,463</u>	<u>599,899,393</u>
EQUITY & LIABILITIES			
Non-Current Liabilities			
Accrued Gratuity Account	11	110,170,107	148,186,743
Current Liabilities			
Trade and other payables	12	3,436,720	3,927,260
Provision for Staff Loan W/Tax	19	-	1,026,213
Total Liabilities		<u>113,606,828</u>	<u>153,140,216</u>
NET ASSETS		<u>449,536,635</u>	<u>594,945,920</u>
EQUITY			
Capital Fund		101,612,135	101,612,135
Retained Surplus		347,924,500	345,147,042
TOTAL EQUITY		<u>449,536,635</u>	<u>446,759,177</u>

.....
Eng. David Ngula
Chairman

.....
Eng. Goodluck Mmari
Executive Secretary

EWURA CONSUMER CONSULTATIVE COUNCIL**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30TH JUNE, 2018**

REVENUE	NOTE	2017/2018 TZS	2016/2017 TZS
Revenue from EWURA	14	2,291,224,764	1,985,968,001.00
TOTAL		<u>2,291,224,764</u>	<u>1,985,968,001</u>
EXPENSES			
Salaries, Wages and Employees Benefits	8	689,115,317	649,742,833
Operating Expenses	9	1,570,176,459	1,232,699,473
Depreciation	5	<u>30,181,742</u>	<u>21,489,313</u>
TOTAL		<u>2,289,473,518</u>	<u>1,903,931,620</u>
SURPLUS/ (DEFICIT) FOR THE YEAR		<u>1,751,246</u>	<u>82,160,581</u>

.....
 Eng. David Ngula
 Chairman

.....
 Eng. Goodluck Mmari
 Executive Secretary

EWURA CONSUMER CONSULTATIVE COUNCIL**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 30TH JUNE 2018**

	TZS Share Capital	TZS Retained Earnings	TZS Total
Balance at 1 st July 2017	101,612,135	345,147,041	446,759,176
Prior year adjustment	-	1,026,213	1,026,213
Surplus/ (Deficit) for the year	-	1,751,246	1,751,246
Balance at 30th June 2018	101,612,135	347,924,500	449,536,635
Balance at 1 st July 2016	101,612,135	263,407,278	365,019,413
Prior year adjustment	-	(420,818)	(420,818)
Surplus/ (Deficit) for the year	-	82,160,581	82,160,581
Balance at 30th June 2017	101,612,135	345,147,041	446,759,177

EWURA CONSUMER CONSULTATIVE COUNCIL

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30TH JUNE, 2018

	NOTE	30.06.2018 T.SHS.	30.06.2017 T.SHS.
Cash Flow From Operating Activities:			
Revenue from EWURA	14	2,291,224,764	1,985,968,001
Cash payment for expenses	15	(2,321,999,850)	(1,985,035,961)
Net Cash Flow From Operating Activities		(30,774,546)	932,040
Cash Flow From Investing Activities:			
Acquisition of Property & Equipment	5	(88,049,347)	(28,853,176)
Net Cash Outflow From Investing Activities		(88,049,347)	(28,853,176)
Cash Flow From Financing Activities:			
Net Cash Flow From Financing Activities		-	-
Net Increase in Cash and Cash Equivalents		(118,823,893)	27,921,136
Cash and Cash Equivalents at 1 July 2014		311,065,480	338,986,616
Subsequent Adjustment of the Cash Balance		-	-
Cash and Cash Equivalents at 30 June 2018	7	192,241,047	311,065,480
Cash and cash equivalent per Balance Sheet		192,241,047	311,065,480

EWURA CONSUMER CONSULTATIVE COUNCIL

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT FOR THE YEAR ANDED
30TH JUNE 2018

	Original budget 2017/2018	Adjustment	Final Budget 2017/2018	Actual on Comparable Basis 2017/2018	Difference	Percentage of Implementation	Reasons for Change
Receipts	(A)	(B)	(A+B)	(C)			
Revenue from EWURA	2,291,224,764	0	2,291,224,764	2,291,224,764	0	100	
Other Revenue	0	0	0	0	0	0	
Total Revenue	2,291,224,764	0	2,291,224,764	2,291,224,764	0	100	
Payments							
Staff costs(A)							
Salaries, Wages and Other Benefits	677,935,135	0	677,935,135	677,865,992	69,143		
Operating Expenditure(B)							
Office Rent	109,706,544	0	109,706,544	108,657,484	1,049,060	99	
Car Maintenance & Running Costs	11,788,000	0	11,788,000	20,665,334	(8,877,334.06)	175	The vehicle got fully depreciated in 2015, hence more fund was used to

EWURA CONSUMER CONSULTATIVE COUNCIL

Office Administration Expenses	106,378,462	0	106,378,462	107,959,128	(1,580,665.91)	101	maintain it. Due to the increase of the Council activities (especially Council meetings) the amount of office supplies also increased.
Councillors Fee	64,950,000	0	64,950,000	64,950,000	-	100	
Trainings & Conferences	154,855,750		154,855,750	101,426,600	53,463,550	65	Due to lack of time and the congestion of activities some of the staff couldn't attend short term training as planned
Public Awareness Activities	217,694,620	0	217,694,620	217,694,620	-	100	
Council Meetings	259,229,253	0	259,229,253	267,050,638	(7,821,385)	103	Council meetings depend on the number of the applications

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EWURA CONSUMER CONSULTATIVE COUNCIL

									received by EWURA from the service providers requesting changes in some aspects of their activities. The number of meetings in the FY 2017-2018 were more than expected.
Councillors Capacity Building	102,000,000	0	102,000,000	102,000,000	-	100			
Regional Committees Activities	586,687,000	0	586,687,000	591,021,980	(4,334,980.43)	101			The increase of Council activities (more than planned)
Total Operating Expenditure	1,613,289,629		1,613,289,629	1,581,425,784	31,863,844.76	98			
Total Expenditure (A+B)	2,291,224,764		2,291,224,764	2,259,291,776	31,932,988	99			

EWURA CONSUMER CONSULTATIVE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018****1. Reporting Entity**

The EWURA Consumer Consultative Council (EWURA CCC) was established under section 30 of the Energy and Water Utilities Regulatory Authority Act, 2001 Cap.414 of the Laws of Tanzania. The appointment of the Council members was done by the Minister for Water and Irrigation in September 2005; it became operational in June, 2006 after the appointment of the Chairman of EWURA Board of Directors.

Currently the Council headquarters is at the second floor of Infotech Place building, 565 Kawe, Mwai Kibaki Road. Its postal address is 72175, Dar es Salaam.

Telephone: (+255-22) 2780236; Fax: (+255-22) 2780238.

2. Basis of Preparation

These annual Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) of the International Accounting Standards Board and are consistent with those from the previous year.

The annual Financial Statements are prepared on the historical cost convention. The annual Financial Statements are prepared on a going concern basis.

3. Summary of Significant Accounting Policies

The accounting policies adopted, which are consistent with those of previous years, are shown below.

(i) Foreign Currency Translation

Functional and presentation currency

Items included in the Financial Statements of the Council are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The Financial Statements are presented in Tanzanian Shillings (TZS), which is the Council's functional and presentation currency.

(ii) Transactions and Balances

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

EWURA CONSUMER CONSULTATIVE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018****(iii) Cash and Cash Equivalents**

Cash and bank balances in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less, and is measured at amortized cost. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(iv) Employment Benefits

Employee benefits include salaries, gratuity and other related employment costs. Employee benefits are recognized on accrual basis. Additionally, the Council operate insured (health benefit) plan where contributions are paid to the National Health Insurance Fund (NHIF).

(v) Revenue from Exchange Transactions

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Council and the revenue can be reliably measured. Revenue is reduced for estimated customer returns, rebates and other similar allowances. Incomes collected are accounted for on cash basis. When grants is related to an expense item, it is recognised as income over the year necessary to match the grant on systematic basis to the costs that it is intended to pay.

(vi) Property, plant and equipment

Property, plant and equipment is stated at cost, excluding the costs of day-to-day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of any replacement parts in accordance with the related recognition criteria. Depreciation is calculated on a straight-line basis over the useful life of the assets. The annual rates of depreciation which have been consistently applied are:

Description	Rate
Furniture and Fittings	12.5%
Motor Vehicles	25.0%
Computers	33.3%
Printers	20.0%

The council has adopted the provisions of Section 95 of IPSAS 17 Property, Plant and Equipment.

The carrying values of cash -generating property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. However, no impairment loss has been discovered during 2017/2018 Council's financial statement.

EWURA CONSUMER CONSULTATIVE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018****(Continued)**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of financial performance in the year the asset is derecognised.

The residual values, useful lives and methods of depreciating property, plant and equipment are reviewed, and adjusted if appropriate, at each financial year end.

(ix) Intangible Assets

Intangible assets (consisting of computer software's) are recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets are not capitalized and expenditure is charged against surplus/deficit in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The expected useful life is approximately 5 years.

(x) Provisions

Provisions are recognised when the Council has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Council expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in surplus/deficit net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

EWURA CONSUMER CONSULTATIVE COUNCIL

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

(Continued)

(xi) Inventories

Inventories are stated at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition, are accounted for as follows:

- Raw materials-purchase cost on first in first out basis; first out basis.
- Stationeries and other consumables- cost is determined on first in first out
- Finished goods and work in progress- cost of direct materials and labour and a proportion of manufacturing overheads based on normal capacity but excluding borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

(xii) Investments and other Financial Assets

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. No any transaction has been made during the period.

After initial measurement loans and receivables are carried at amortised cost using the effective interest method less any allowance for impairment. Gains and losses are recognised in surplus/deficit when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

Judgments

In the process of applying the Council's accounting policies, management has made the following judgment, apart from those involving estimations, which has the most significant effect on the amounts recognised in the financial statements:

Determination of the useful lives of property, plant and equipment
Management uses reasonable judgment in determining the useful lives and hence depreciation rates of the items of property, plant and equipments.

EWURA CONSUMER CONSULTATIVE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018 CONTINUED

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

	Office Equipment	Electronic Data Processing Equipment	Office Furniture & Fittings	Motor Vehicles	Total
	TZS	TZS	TZS	TZS	TZS
COST					
At July 1, 2017	37,687,216	46,139,856	73,541,930	151,436,511	308,805,513
Additions	38,760,640	41,500,707	7,788,000		88,049,347
At June 30, 2018	76,447,856	87,640,563	81,329,930	151,436,511	396,854,860
ACCUMULATED DEPRECIATION					
At July 1, 2017	34,647,216	34,451,280	46,411,552	151,436,511	266,946,559
Prior year adjustment					
Charge for the Year	8,512,128	12,353,810	9,315,804	-	30,181,742
At June 30, 2018	43,159,344	46,805,090	55,727,356	151,436,511	297,128,301
NET BOOK VALUE					
At June 30, 2018	33,288,512	40,835,473	25,602,574	-	99,726,559
At June 30, 2017	3,040,000	11,688,576	27,130,378	-	41,858,954

The Property, Plant and Equipment as at 30th June 2018 have 8 items of Office equipment with total cost of TZS 33,887,216.00, 6 items of Electronic Data Processing Equipment of total cost value of TZS 11,526,680.00 and 1 Motor Vehicle with cost value of TZS 151,436,511.13 which have been fully depreciated but still in use.

EWURA CONSUMER CONSULTATIVE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018
CONTINUED****NOTE 6: RECEIVABLES**

	30.06.2018	30.06.2017
	TZS.	TZS.
Staff Loan Fund Receivables	93,867,788	100,889,448
Staff Salary Advances	-	10,229,212
Other Internal Receivables	34,381,371	1,400,000
Receivable from EWURA	129,171,698	129,031,298
TOTAL	257,420,857	241,549,958

NOTE 7: CASH AND BANK BALANCES

	30.06.2018	30.06.2017
	TZS.	TZS.
Rent Security Deposit	5,141,939	5,141,939
Bank Balances [CRDB 01J1030697200]	(40,570,011)	21,143,275
Bank Balance II [CRDB 0150030697201]	120,253,668	204,157,881
Bank Balance III [CRDB 0150030697200]	73,286,215	73,724,739
Bank Balance IV [RCC Bank Accounts]	11,491,272	6,897,647
Cash	22,637,964	-
TOTAL	192,241,047	311,065,480

EWURA CONSUMER CONSULTATIVE COUNCIL**NOTE 8: SALARIES, WAGES AND EMPLOYEE BENEFITS**

	30.06.2018	30.06.2017
	TZS	TZS
Staff Salaries	364,722,740	348,315,397
Gratuity	90,380,500	87,289,071
Medical Expenses	10,874,159	9,558,832
Housing Allowance	71,560,118	68,665,737
Transport Allowance	35,950,000	34,950,000
Leave Expenses	30,955,252	28,830,148
Staff Welfare	31,086,380	28,830,148
Airtime	33,345,000	37,903,500
Utility & Entertainment	5,400,000	5,400,000
Skills Development Levy	11,249,325	-
Compensation Fund	3,591,843	-
TOTAL	689,115,317	649,742,833

EWURA CONSUMER CONSULTATIVE COUNCIL

NOTE 9: OPERATING EXPENSES

	30.06.2018 TZS	30.06.2017 TZS
Local Conference	79,812,800	112,881,469
Oversee Conference	74,813,800	81,304,853
Familiarization Visitations	48,800,000	1,000,000
Public Enquiries/Hearings	25,080,000	42,248,680
Regional Committees	591,039,208	360,774,767
Technical Meetings	233,020,638	91,889,642
Public Awareness Program	217,694,620	288,112,014
Advertisement Expenses	-	5,221,500
Membership Subscription	-	100,000
Telephone , Fax , internet & Website	10,681,524	11,653,421
Councilors Fees	64,950,000	9,659,000
Council Meetings	8,950,000	8,709,000
Motor Vehicle - Fuel & Maintenance	20,665,334	14,459,216
Maintenance Of Office Equipment	2,332,413	663,800
Office Rent	108,657,484	114,619,400
Stamps & Postages	3,888,862	7,642,276
Local Travel (Taxi)	7,817,000	10,719,213
Newspapers	1,664,000	1,681,650
Printing & Stationeries	9,778,250	6,676,320
Office General Expenses	13,007,200	6,484,600
Office Entertainment Expenses	13,140,298	13,014,324
Audit Fee	24,731,000	20,000,000
Electricity	6,428,418	3,904,330
Annual Reports Preparations	-	16,982,640
Inter CCC meetings	-	2,297,358
Bank charges	3,223,609	-
	1,570,176,459	1,232,699,473

EWURA CONSUMER CONSULTATIVE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE, 2018
(Continued)**NOTE 10: INVENTORY**

The Council procured office stationeries in June 2018 of which the large amount remained as inventory at the year end.

	30.06.2018	30.06.2017
	TZS	TZS
Ream Paper	-	250,000
Cartridges & Tonner	1,500,000	3,120,000
Others	1,690,000	2,055,000
TOTAL	3,190,000	5,425,000

NOTE 11: ACCRUED GRATUITY ACCOUNT

Council employees are recruited on the contract basis whereby at the end of each contract, tenure employees are paid gratuity as required by law. The Council maintains a provision where the gratuity for each employee is kept each month.

	30.06.2018	30.06.2017
	TZS	TZS
Accrued Gratuity	110,170,107	148,186,743

NOTE 12: TRADE AND OTHER PAYABLES

	30.06.2018	30.06.2017
	TZS	TZS
National Health Insurance Fund (NHIF)	1,626,260	1,626,260
Workers Compensation Fund (WCF)	1,810,460	-
TSN Supermarket	-	2,301,000
TOTAL	3,436,720	3,927,260

EWURA CONSUMER CONSULTATIVE COUNCIL**NOTE 13: PREPAYMENTS**

	30.06.2018	30.06.2017
	TZS	TZS
Juma Waziri Ndiyumviye (Dodoma)	1,200,000	-
Summar Emporium (Morogoro)	2,000,000	-
Mrs. N.J. Fernandez (Mtwara)	3,000,000	-
Nyanza Coop. Union (Mwanza)	4,365,000	-
TOTAL	10,565,000	-

NOTE 14: REVENUE

Revenue was the sum of quarterly budget grants provided by EWURA to enable the Council to meet its operations.

	30.06.2018	30.06.2017
	TZS	TZS
Revenue	2,291,224,764	1,985,968,001

NOTE 15: CASH PAYMENT FOR EXPENSES

	30.06.2018	30.06.2017
	TZS	TZS
Staff Salaries and Employment Benefit	689,115,317	649,742,833
Operating Costs	1,366,749,859	1,037,513,151
Capacity Building and Familiarization	203,426,600	195,062,122
Change in receivables	15,870,899	142,528,107
Change in prepayments	10,565,000	-
Change in inventory	(2,235,000)	(1,215,000)

EWURA CONSUMER CONSULTATIVE COUNCIL

Change in Accrued Gratuity	38,016,636	(34,667,992)
Change in trade creditors	490,540	(3,927,260)
TOTAL	2,321,999,850	1,985,035,961

NOTE 16: CAPITAL COMMITMENTS

The Council had no capital commitments as at 30th June, 2018.

NOTE 17: CONTINGENT LIABILITIES

There were no contingent liabilities as at 30th June, 2018.

NOTE 18: COMPARATIVE FIGURES

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

NOTE 19: RELATED PARTY DISCLOSURE

The related party disclosure is as per International Public Sector Accounting Standard No.20 (IPSAS 20).

The EWURA Consumer Consultative Council consists of seven members appointed by the Minister. The Members are responsible for operation of the Council. Key Management personnel were four

PAYEE	2017/2018 TZS	2016/2017 TZS
Councillors Fee	64,950,000	9,659,000
Councillors Allowance	48,800,000	35,502,000
Key management personnel	244,713,427.20	190,094,340

EWURA CONSUMER CONSULTATIVE COUNCIL

NOTE 20: PROVISION FOR STAFF WITHHOLDING TAX

Council used to deduct withholding tax on 17% of the staff loan as required by law at that time. When that part of legislation ceased to operate the tax deducted was held as a provision.

	30.06.2018	30.06.2017
	TZS	TZS
Provision for staff loan withholding tax	-	1,026,213

NOTE 21: POWER OF THE COUNCIL

Under EWURA Act Cap.414 the Council has power to make its own rules for regulating its procedure and other matters relating to its functions **Sec.30 (5)**

NOTE 22: PROCUREMENT SERVICES

The Council continued to consult and channel all procurement activities through EWURA tender board for the whole year ended 30th June 2018.



EWURA Consumer Consultative Council
Kawe Beach, Plot No. 565,
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