REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS OF THE SACIDS - AFRICA CENTRE OF EXCELLENCE FOR INFECTIOUS DISEASES OF HUMANS AND ANIMALS IN SOUTHERN AND EAST AFRICA (SACIDS-ACE) PROJECT UNDER SOKOINE UNIVERSITY OF AGRICULTURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

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AR/SACIDS/SUA/2018

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Abbreviations and Acronyms

AAU	Association of Africa Universities
ACE II	Eastern and Southern Africa Higher Education Centres of Excellence
ARC-OVI	ARC-Onderstepoort Veterinary Institute in South Africa
BecA	Biosciences Eastern and Central Africa
BOT	Bank of Tanzania
CAG	Controller and Auditor General
CoP	Community of Practice
CUHAS	Catholic University of Health and Allied Sciences
DLI	Disbursement Linked Indicator
DLR	Disbursement Linked Result
DODRES	Disease Outbreak Detection and Response in East and Southern Africa
FAO	Food and Agriculture Organization
IAS	International Accounting Standards
IDA	International Development Association
ILRI	International Livestock Research Institute
INTOSAI	International Organization of Supreme Audit Institutions
ISA	International Standards on Auditing
ISSAIs	International Standards of Supreme Audit Institutions
IUCEA	Inter-University Council for East Africa
KEMRI	Kenya Medical Research Institute
KIST	Korea Institute of Science and Technology
LIDC	London International Development Centre
LSHTM	London School of Hygiene and Tropical Medicine
MoU	Memorandum of understanding
MUHAS	Muhimbili University of Health and Allied Sciences
NICD	National Institute for Communicable Diseases in South African
NIMR	National Institute of Medical Research
RVC	Royal Veterinary College
SACIDS	Southern African Centre for Infectious Disease Surveillance
SUA	Sokoine University of Agriculture
TAWIRI	Tanzania Wildlife Research Institute
TPI	The Pirbright Institute
TVLA	Tanzania Veterinary Laboratory Agency

TZS	Tanzania Shillings
UEM/EMU	Eduardo Mondlane University
UNIKIN	University of Kinshasa
UNZA	University of Zambia
UVRI	Uganda Virus Research Institute

1.0 GENERAL INFORMATION

1.1. Vision, Mission and Core Values

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 behavior, 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, 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.

Audit Objectives

The main of carrying out the audit is to obtain reasonable assurance about whether the SACIDS-ACE project special purpose financial statements as a whole are free from material misstatement, whether due to fraud or error and are prepared in accordance with an applicable financial reporting framework; and whether agreements, laws and regulations have been complied with. In particular to:

- verify and confirm whether the SACIDS-ACE complies with the terms of the Agreements, Procurement Laws and Regulations, and Operational Guidelines and Report on any weakness detected;
- ascertain whether all necessary project documents, records and accounts have been kept in respect of Centre's activities;
- verify the correctness of accounting transactions including reconciliation of receipts and payments by the bank;
- determine whether the special purpose financial statements have been prepared in accordance with the relevant accounting policies and the requirements of the project agreements and
- Verify whether all funds have been properly collected and used according to the appropriate Budget and Plans.

1.2. Mandate

The statutory duties and responsibilities of the Controller and Auditor General are given under Article 143 of the Constitution of the URT of 1977 (revised 2005) and in Sect. 10 (1) of the Public Audit Act No.11 of 2008. The Controller and Auditor General is the statutory Auditor of SUA by the virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under Section 9 of the Public Audit Act No.11 of 2008. Further Schedule 2B (3) of the Financing Agreement for ACE II projects between the Recipient (Government of the United Republic of Tanzania) and the International Development Association "the association" insists on recipient to cause the Eastern and Southern African Higher Education Institutions to have their Financial Statements audited; and for that matter, the recipient's auditor is the Controller and Auditor General.

1.3. Audit Scope

The audit was carried out in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) and other audit procedures as were deemed appropriate under the circumstances. This covered the evaluation of the effectiveness of the financial accounting system and internal control over various activities of the SACIDS-ACE Project.

The audit was conducted on a sample basis; therefore, the findings are confined to the extent that records, documents and information requested for the purpose of the audit were made available to me. Audit findings and recommendations arising from the examination of the accounting records, appraisal of the activities as well as evaluation of the Internal Control System which requires management's attention and actions, are set out in the management letter issued separately to the management of SACIDS-ACE Project under SUA.

As auditor, I am not required to specifically search for fraud and therefore, my audit cannot be relied upon to disclose all such matters. However, my audit was planned in such a way that I would have reasonable expectations of detecting material errors and misstatement in the special purpose financial statements resulting from irregularities including fraud. The responsibility for detection, prevention of irregularities and the maintenance of an effective and adequate system of internal control rests with the management of the SUA.

1.4. Audit Methodology

My audit approach included tests of the accounting records and other procedures in order to satisfy the audit objectives. My audit procedures included the following:

- Planning the audit to identify and assess risks of material misstatement, whether due to fraud or error, based on an understanding of the SACIDS-ACE project Agreements, Performance and Funding Agreement, Project Appraisal Document, Implementation Plan, Memorandum of Understanding, SUA Financial Regulations, Legislations and other documents as was deemed necessary under the circumstances, including the project's internal controls.
- Obtain sufficient appropriate audit evidence about whether material misstatements exist, through designing and implementing appropriate responses to the assessed risks.
- examination of receipts and payments to confirm compliance with the financial regulations and other instructions or directives;
- review of the internal Control structure by assessing significant policies, procedures and determine its adequacy;
- Review of the SACIDS-ACE annual accounts;
- conduct compliance tests on the system of procurement, contracts and their execution as well as stores management;
- conducting interviews and discussions;
- submit final Management letter and audited special purpose financial statements to SACIDS-ACE;
- Form an opinion on the special purpose financial statements based on conclusions drawn from the audit evidence obtained.

PROJECT MANAGEMENT REPORT FOR THE 18 MONTHS PERIOD ENDED 30 JUNE, 2018

2.0 INTRODUCTION

2.1 BACKGROUND OF THE PROJECT

The SACIDS Africa Centre of Excellence for Infectious Diseases of Humans and Animals in Southern and East Africa (SACIDS-ACE) is project that was designed with a focus of applying principles of molecular biology or analytical epidemiology in the One Health context to better understand and manage infectious diseases. The idea is to see results through the efficient use of research platform for Centre students and fellows that are designed to address disease problems that the Southern African Development and East African Communities (SADC and EAC) have identified as priorities, and/or that pose profound threats to global health security. The Centre's students and fellows examine host-pathogen interactions in southern and East African ecosystems, paying particular attention to development challenges such as food security, poverty, gender and the needs of marginalised communities. The Centre's research is in three strands, each grouped into theme clusters operating as Communities of Practice (CoP). The coordination of the 3 clusters is shared between SUA, MUHAS and NIMR whereby SUA has been mandated to coordinate the Cluster addressing Viral Diseases that Threaten Human Health, Food Security and Livelihoods, MUHAS mandated to coordinate the Cluster addressing Bacterial Zoonoses, Antimicrobial resistance and Neglected Tropical Infectious Diseases that cause chronic disease and disability, with severe health, economic and social consequences that impact on the quality of life and livelihoods in low income or marginalized communities, especially women, children and people with disability; while SUA and NIMR are mandated with the Cluster that address Community Level One Health Security, with a focus on rural, remote, cross-border and marginalized communities. SUA also provides the molecular biology competence for SACIDS-ACE.

The Project's Vision:

An African society protected from infectious diseases affecting the health of humans, animals, and ecosystems, thereby promoting livelihoods and socio-economic development including market access and the environment.

The Project's Mission

To harness science, technology and innovation to improve Africa's capacity in detection, identification and monitoring of infectious diseases to better manage the risks posed by them.

The Project's Goal:

To develop effective African research capacity for infectious diseases through collaborative and jointly funded research programmes with a focus on African problems but in the context of global agenda.

2.2 The specific objectives of the ACE II Project are to:-

i. Build institutional capacity to provide quality post-graduate education with relevance to the labour market, including, *inter alia*, updating curricula of existing programs or creating new education programs to meet the development challenge; meeting benchmarks for quality.
ii. Build institutional capacity to conduct high quality applied research, relevant to addressing a key development challenge/priority, including, *inter alia*, faculty development and staff training, fellowships and post-doctoral studies, networking activities with national and international partners, hosting and participating in conferences, research equipment and materials and laboratory refurbishment/rehabilitation, research dissemination, knowledge and technology transfer, and patenting or other intellectual property rights related activities.
iii. Develop and enhance partnerships with other academic institutions (national, regional and international) to pursue academic excellence, to raise the capacity of network partners, and to raise the Centre's capacity, including *inter alia*, joint delivery of education programs, faculty exchanges/visiting faculty, joint research and conferences, sharing of specialized equipment and library resources.
iv. Develop and enhance partnerships with industry and the private sector to generate greater impact, to enhance the impact of the ACE on development and increase relevance of said centres on education and research, including, inter alia, industry advisory boards, industry lectures, training of trainers for sector training institutions (such as polytechnics, nursing, teacher or agricultural colleges), joint research, training and other activities to communicate, interact and reach out to civil society, private sector and grassroots communities.
v. Improve governance and management of the institution and setting up a role model for other higher education institutions, to improve monitoring and evaluation, including monitoring of labour market outcomes of graduates, administration, fiduciary management (including financial management (FM), procurement, oversight and capacity), transparency, ability to generate resources, and project implementation; and
vi. Deliver outreach, and create an impact, to society by delivering excellent teaching and producing high quality applied research.

2.3 Principal Financing

2.3.1. Project Duration and the Overall Budget

The project has duration of five years with a total budget of US$ 6,000,000 with implementation plan covering a period from 2016 to 2021 as performance agreements entered between United Republic of Tanzania and World Bank - International Development Association (IDA). However, the terms and conditions of the project allows for solicitation of leverage funding from other sources (externally generated revenue) to support the project objectives. The amount to be obtained from other sources is not fixed as it depends on initiatives undertaken by SACIDS-ACE Project measured through the number of contract entered between the project and other donors across the life span of the project.

2.3.2. Funds Received from World Bank -IDA

During the 18 months period ended 30th June 2018, the project was allocated a total budget of US $ 1,044,898. SUA received a sum of US$ 1,101,870 from the World Bank IDA to cater for the SACIDS_ACE operations.

2.3.3. Externally generated revenue.

During the 18 months period ended 30th June 2018, the project managed to enter into funding agreements with other donors whereby received a sum of US $854,199 from Skoll Global Threats Fund, FAO, AAU and European and Developing Countries Clinical Trials Partnership as shown in note 2 of the statement of receipts and payments.

2.4 Performance and Achievement

During the period under review, the project managed to implement the planned activities after receipts of fund from World Bank-IDA and other development partners. The usages of funds are explained below;

2.4.1 Usage of Funds from World Bank-IDA

For the period of 18 months, the Project spent a sum of **US $ 1,023,001** against the budget of **US $ 1,044,898** that accounts **98** per cent of the budgeted activities of SACIDS-ACE Project in Tanzania, implemented by Sokoine University of Agriculture. Through comparison of the total budget and the actual spending, there was variance of US $ 21,897 as shown in page 29 of this report.

2.4.2 Usage of Externally Generated Revenue

For the period of 18 months the project spent a sum of US $549,329 for the funds received as externally generated revenue from Skoll Global Threats Fund, FAO, AAU and EDTCTP. The spending represents 64% of the amount of US $ $854,199) received as externally generated revenue.

2.4.3. Achievements

Generally, the project spent the sum US $1,572,330 to accomplish the overall activities as per approved work plan and budget. The following activities were accomplished during the 18 months period ended 30th June, 2018 under review:-

i. The Centre fulfilled the objectives under Institutional Readiness as follows:
   a. The establishment of the National Steering Committee (NSC),

b. Signing of performance and funding agreement (PFA) between Ministries of Finance and Ministry of Education, Science and Technology with Sokoine University of Agriculture, and

c. Obtaining a legal opinion on Performance and Funding Agreement (PFA) and financing agreement. This allowed for the first withdrawal application for the achievement of DLRs 1.1 and 1.2 amounting to US$1.1 million of the Credit for SACIDS-ACE. The actual first Disbursement of US$1,101,870 was credited to SACIDS-ACE designated accounts on 18 May 2017.

ii. The Centre has enrolled 16 PhD students and 5 MPhil students, of whom 6 (28.5%) are regional and 9 (43%) female. Seven other PhD students (2 from Rwanda and 5 from Kenya) were enrolled at SACIDS-ACE through the Regional Scholarship and Innovation Fund (RSIF) of the Partnership for skills in Applied Sciences, Engineering and Technology (PASET).

iii. The core partnership of the Centre is SUA, MUHAS and NIMR. The National Partners are CUHAS, TVLA and TAWIRI. The Regional Partners are the NICD, UNZA, UEM/EMU, UNIKIN, the Biomedical Research Institute, Kinshasa, ARC-OVI, South Africa, UVRI, KEMRI and ILRI -BecA, Kenya. Beyond Africa partners are the LSHTMRVC, LIDC, TPI, Ranmore Consulting (UK) and the Policy Institute of King's College, University of London plus a wider international collaboration on a tactical basis. SUA has signed new MoUs with the Association of African Universities, KIST of The Republic of Korea, Shenyang Agricultural University of China, Oswaldo Cruz Foundation - largest Public Health Institute in Latin America and NIMR to enhance research, technological development and capacity building in different fields of the biomedicine and public health.

iv. SACIDS ACE scholars have produced 18 peer-reviewed journal papers prepared collaboratively with regional and international partners.

v. PhD students exchange to promote regional research and teaching was done. This involved; visits to ILRI, Jomo Kenyatta University of Agriculture and Technology, attendance and participation in the Agricultural Connections Workshop held at the BecA-ILRI hub, two SACIDS ACE PhD students registered at MUHAS and attended a two weeks workshop on Transferable Skills at SUA, conducted PhD and MPhil students induction workshop.

vi. Managed to sign agreements amounting to US $2,529,773.66 for external revenue generation out of which US $854,199 has been received.

vii. SUA participates in the Partnership of Applied Sciences, Engineering and Technology (PASET) benchmarking exercise.

viii. The project has successfully accomplished 3 Disbursement Linked Results (DLRs) including: DLR 3.1 Timely withdrawal application supported by financial reporting on the ACE account for the period; DLR 3.2 Functioning audit committee under the university council; and DLR 3.3 Functioning internal audit unit for the university.

ix. Done with the review of MSc One Health Molecular Biology (OHMB) curriculum and submission at the project level for national accreditation by Tanzania Commission of Universities (TCU). The curriculum review is at the level of the Senate.

x. Initiated e-learning and enhanced use of ICT facilities at SUA with special focus on MSc OHMB. The platform is already in place and training of its utility is ongoing.

xi. Conducted scoping workshop, curriculum development and delivery of Research Leadership and Management skills short courses.

xii. Conducted 10 students based researches.

xiii. Appointment of Centre Secretariat staff and setting up operations for programme coordination, finance, Training and Research, IT, procurement, Communications, programme quality assurance and internal Monitoring & Evaluation.

xiv. Attended the National Steering Committee Meeting held on 22 April 2017 at Sokoine University of Agriculture

xv. Attended Africa-China-World Bank Forum, Beijing and Shanghai, July 10-15, 2017.

xvi. Managed to restructure and operationalize the SACIDS website.

xvii. Managed to revise the Communication Strategy.

xviii. A monthly newsletter (TechnoHealth), which focuses primarily on disease events and disease surveillance initiatives, has been developed.

xix. The SACIDS has managed to participate in exhibitions and workshops such as the 6th East African Community (EAC) Health and Scientific Conference & International Health Exhibition and Trade Fair held in Bujumbura, Republic of Burundi on 29 - 31 March 2017; Sokoine Memorial Week Exhibition on 10 - 12 April 2017 in Morogoro; and

xx. SACIDS ACE prepared and submitted July - December 2017 Monitoring and Evaluation (M&E) progress reports to the RFU/IUCEA.

2.5 Management Structure

SUA manages the SACIDS-ACE program, with the Centre Leader from SUA, the Deputy Centre Leader cum Principal Investigator from SUA and the second Deputy Centre Leader from MUHAS providing centre leadership and management, supported by a dedicated Secretariat.

2.6. Audit Mandate

The Controller and Auditor General is the statutory Auditor of Sokoine University of Agriculture by the virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under Section 9 of the Public Audit Act No.11 of 2008. Further Schedule 2B (3) of the Financing Agreement for ACE II projects between the Recipient (Government of the United Republic of Tanzania) and the International Development Association "the association" insists on recipient to cause the Eastern and Southern African Higher Education Institutions to have their Financial Statements audited; and for that matter, the recipient's auditor is the Controller and Auditor General.

BY ORDER OF THE COUNCIL

Prof. Esron D Karimuribo
Director of Postgraduate Studies, Research, Technology Transfer and Consultancy

Date: 31/05/2019

2.7. DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING FOR THE 18 MONTH PERIOD ENDED 30 JUNE 2018

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

It is the duty of a Professional Accountant to assist the University Council/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 Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of project financial statements rests with the University Council as Par part 16.1 of the project implementation plan 2016-2020.

I Peter Wilson being the Head of Finance/Accounting of Sokoine University of Agriculture hereby acknowledge the responsibility of ensuring that financial statements of the SACIDS-ACE for the 18 month period ended 30 June 2018 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements comply with applicable accounting standards and statutory requirements as on that date and that they have been prepared based on properly maintained financial records.

....
Peter Wilson

Position: Ag.Chief Financial Officer

NBAA Membership No.: ACPA 2081

Date: 31/05/2019

INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

3.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

To: **Chairman of the University Council,**
Sokoine University of Agriculture,
P.O. Box 3000,
MOROGORO.

RE: Report of the Controller and Auditor General on the audit of special purpose financial statements of the SACIDS- Africa Centre of Excellence for Infectious Diseases of Humans and Animals in Southern and Eastern Africa (SACIDS ACE) for the 18 Months period ended 30 June 2018

Introduction

I have audited the special purpose financial statements of SACIDS- Africa Centre of Excellence for Infectious Diseases of Humans and Animals in Southern and Eastern Africa (SACIDS ACE) Project under Sokoine University of Agriculture which comprise the statement of receipts and payments for the 18 months period ended 30 June 2018, a summary of significant accounting policies and other explanatory information which are set out from pages 14 to 30.

Opinion

In my opinion, the accompanying special purpose financial statements present fairly, in all material respects, the cash Receipts and Payments of the SACIDS ACE Project under implementation of SUA for the 18 months period ended 30 June 2018, in accordance with the accounting policies described in note 1 to the financial statements and requirements of the Project Agreement.

Basis of Accounting and Restriction on Distribution and Use

Without modifying my opinion, I draw attention to note 1 to the special purpose financial statements, which describes the basis of accounting. The special purpose financial statements are prepared to assist Sokoine University of Agriculture's (SUA) SACIDS Africa Centre of Excellence for Infectious Diseases of Humans and Animals in Southern and Eastern Africa (SACIDS-ACE) project to comply with the financial reporting provisions of the SACIDS-ACE Project funding agreement. As a result, the special purpose financial statements may not be suitable for another purpose.

This report is intended solely for information and use of management of Sokoine University of Agriculture ("SUA"), IUCEA, Ministry of Finance and Planning, Ministry of Education, Science and Technology and the World Bank and should not be distributed to or used by parties other than SUA, IUCEA, Ministry of Finance and Planning, Ministry of Education, Science and Technology and the World Bank.

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 special purpose financial statements section of my report. I am independent of SUA 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.

Other Information
The University Management is responsible for other information. The other information comprises the project management Report and the Declaration by the Head of Finance but does not include the special purpose financial statements and our auditor's report thereon.

My opinion on the project special purpose 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 special purpose financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the special purpose 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 special purpose financial statements of the project for the current period. These matters were addressed in the context of my audit of the special purpose financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. Based on the audit performed and having regard to the audit evidence obtained, I have determined that there are no key audit matters to communicate in my report.

Management Responsibility for the Financial Statements
Management of SUA is responsible for the preparation and fair presentation of the project statement of cash receipts and payments in accordance with the basis of accounting described in note 1 to the special purpose financial statements and requirements of the Project Agreement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the special purpose financial statements that are free from material

misstatement whether due to fraud or error, selecting and applying appropriate accounting policies that are reasonable in the circumstances.

In preparing the special purpose 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.

Responsibility of the Controller and Auditor General

My objectives are to obtain reasonable assurance about whether the special purpose 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 as amended in 2016 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.

Compliance with the Public Procurement Act No.7 of 2011 as amended in 2016

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, SACIDS ACE Project under SUA procurement transactions and processes have generally complied with the requirements of the Public Public Procurement Act No.7 of 2011 as amended in 2016 and its underlying Regulations of 2016.

Prof. Mussa J. Assad
CONTROLLER AND AUDITOR GENERAL

National Audit Office
Dar es Salaam, Tanzania

June, 2019

STATEMENT OF RECEIPTS AND PAYMENTS

	Notes	18 month period
		USD
Receipts		
Receipts from World Bank-IDA		1,101,870
Receipts from Skoll Global Threats Fund		561,112
Receipts from FAO		8,000
Receipts from European Developing Countries (EDCTP)		236,087
Receipts from Association of Africa Universities (AAU)		49,000
Total Receipts	2	1,956,069
Payments		
Output 1: Learning Excellence	3	316,967
Output 2: Research Excellence	4	169,310
Output 3: Programme Quality Assurance	5	134,817
Output 4: Equity Dimension	6	23,516
Output 5: Attracting Academic staff and students from the region	7	65,044
Output 6: National and Regional Academic Partners	8	43,840
Output 8: Management and Governance	9	257,743
Output 9: Monitoring and Evaluation System	10	11,764
DODRES Expenditure	11	541,331
FAO Expenditure	12	7,998
		1,572,330
Excess of Receipts over payment		383,738
Represented by:		
Cash and Cash Equivalent	13	283,767
Receivables	14	103,568
Payables	15	-3,597
Fund balance as at 30.06.2018		383,738

The statement of receipts and payments on pages 12 to 23 was approved for issue by management of Sokoine University of Agriculture on ____________________ and signed on its behalf by:

Prof. R. T. Chibunda **Vice Chancellor**	Prof. Esron D Karimuribo **Director of Postgraduate Studies, Research, Technology Transfer and Consultancy**	Prof. G.Misinzo **Project Coordinator**	Mr. Peter Wilson **Ag.Chief Financial Officer**

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

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

(a) Basis of preparation

The special purpose financial statements are prepared on the modified cash basis of accounting to accrue for outstanding payables whose supporting documents (e.g. invoices and/or service agreements) were received and approved before or on the last day of the accounting period but had not been paid.

(b) Revenue recognition

Revenues are recorded when credited to the Project's bank account. Unspent fund balances at the end of one accounting period are carried forward as income in the subsequent accounting period.

(c) Expenditure

Expenditure is recognised when incurred. Project funds are only used for approved budget activities that are in accordance with the objectives of the grant and the Project.

(d) Imprests

The term imprests is used to cover project related advances, being funds disbursed to individuals, with the purpose of incurring expenditure on approved budgeted activities on behalf of the Project. Imprests are recognised as expenditure when accounted for.

(e) Accounts receivable

Amounts refundable to the Project are recognised if their recoverability is virtually certain.

(f) Fixed assets

Fixed assets are not capitalised but are recorded as payments after the receipt of the assets or when payment has been made, whichever occurs earlier. The list of assets procured for the 18 months period ended 30th June, 2018 has been attached as Appendix 2 of this report T.

1. ACCOUNTING POLICIES (CONTINUED)

(h) Foreign currency translation (continued)

Functional currency is the currency of which the Project operates as per Financing Agreement. The functional currency is United States Dollar (US $). The special purpose financial statements are presented in US $.

All receipts and payments are made in USD. For the case of demand note/payments prepared in local currency, the payments are effected prior to translation of the transaction (s) using the prevailing exchange rate of TZS against US $ at that particular date.

For presentation purposes, receipts are shown in the original amounts of USD received during the year. Payments during the period, accounts receivable, accounts payable and cash balance at the end of the accounting period are also shown in US $.

(i) Payables

Payables are unpaid invoices and/or service agreements whose supporting documents were received and approved before or on 30 June 2018, which was the last day of the accounting period, but were settled subsequently.

2. TOTAL PROJECT RECEIPTS

Date	Receipt No	Details	18 month period (US $)
18-May-17	994389	International Development Association-WB	1,101,870
Subtotal			1,101,870
27-Apr-17	988831	Skolls Global threat funds	449,960
19-Aug-17	1003878	Skolls Global threat funds	21,965
31-Aug-17	1026183	Skolls Global threat funds	21,965
02-Dec-17	1007359	Skolls Global threat funds	33,497
05-Dec-17	1007360	Skolls Global Threat funds	33,725
Subtotal			561,112
26-Feb-18	1039696	Food And Agriculture Organization (FAO)	5,000
26-Feb-18	1039697	Food And Agriculture Organization (FAO)	3,000
Subtotal			8,000
31-May-18	1055337	European Developing Countries (EDCTP)	236,087
20-Jun-18	1055338	Association of Africa Universities (AAU)	49,000
Total Receipts			1,956,069

	18 Month Period
3 OUTPUT 1: LEARNING EXCELLENCE	**US $**
1.1 Review of OHMB Curriculum	
Fuel Diesel and Lubricant Expenses	69
Hotel and Catering Expenses	752
International Travel - DSA	2,734
Local Travel - DSA	598
Repair and Maintenance of Building	714
Responsibility Allowance	101
Subtotal	**4,968**
1.2 A Centre specific PhD programme/curriculum (Co funded by the Wellcome Trust)	
Visa, Residence Permit Expenses	423
International Travel - DSA	642
Hotel and Catering Expenses	1,712
Visa, Residence Permit Expenses	4,628
Local Travel - DSA	750
Responsibility Allowance	6,850
Hotel and Catering Expenses	6,780
Subtotal	**21,765**
1.3 Developing e-learning content and enhance use of ICT Facilities in Learning	
Honorarium Expenses	7,690
Hotel and Catering Expenses	2,845
Local Travel - DSA	7,948
Stationery and consumable Expenses	4,065
Telephone/Telex/Fax Expenses	134
Transport and Vehicle Hire Expenses	479
Workshops ,Seminars & Conferences Expenses	467
Subtotal	**23,628**
1.4 Recruit 8 MPhil/ResMSc; Stipends,Research fund and Registration	
Student Stipend Expenses	13,500
Tuition Fees	5,201
Subtotal	**18,701**
1.5 Recruit 15 PhD; Stipend, Research fund and Registration	
Student Stipend Expenses	78,750
Tuition Fees	20,611
Local Travel - DSA	3,602
Subtotal	**102,963**

NOTES (CONTINUED)

	18 Month Period
3 OUTPUT 1: LEARNING EXCELLENCE	US $
1.6 Induction workshop for PhD students and supervisors	
Advertising and Promotion Expenses	1,112
Fuel Diesel and Lubricants Expenses	772
Hotel and Catering Expenses	5,186
Local Travel - DSA	4,507
Transport and Vehicle Hire Expenses	1,365
Travelling costs (Air Ticket)	8,722
Workshops, Seminars & Conference	3,890
Subtotal	**25,554**
1.7 Procure equipment, reagents and consumables	
Clearing and Forwarding Expenses	4,418
Cellular Phones	2,310
Computer Set	11,800
Office Equipment	2,591
Computer and Computerization	1,662
Stationery and consumable Expenses	1,510
Printer	1,169
Laptop Computer	12,948
Sample analysis	3,127
Subtotal	**41,535**
1.8 Scoping workshop, curriculum development and delivery of research	
Workshops, Seminars & Conference	42,026
Travelling costs (Air Ticket)	1,979
Consultancy Expenses	13,938
Fuel Diesel and Lubricants Expenses	95
Hotel and Catering Expenses	5,530
Local Travel - DSA	1,831
Office Furniture	1,771
Other Exhibition Expenses	1,820
Responsibility Allowance	7,754
Transport and Vehicle Hire Expenses	823
Visa, Residence Permit Expenses	286
Subtotal	**77,853**
GRAND TOTAL	**316,967**

		18 month Period
4	**OUTPUT 2: RESEARCH EXCELLENCE**	US $
	2.1 Research conduct reinforced with Postdoctoral Fellows. Set up student based research for Postdocs, PhD and MPhil in line with the SACIDS	
	Tuition Fees	1,560
	Student Stipend Expenses	7,050
	Subtotal	**8,610**
	2.2 International Travel for Centre Leaders, CoP Leaders and academics including participation/presentation at scientific conferences	
	Fuel Diesel and Lubricants Expenses	485
	Hotel and Catering Expenses	18,855
	International Travel - DSA	14,499
	Stationery and Consumable Expenses	100
	Transport and Vehicle Hire Expenses	1,642
	Local Travel - DSA	15,356
	Travelling costs (Air Ticket)	62,649
	Visa, Residence Permit Expenses	1,850
	Workshops, Seminars & Conference	6,092
	Subtotal	**121,528**
	2.3 Refurbishing teaching labs at Dept of Microbiology - SUA	
	Office equipment	1,140
	Stationery and Consumable Expenses	31
	Subtotal	**1,171**
	2.4 Engage 2 Post Docs; Stipends, Research Funds	
	Field Research Assistant's Support	3,012
	Fuel Diesel and Lubricant	703
	Local Travel - DSA	1,410
	Purchase of Small tools Expenses	136
	Research Supplies for students	5,878
	Student Stipend Expenses	24,000
	Subtotal	**35,139**

2.5 Publishing research findings

Documentation, Publication and Dissemination	2,862
Subtotal	2,862
GRAND TOTAL	169,310

5 OUTPUT 3: PROGRAM QUALITY ASSURANCE

3.1 Trans-disciplinary inception workshop

	US $
Hotel and Catering Expenses	25,257
Local Travel - DSA	9,923
Transport and Vehicle Hire Expenses	1,715
Travelling costs (Air Ticket)	5,970
Workshops, Seminars & Conference	9,315
Subtotal	52,180

3.2 Quarterly Executive Team meeting

Local Travel - DSA	961
Transport and Vehicle Hire Expenses	2,300
Telephone/Telex/Fax Expenses	51
Office Tea ,Bites and Soft drinks Expenses	223
Hotel and Catering Expenses	2,447
Subtotal	5,982

3.3 Oversee and coordinate quality assurance strategy for centre budget

Principal Investigator Research Expenses	42,900
Subtotal	42,900

3.4 ISAB twice a year (once year dedicated; 2nd mtg a year shared)

Local Travel - DSA	5,793
Travelling costs (Air Ticket)	4,554
Transport and Vehicle Hire Expenses	3,350
Fuel Diesel and Lubricants Expenses	1,606
Other Exhibition Expenses	1,674
Car Park Expenses	102
Advertising and Promotion Expenses	2,422
Hotel and Catering Expenses	14,255
Subtotal	33,756
GRAND TOTAL	134,817

NOTES (CONTINUED)

6 OUTPUT 4: EQUITY DIMENSION

4.1 Engage the public and policy makers in the region

	US $
Local Travel - DSA	1,614
Transport and Vehicle Hire Expenses	134
Other Exhibition Expenses	4,015
Consultancy Expenses	6,000
Advertising and Promotion Expenses	11,753
GRAND TOTAL	23,516

7 OUTPUT 5: ATTRACTING ACADEMIC STAFF AND STUDENTS FROM THE REGION

US $

5.1 Enrol 5 Mphil/MSc; Stipend, Research fund and Registration

Student Stipend Expenses	4,500
Tuition Fees	4,575
Subtotal	9,075

5.2 Enrol 7 PhD; Stipend, Research fund and Registration

Student Stipend Expenses	26,250
Tuition Fees	29,575
Local Travel - DSA	144
Subtotal	55,969
GRAND TOTAL	65,044

8 OUTPUT 6: NATIONAL AND REGIONAL ACADEMIC PARTNERS

6.1 Undertake a scoping workshop, curriculum development and delivery of Research Leadership and Management skills course

Responsibility Allowance	41,760
Travelling costs (Air Ticket)	1,580
Visa, Residence Permit Expenses	500
GRAND TOTAL	43,840

NOTES (CONTINUED)

9 OUTPUT 8: MANAGEMENT AND GOVERNANCE — US $

8.1 Support Centre operation costs: Salaries for Administration staff and Contribution to secretariat & Departmental operational costs

	US $
Advertising and Promotion Expenses	5,711
Bank Charges and Commissions	6,076
Basic Salary for contractual staff	215
Car Park Expenses	9
Computer and Computerization	149
Documentation, Publication and Dissemination	753
Fuel Diesel and Lubricants Expenses	5,074
Hotel and Catering Expenses	10,192
International Travel - DSA	501
Interview Expenses	834
Laptop Computer	3,790
Local Area Network (LAN) Expenses	1,350
Local Travel - DSA	22,525
Office cleaning for staff expense	700
Other Exhibition Expenses	2,718
Postage and Registers Expenses	189
Principal Investigator Research Expenses	19,500
Repair and Maintenance of equipment	1,251
Responsibility Allowance	19,651
Service and maintenance of motor vehicle	11,870
Staff Training and Development	282
Stationery and consumable Expense	2,427
Telephone/Telex/Fax Expenses	8,571
Transport and Vehicle Hire Expenses	2,334
Travelling costs (Air Ticket)	2,689
Visa, Residence Permit Expenses	134
Workshops, Seminars & Conference Expenses	1,965
Subtotal	**131,460**

8.2 Appoint Centre Secretariat staff and set up operations for programme coordination, finance, Training and Research Officer, IT,

	US $
Basic Salary for contractual staff	101,812
NSSF Employer's Contribution	10,918
SUA Health Funds Employer's	1,519
Responsibility Allowance	11,819
Repair and Maintenance of equipment	215
Subtotal	**126,283**
GRAND TOTAL	**257,743**

NOTES (CONTINUED)

		Actual US $
10	**OUTPUT 9: MONITORING AND EVALUATION SYSTEM**	
	9.1 Carrying out Monitoring (And control auditing of partners)	
	Internal Audit & Verification Expenses	6,078
	Subtotal	**6,078**
	9.2 Contribute to Cost of National Steering Committee	
	Local Travel - DSA	570
	Hotel and Catering Expenses	846
	Workshops, Seminars & Conference	4,270
	Subtotal	**5,686**
	GRAND TOTAL	**11,764**

		US $
11	**EXPENDITURE FOR DODRES**	
	Equipment (phones, computers, chargers) to support training (general disease surveillance)	
	Cellular Phones	29,822
	Documentation, Publication and Dissemination Expenses	571
	Subtotal	**30,393**
	Personnel	
	Basic Salary for contractual staff	17,439
	NSSF Employer's Contribution	326
	SUA Health Funds Employer's	68
	Responsibility Allowance	46,875
	Principal Investigator Research Expenses	29,250
	Skolls Project (NIMR) Collaborative Institution expenses	73,919
	Monitoring and Evaluation Expenses	600
	Subtotal	**168,477**
	SUA Institutional overhead (Agreed %)	
	Institutional Overhead Fees	40,909
	Subtotal	**40,909**
	System Analysts salary	
	Basic Salary for contractual staff	9,875
	NSSF Employer's Contribution	1,931
	Responsibility Allowance	1,325
	SUA Health Funds Employer's Contribution	145
	Subtotal	**13,276**

Technology lead and software engineer

Basic Salary for contractual staff	30,763
NSSF Employer's Contribution	2,607
SUA Health Funds Employer's	224
Responsibility allowance	3,000
Subtotal	**36,594**

Workings (Activities engaged directly with DODRES team)

Advertising and Promotion Expenses	6,412
Bank Charges and Commissions	1,995
Basic Salary for contractual staff	10,353
Cellular Phones	367
Electricity Bills	1,277
Fuel Diesel and Lubricants Expenses	3,122
Hotel and Catering Expenses	3,266
Local Travel - DSA	60,427
Monitoring and Evaluation Expenses	9,730
Purchase of Small tools Expenses	17
Security Services Expenses	182
Stationery and consumable Expenses	12,383
Transport and Vehicle Hire Expenses	1,616
Workshops, Seminars & Conference Expenses	29,384
Subtotal	**140,531**

Training Cholera support control in New Areas

Fuel Diesel and Lubricants Expenses	796
Hotel and Catering Expenses	7,935
Local Travel - DSA	80,398
Telephone/Telex/Fax Expenses	6,153
Institutional Overhead Fees	11,115
Workshops, Seminars & Conference Expenses	4,755
Subtotal	**111,152**
GRAND TOTAL	**541,331**

12 EXPENDITURE FOR FAO

Travel and Field Work

Local Travel - DSA	7,074
Transport and Vehicle Hire Expenses	758
Telephone/Telex/Fax Expenses	166
GRAND TOTAL	**7,998**

NOTES (CONTINUED)

13 SUMMARY FOR CASH AND CASH EQUIVALENT

	US $
SACIDS-ACE CRDB Balance	158,944
SACIDS-ACE BoT Balance	124,824
GRAND TOTAL	**283,768**

14 RECEIVABLE

	US $
Deposit and prepayment*	15,410
Inter-departmental debtors**	88,158
TOTAL	**103,568**

*The receivable represents amount paid to supplier for purchases of project computers which were not delivered as at 30th June 2018. However the computers were subsequently delivered on September 2018 via GRN No. 67862.

**The interdepartmental debtor with SUA SACIDS SSTF to the amount wrongly paid by the SACIDS-ACE II Bank Account No.0250076969800 instead of the SUA SACIDS SSTF Bank Account No.0250076769869. The amount was refunded back on 17th July, 2018.

15 PAYABLE

	US $
Sundry Payables	3,597
TOTAL	**3,597**

*The payables represents amount due to Action garage for motor vehicle maintenance. The payment was effected in October 2018 via cheque No.000586

ANNEX 2: A LIST OF PROJECT FIXED ASSETS PROCURED FOR THE 18 MONTHS PERIOD ENDED 30TH JUNE, 2018

DESCRIPTION OF OUTPUT	Sub- component	Estimated Budget (US$) Jan 2017_Dec 2017	Expenditure For 18 months period ended 30 June 2018	Variance (US$)	%	Explanation for Variance
OUTPUT 1: LEARNING EXCELLENCE	Review of MSc. One Health Molecular Biology (OHMB) curriculum and submit for national accreditation by Tanzania Commission of Universities (TCU)	7,000	4,968	2,032	29	Review of MSc. One Health Molecular Biology (OHMB) curriculum is still on-going. TCU requires convening of a Stakeholders meeting to discuss the curriculum. The remaining funds are planned for meeting the stakeholders' consultations, TCU submission costs and convening to address comments from TCU.
	A Centre specific PhD programme/curriculum (Co funded by the Wellcome Trust)	15,900	21,765	- 5,865	- 37	Development of the centre specific PhD Programme/curriculum involved consultations with national, regional and international Centre partners e.g. The Royal Veterinary College and Pirbright Institute of the UK. Travel to UK by the Centre experts led to the variation. The interaction with UK partners enabled the development of Centre specific PhD Hand Book, Code of Practice, PhD Student's Log Book and Code of Conduct for Staff.
	Initiating the Development of e-learning content and enhance use of ICT facilities in learning at SUA with special focus on One Health and Molecular Biology	26,100	23,628	2,472	9	The Development of e-learning content and enhance use of ICT facilities in learning at SUA with special focus on One Health and Molecular Biology is on-going. The remaining funds will be used to purchase ICT facilities in learning software and hardware.
	Recruit 8 MPhil/Research MSc students	39,341	18,701	20,639	52	The recruited MPhil/Research MSc students spent the first six months developing concept note and research proposals before embarking on their research work. Therefore the budgeted research funds were not fully utilized during reporting period ending 30th June, 2018. The remaining funds will meet the research costs for students.
	Recruit 15 PhD students	115,719	102,963.2	12,756	11	The recruited PhD students spent the first six months developing concept note and research proposals before embarking on their research work. Therefore the budgeted research funds were not fully utilized. The remaining funds will meet the research costs for

ANNEX 1: STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

DESCRIPTION OF OUTPUT	Sub- component	Estimated Budget (US$) Jan 2017_Dec 2017	Expenditure For 18 months period ended 30 June 2018	Variance (US$)	%	Explanation for Variance
						students.
	Induction workshop for PhD students and supervisors	23,000	25,554	- 2,554	- 11	The PhD programme of the Centre received additional 7 PhD Students supported by the Partnership for skills in Applied Sciences, Engineering, and technology (PASET) Regional Scholarship and Innovation Fund (RSIF). The variation is because the RSIF PASET PhD students took part in the Induction workshop and training of leadership and management skills.
	Procure equipment, reagents and consumables	77,500	41,536	35,964	46	Part of the procurement included the procurement of specialized equipment which required consultation with experts before their purchase in order to order to obtain the appropriate specifications. Specifications of these specialised equipment have been obtained and procurement is underway.
	Undertake a scoping workshop, curriculum development and delivery of Research Leadership and Management skills course	67,000	77,852	- 10,852	- 16	A Scoping workshop, curriculum development and delivery of Research Leadership and Management skills course was partly undertaken during year 1. The remaining funds to implement these activity during year 1 were used along with funds allocated during year 2, leading to these variation.
	Collaborate in the review of MSc courses relevant to the mission of the Centre (i.e. in medical and veterinary epidemiology at Muhimbili University of Health and Allied Sciences (MUHAS) and Sokoine University of Agriculture (SUA)) for national accreditation by TCU	4,000	-	4,000	100	The MSc medical epidemiology at MUHAS and MSc at SUA have been reviewed and approved by the university level, The funds will be used to pay for the submission fee at TCU.

ANNEX 1: STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

DESCRIPTION OF OUTPUT	Sub- component	Estimated Budget (US$) Jan 2017_Dec 2017	Expenditure For 18 months period ended 30 June 2018	Variance (US$)	%	Explanation for Variance
	Engage Laboratory Manager	3,125	-	3,125	100	The Centre has taken advantage of the presence of an excellent experienced Laboratory Manager from USAID-RVF project, Ms Jessica Rowland, to undertake our necessary requirements for the year. The laboratory manager will be recruited.
Sub_Total		378,684	316,967	61,718	16.30	
OUTPUT 2: RESEARCH EXCELLENCE	Conduct a course in Biosafety	30,000		30,000	100	A Biological safety training course for PhD Students was conducted in March 2018. The training included Laboratory Safety, Biological Spills, and Bloodborne Pathogens. It was part of Undertaking a scoping workshop, curriculum development and delivery of Research Leadership and Management skills course activity. Thus, this activity has been implemented. Another high level biosafety training will be conducted in 2019 using the remaining funds.
	Conduct a course in GIS (Subject to co funding by FAO of UN)	5,000		5,000	100	The USD 5,000 expected from FAO of UN were received. The course was not conducted due to the lack of funds.
	Research conduct reinforced with Postdoctoral Fellows. Set up student based research for Postdocs, PhD and MPhil in line with the SACIDS-ACE research strategy.	34,020	43,749	- 9,729	- 29	One of the recruited postdoctoral fellow had qualifications above those targeted during proposal development. The stipend of this postdoctoral fellow, a graduate from Cambridge University and a foreign national from Kenya, was reviewed in order to engage him at the ACE. His monthly stipend was higher than the amount budgeted for. The review of this stipend fro the previous USD 1,500 per month to USD 2,350 per month led to the observed variation.
	Refurbishment of student research training laboratories including upgrade of effluent treatment	136,000	1,171	134,829	99	This activity was unimplemented due to delayed disbursement of fund due to the failure of the IUCEA and the world bank to appoint an independent verifier. The Management plan to continue with refurbishment during the year 2019. At the moment, students and researchers are using the SACIDS Molecular Biology Laboratory, Genome Sciences Laboratory and USAID-RVF Innovation Laboratory to undertake their training and research.

ANNEX 1: STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

DESCRIPTION OF OUTPUT	Sub- component	Estimated Budget (US$) Jan 2017_Dec 2017	Expenditure For 18 months period ended 30 June 2018	Variance (US$)	%	Explanation for Variance
	International Travel for Centre Leaders, CoP Leaders and academics including participation/presentation at scientific conferences	25,000	124,390	- 99,390	- 398	The initial phase of the ACE II program kicked off with a number of international and regional meetings organised by RFU/IUCEA and the World Bank. In addition, the ACE leadership travelled to regional and international partners to build and strengthen partnerships, which has resulted into signing of Partnership Agreements and Memoranda of Understanding, thus fulfilling the disbursement-linked results for partnerships.
Sub_Total		220,020	169,310	56,433	26	
	Inception workshop to refine plan, define and allocate research themes, CoP structures, supervisors/mentors	52,380	52,180	200	0.38	
	Organize quarterly executive team meetings	9,000	5,982	3,018	34	One of the Executive meeting during the year was conducted using we-conferencing, thanks to the ICT facilities at the Centre. This led to the reduced cost of convening and the observed variation.
OUTPUT QULITY ASSURANCE	3. Oversee and coordinate the quality assurance of the Centre	29,250	42,900	- 13,650	- 47	The variance has been caused by implementing the activities of year 1 and 2. The project managed to accomplish the target for year one and did a further step for the output of year 2.
	Organize ISAB meetings	30,750	33,755	- 3,005	- 10	The SACIDS Board and the World Bank/IDA recommended that the ACE on Infectious Diseases at SUA and University of Zambia share a single independent Scientific Advisory Board in order to ensure complementarity of these two Centres and added impact to SADC. The number of ISAB members increased by two (2) to ensure balanced representation from ACEs, gender, scientific area of expertise and continental representation. The additional costs as a results of increased size of ISAB led to the observed variance.
Sub_Total		121,380	134,817	- 13,437	- 11.07	

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ANNEX 1: STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

DESCRIPTION OF OUTPUT	Sub- component	Estimated Budget (US$) Jan 2017_Dec 2017	Expenditure For 18 months period ended 30 June 2018	Variance (US$)	%	Explanation for Variance
OUTPUT 4: EQUITY DIMENSIONS	Engage the public and policy makers in the region	15,000	26,377	- 11,377	- 76	The variance has been caused by implementing the activities of year 1 and 2. The project managed to accomplish the target for year one and did a further step for the output of year 2.
	Sub_Total	15,000	26,377	- 11,377	- 76	
OUTPUT 5: ATTRACTING ACADEMICS STAFF AND STUDENTS FROM THE REGION	Enrol 5 MPhil/ResMSc; Stipends, Research fund and Registration	16,860	9,075	7,785	46	The recruited MPhil/Research MSc students spent the first six months developing concept note and research proposals before embarking on their research work. Therefore the budgeted research funds were not fully utilized. The remaining funds will meet the research costs for students.
	Enrol 7 PhD; Stipend, Research fund and Registration	49,594	55,969	- 6,375	- 13	The tuition fees for the registration of foreign PhD students at MUHAS was unexpectedly higher than that budgeted for i.e. USD11, 390 actual cost compared to budgeted USD 4,500 budgeted.
	Sub_Total	66,454	65,044	1,410	2	

OUTPUT 6: COLLABORATION WITH INTERNATIONAL ACADEMIC PARTNERS	Engage, collaborate and carryout joint research and training activities with partners, publish joint publications, develop and apply joint proposals	26,180	43,840	- 17,660	- 67	The USD 26,180 indicated covered a budget period for Jan - Dec 2017 (12 month) while the USD43,840 indicated cover the period from Jan 2017 to June 2018 (18 month).
	Sub_Total	26,180	43,840	- 17,660	- 67	
OUTPUT 8: MANAGEMENT AND GOVERNANCE	Appoint Centre Secretariat staff and set up operations for programme coordination, finance, Training and Research Officer, IT,	124,435	126,283	- 1,849	- 1	The variance is within an acceptable limit.

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ANNEX 1: STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

DESCRIPTION OF OUTPUT	Sub- component	Estimated Budget (US$) Jan 2017_Dec 2017	Expenditure For 18 months period ended 30 June 2018	Variance (US$)	%	Explanation for Variance
	procurement, Communications Manager programme quality assurance and internal Monitoring & Evaluation					
	Support Center operation costs Salaries for Administration staff and Contribution to secretariat & Departmental operational costs	80,058	131,460	- 51,401	- 64	The variance has been caused by implementing the activities of year 1 and 2. The project managed to accomplish the target for year one and did a further step for the output of year 2.
Sub_Total		204,493	257,743	- 53,250	- 26	
OUTPUT MONITORING AND EVALUATION	9. Carry out monitoring (and control auditing of partners) and Carry out external audit	7,000	6,078	922	13	The variance is within an acceptable limit.
	Contribute to cost of National Steering Committee	5,686	5,686	-	-	
Sub_Total		12,686	11,764	922	7	
GRAND TOTAL		1,044,898	1,023,001	21,897	2.10	

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ANNEX 1: STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL EXPENDITURE FOR THE 18 MONTHS PERIOD ENDED 30 JUNE 2018

SNO	Category	Asset Description	Asset No	Asset Location	Acquisition Date	Purchase Amount (USD)
1	Equipment	Air Condition	65371	SUA/0066/012	02-03-18	1,163
2	Furniture	Cupboard	65558	SUA/0735/008	30-06-18	886
3	Furniture	Cupboard	65559	SUA/0735/008	30-06-18	886
4	Equipment	Photocopy Machine	64888	SUA/0066/004	29-01-18	2,568
5	Computers and Accessories	Printer	64887	SUA/0735/006	29-01-18	390
6	Computers and Accessories	Printer	64889	SUA/0066/110	29-01-18	390
7	Computers and Accessories	Printer	64890	SUA/0066/115	29-01-18	390
8	Computers and Accessories	Computer Desktop iMac	65648	SUA/0081/201	18-04-18	5,900
9	Computers and Accessories	Computer Desktop iMac	65649	SUA/0065/113	18-04-18	5,900
						18,472