REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA

ISO 9001:2015 Certified

NATIONAL AUDIT OFFICE

NATIONAL KISWAHILI COUNCIL

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2024

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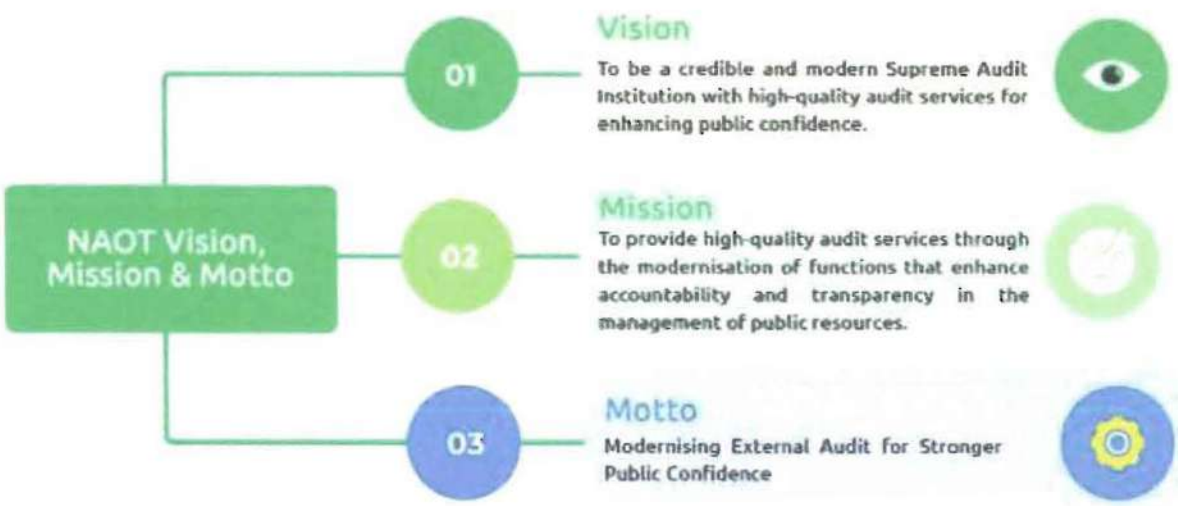
March 2025

AR/PA/BAKITA/2023/24

About the National Audit Office

Mandate

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



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ABBREVIATIONS

AR	Audit Report
BAKITA	Baraza la Kiswahili la Taifa
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
NBAA	National Board of Accountants and Auditors
PA	Public Authorities
URT	United Republic of Tanzania

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Hon. Chairman of the Board,
National Kiswahili Council,
P.O. Box 4766,
Dar es Salaam.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of National Kiswahili Council, which comprise the statement of financial position as at 30 June 2024, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of National Kiswahili Council as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

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

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

Key Audit Matters

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1Compliance with the Public Procurement Laws

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

I performed a compliance audit on procurement of goods, works and services in the National Kiswahili Council for the financial year 2023/24 as per the Public Procurement Laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of National Kiswahili Council is generally in compliance with the requirements of the Public Procurement Laws of Tanzania.

1.2.21.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the National Kiswahili Council for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

Conclusion

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

Charles E. Kichere
Controller and Auditor General
Dodoma, United Republic of Tanzania.
March 2025

2.0 THE REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024

2.1 INTRODUCTION

The Executive Council has the pleasure in submitting its report, together with the audited financial statements of the Council for the year ended 30 June 2024. The report highlights the Council's work relationships with its stakeholders as well as its financial performance.

2.2 COUNCIL INFORMATION

The National Kiswahili Council is established by an Act of Parliament Act No.27 of 1967 (Amended 1983 &2016). The Council is under the supervision of Ministry of Culture, Arts and Sports.

2.3 VISION OF THE COUNCIL

To be an institution which is capable legally, financially and which is recognized nationally and internationally in coordinating and promoting development of Kiswahili language.

2.4 MISSION OF THE COUNCIL

To promote the use of standard Kiswahili within and outside the nation in cooperation with other stakeholders.

FUNCTIONS OF THE COUNCIL

According to the Act of Parliament No. 27 Section 4 of 09 August 1967 as repealed by Act no. 7 of 1983 & 2016 the Council has the following responsibilities:

1) To promote the development and usage of standard Kiswahili throughout the United Republic of Tanzania;
2) To co-operate with other bodies in the United Republic of Tanzania which are concerned to promote the Kiswahili language and to endeavour co-ordinate their activities;
3) To encourage the use of Kiswahili language in the conduct of official business and public life generally;
4) To encourage the achievement of high standards in the use of Kiswahili language and to discourage its misuse;
5) To co-operate with the authorities concerned in establishing standard Kiswahili translations of technical terms;
6) To publish a newspaper or a magazine concerned with the Kiswahili language and literature; and
7) To provide services to the Government, public authorities and individual authors writing in Kiswahili with respect to the use of Kiswahili language.

2.5 ORGANISATION STRUCTURE

The day-to-day activities of the Council are managed by the Secretary General who is the Chief Executive Officer. The Secretary General is accountable to the Executive Council which is obliged to meet at least once in every three months and is the highest policy making body of the Council.

2.6 COMPOSITION OF THE EXECUTIVE COUNCIL

The composition of the Executive Council includes elected members. It is led by a chairperson elected by the Minister responsible of Culture, Arts and Sports. However, for this particular financial year there was no Board because the last Board's tenure ceased on 23January 2021. The following new Board members were all appointed on 26 November 2024:

S/N	Name	Position	Qualification	Age	Date of appointment	Nationality
1.	Prof. Martin Mhando	Chairperson	PhD in Screen Studies	72	26 November 2024	Tanzanian
2.	Mr. Francis W Kayachile	Member	Masters of Law (LLM)	43	26 November 2024	Tanzanian
3.	Dr. Victor Elia	Member	PhD (Journalism & Mass Com.)	46	26 November 2024	Tanzanian
4.	Dr. Mwanahija A Juma	Member	PhD Kiswahili Isimu	52	26 November 2024	Tanzanian
5.	Mr. Ivan B Tarimo	Member	Msc Finance	39	26 November 2024	Tanzanian
6.	Dr. Jabhera Matogoro	Member	PhD in Telecom Engineering		26 November 2024	Tanzanian
7.	Ms. Nyakaho M Mahemba	Member	ACCA, MBA (Finance), ADA	46	26 November 2024	Tanzanian

2.7 SOLVENCY EVALUATION

The Government has no intention to cease its subventions to the Council. Therefore, nothing has come to the attention of the management to indicate that the Council will not operate as a going concern in the foreseeable future.

2.8 EMPLOYEE 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.

Employees are members of Public Service Social Security Fund (PSSSF). The Government through Treasury contributes 15% of basic salary of each employee to the fund while employees contribute 5% of their salaries. During the year the total amount of TZS 135,891,000 was contributed to PSSSF compared to the previous year TZS 125,262,600. The Council operates an insured (health benefit) plan where contributions are paid to the National Health Insurance Fund (NHIF), employees contribute 3% of their gross salary. During the year the total amount of TZS 27,178,200 was contributed to NHIF compared to the previous year TZS 25,052,520.

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.

2.9 FINANCIAL POSITION

i) Overview of the financial position

	2023/24	2022/23	Change
	TZS' Million	TZS' Million	%
Property, plant and equipment	1,760	1,842	-4%
Current assets	156	71	119%
Total liabilities	195	153	28%
Net assets	1,720	1,760	-2%

ii) Property, plant and equipment (PPE)

The slight 4% decrease in PPE from previous year is primarily due to depreciation charge during the year given that acquisition of capital assets was insignificant.

iii) Current assets

The 119% increase in total current assets from last year is mainly attributed to increase in cash and cash equivalents from TZS 39 million to TZS 133 million which was occasioned by a delay in receipt of Development Funds which were transferred to the Council towards the financial year end, whereas other current assets (accounts receivable and inventory balances remained more or less the same).

iv) Total liabilities

The 28% increase in total liabilities from previous year is due to a tight cash flow situation which resulted in a delay in meeting the Council's obligations as they fell due.

v) **Net assets**

Net assets decreased by 2% from TZS 1.76 billion down to TZS 1.72 billion. In this regard, the balances have remained more or less at the same level.

2.10 FINANCIAL PERFORMANCE

i) Overview of financial performance / results

Details	2023/24 TZS' Million	2022/23 TZS' Million	Change %
Revenue: from non-exchange transactions	1,569	1,495	5%
Revenue: from exchange transactions	477	356	34%
Salaries, wages and employee benefits	1,651	1,393	19%
Supplies and consumables	276	234	18%
(Deficit) / Surplus	(39)	20	-293%

ii) Revenue from non-exchange transactions

Revenue from non-exchange transactions experienced a slit 5% increase due to salary review.

iii) Revenue from exchange transactions

Revenue from exchange transactions was more or less as budgeted.

iv) Salaries, wages and employee benefits

The 34% increase from rom previous was attributed to salary revisions, per diems for upcountry and foreign trips and extra duties performed in tis this year more than in the previous year.

v) Supplies and consumables

The 18% increase was occasioned by expenditure on conference facilities, meals and printing incurred during the International Broadcasting Conference and Celebration of Kiswahili International Day these costs were initially budgeted to be borne by the Ministry of Culture, Arts and Sports.

vi) Surplus

During the year, the Council sustained a deficit of TZS 39 million (2022/23: surplus of TZS 20 million), mainly because the Council received lower subvention, by TZS 133 million, for operational expenses.

2.11 IMPLEMENTATION OF THE PLAN AND BUDGET 2023/24

The Council planned to implement activities worth TZS 2.04 billion, the actual achievements of implementation was TZS 1.96 billion equals to 95% of the entire budget. The setting of the plan was based on bottom-up approach, where by all stakeholders from the lower level were given equal opportunities to participate in the whole budgeting process to plan their needs according to priority and available scarce resources.

Main achievements for the financial year 2023/24 were as follows:

i) The Council conducted World Kiswahili Day in Zanzibar.
ii) The Council opened Kiswahili centres in Tanzania Embassies in the following countries: France, Turkey, Switzerland and Comoro;
iii) The Council conducted training for capacity building to diaspora in teaching Kiswahili to foreigners in the following countries: France, Turkey, Switzerland and Comoro;
iv) Conducted International Broadcasting Conference from 18 March to 22 March 2024 in Mbeya;
v) Radio and Television programmes were conducted as planned;
vi) Continued teaching Kiswahili to foreigners and having Kiswahili examinations for foreigners;
vii) The Council wrote and printed two books of three languages: "Kiswahili-English-French & Kiswahili - English-Arabic";
viii) A database for Kiswahili experts was developed. For the year 2023/24 a total of 651 Kiswahili experts were registered in that database to make a grand total of 1,817 experts;
ix) The Council provided consultancy services to the Government and the public in translations, writing, editing and publishing with respect to Kiswahili;
x) Seminar for members of mass media on the proper use of Kiswahili was conducted as planned;
xi) Teaching of tutors for Kiswahili as a foreign language was conducted;
xii) The Council conducted training for capacity building to Interpeters;
xiii) The Council continued to develop Kiswahili corpus by adding 1,000,000 words; and
xiv) The Council conducted language proficiency testing.

Implementation of Procurement Plan

For the financial year 2023/24, the Council planned to use TZS 17.6 million for rehabilitation of buildings and procuring computers and ICT related devices and furniture. The actual expenditure for rehabilitation of buildings and procuring computers and furniture was TZS 8 million.

2.12 FUTURE PLANS OF THE COUNCIL

In the next financial year, the Council shall strive to at least have full powers and statutory authority to supervise and coordinate development of Kiswahili language within and outside Tanzania. It is the intention of the Council to enhance its operations in order to improve its sources of revenue and advertise its activities out of dependence from the central government funding. Also, the Council is striving to ensure that there exists good working environment for its staff in general by rehabilitating the new building with enough space at Kijitonyama as well as acquiring up to date equipment like computers and printing press.

The following are the plans for the financial year 2024/25:

i. To standardize Kiswahili terminologies;
ii. Commercialisation of Kiswahili within the country and worldwide;
iii. To conduct International Kiswahili Day;
iv. To conduct International Kiswahili symposium to be held in Havana-Cuba;
v. Rehabilitation of one building;
vi. To prepare and conduct radio and televisions programmes;
vii. To recognize & register Institutions and Centres which teach Kiswahili to foreigners;
viii. To conduct seminars for members of mass media on the proper use of Kiswahili radio, newspaper and television for six regions;
ix. To conduct capacity building to interpreters with well advanced instruments installed at the Council offices;
x. To conduct capacity building to teachers of Kiswahili for foreigners and to run seminars for strengthening the teaching skills of Kiswahili teachers for foreigners and capacity building of translators; and
xi. To conduct five classes abroad for teaching Kiswahili for foreigners in collaboration with Diasporas/Ambassadors.

2.13 COUNCIL SOCIAL RESPONSIBILITIES

Special need

The Council upholds its policy of being a socially responsible organization. The Council has implemented a responsibility scheme as a way of interacting with the society. The Council fulfils its core functions of promoting the development and usage of standard Kiswahili throughout Tanzania and to participate fully in the establishment of Kiswahili Commission for East Africa.

Gender

The Council ensures gender balancing in all its managerial and other day to day responsibilities. BAKITA has 43 permanent employees, out of these men are 23 and women are 20.

Environment

The Council ensures that all publication works undertaken are environmentally friendly and all other Council's activities meets the BAKITA environment regulations. BAKITA has been doing translations of different environmental documents, journals and other publications from different languages into Kiswahili and it has also been conducting media programmes for environmental conservations.

HIV/AIDS

The Council has been joining hands with the nation in the fight against HIV/AIDS. The Council provides in-house education to its staff. The Council is currently compiling terminologies for the HIV/AIDS specialised dictionary.

2.14 AUDITORS

The Controller and Auditor General (CAG) is the statutory auditor of National Kiswahili 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, Cap 418. However, pursuant to section 33(1) of the Act, Philip & Co (Certified Public Accountants- Public Practice) were authorized to carry out Audit of National Kiswahili Council on behalf of the Controller and Auditor General for the financial year ended 30 June 2024.

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date 12/03/25

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The National Kiswahili Council Financial Rules and Regulations, 2018 requires The National Kiswahili Council management to prepare Financial Statements of the Council for each financial year, as at the end of the financial period that gives a true and fair view of the state of affairs of the Council for that period.

The Board of Directors confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made in the preparation of the financial statements for the year ended 30 June 2024. The Board of Directors also confirms that the International Public Sector Accounting Standards (IPSAS) have been followed and that the financial statements have been prepared on the going concern basis.

The Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and which enable them to ensure that the financial statements comply with the National Kiswahili Council Regulations. They are also responsible for safeguarding the assets of the Council and hence taking reasonable steps for the prevention and detection of fraud, error and other irregularities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Procurement of goods, works, consultancy, and non-consultancy services to the extent that they are reflected in these financial statements have been done in accordance with the Public Procurement Act, CAP 410.

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date 12/03/25

4.0 DECLARATION OF THE DIRECTOR OF CORPORATE SERVICES OF THE NATIONAL KISWAHILI COUNCIL

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 Executive Council 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.

I, **CPA Hans H. Mbella**, being the Director of Corporate Services of National Kiswahili Council hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 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 in all material respect, the financial position, financial performance and cash flows of the National Kiswahili Council (BAKITA) as at 30 June 2024, in accordance with the International Public Sector Accounting Standards (IPSAS) and that they have been prepared based on properly maintained financial records.

Name: CPA Hans H. Mbella

Signature: ____________

Position: Director - Corporate Services

NBAA Membership No.: ACPA 2637

Date: 12/03/2025

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

ASSETS	NOTES	2023/24 TZS	2022/23 TZS
Current Assets			
Cash and cash equivalents	5	132,730,962	39,158,751
Accounts receivable	6	6,464,000	14,573,000
Inventory	7	16,503,608	17,085,772
Total Current Assets		**155,698,570**	**70,817,523**
Non-Current Assets			
Property, plant and equipment	8	1,759,911,504	1,842,463,137
TOTAL ASSETS		**1,915,610,074**	**1,913,280.660**
LIABILITIES			
Current Liabilities			
Accruals and payables	9	122,796,270	80,553,222
Long Term Liabilities			
Loan	10	72,555,000	72,555,000
TOTAL LIABILITIES		195,351,270	**153,108,222**
NET ASSETS		1,720,258,804	**1,760,172,438**
NET ASSETS / EQUITY			
Taxpayers' fund		1,772,621,500	1,772,621,500
Accumulated deficit		(52,362,696)	(12,449,062)
NET ASSETS		1,720,258,804	**1,760,172,438**

Notes are an integral part of the financial statements which were approved by the Executive Council and authorized for audit and signed on its behalf by:

Prof. Martin Mhando
Chairman

Date 12/03/25

Consolata P. Mushi
Executive Secretary

5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30JUNE 2024

	NOTES	2023/24 TZS	2022/23 Restated TZS
Revenue			
Revenue from non-exchange transactions	11	1,569,071,100	1,494,672,215
Revenue from exchange transactions	12	477,875,935	355,764,950
Fair value gains on assets	19	391,000	-
Total revenue		**2,047,338,035**	**1,850,437,165**
Expenses			
Cost of sales	13	5,412,164	5,215,918
Salaries, wages & employee benefits	14	1,650,747,726	1,392,646,243
Direct expenses	15	18,290,000	50,068,667
Supplies and consumables	16	276,363,369	233,869,269
Maintenance expenses	17	18,704,291	22,424,067
Expected credit loss on cash	18	1,618,006	190,202
Expected credit loss on receivables	19	-	1,327,000
Audit fees		25,600,000	25,600,000
Depreciation	8	90,516,113	98,432,780
Total expenses		2,087,251,669	**1,829,774,146**
(Deficit) / Surplus for the year		**(39,913,634)**	**20,663,019**

Notes are an integral part of the financial statements which were approved by the Executive Council and authorized for audit and signed on its behalf by:

Prof. Martin Mhando
Chairman

Date 12/03/25

Consolata P. Mushi
Executive Secretary

5.3 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	NOTES	2023/24 TZS	2022/23 TZS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Revenue from non-exchange transactions	20(a)	1,569,071,100	1,494,672,215
Revenue from exchange transactions	20(a)	486,375,935	347,264,950
Total receipts		**2,055,447,035**	1,841,937,165
Payments			
Cost of books sold	20(b)	3,016,000	4,840,800
Salaries, wages & employee benefits	20(c)	1,625,832,726	1,405,211,243
Direct expenses	20(d)	18,290,000	50,068,667
Supplies and consumables	20(e)	256,746,659	203,394,725
Maintenance expenses	20(f)	15,775,531	22,044,048
Audit fees	20(g)	32,631,420	24,557,000
Total cash payments		**1,952,292,336**	**1,710,116,483**
Net cash inflows from operating activities		103,154,699	131,820,682
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	8	(7,964,480)	(110,651,523)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans repayment	20(h)	-	-
Net change in cash and cash equivalents		**95,190,219**	**21,169,159**
Cash and cash equivalents:			
At the beginning of the period	5	**39,348,951**	**18,179,792**
At the end of the period	5	**134,539,170**	**39,348,951**

Notes are an integral part of the financial statements.

Prof. Martin Mhando
Chairman

Date 12/03/25

Consolata P. Mushi
Executive Secretary

5.4 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

	Taxpayer Fund	Accumulated Surplus/ (Deficit)	TOTAL
		TZS	TZS
Balance As At 1 July 2022	1,772,621,500	(33,112,081)	1,739,509,419
Surplus for the Year	-	20,663,019	20,663,019
Balance As At 30 June 2023	**1,772,621,500**	**(12,449,062)**	**1,760,172,438**
Balance As At 1 July 2023	1,772,621,500	(12,449,062)	1,760,172,438
Deficit for the Year	-	(39,913,634)	(39,913,634)
Balance As At 30 June 2024	**1,772,621,500**	**(52,362,696)**	**1,720,258,804**

Notes are an integral part of the financial statements.

Prof. Martin Mhando
Chairman

Date 12/03/25

Consolata P. Mushi
Executive Secretary

5.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 024

	Notes	Original Budget {A}	Reallocation/ Adjustments	Final Budget {B}	Actual on Comparable Basis {C}	Difference {C-B}	Percentage of Difference
Revenue							
Revenue from non-exchange transactions	20(a)	1,546,741,000	-	1,546,741,000	1,569,071,100	22,330,100	1%
Revenue from exchange transactions	20(a)	480,228,000	-	480,228,000	486,375,935	6,147,935	1%
Total Revenue		**2,026,969,000**	-	**2,026,969,000**	**2,055,447,035**	**28,478,035**	1%
Payments							
Cost of books sold	20(b)	5,000,000	-	5,000,000	3,016,000	1,984,000	40%
Salaries, Wages & Employee Benefits	20(c)	1,697,771,000	-	1,697,771,000	1,625,832,726	71,938,274	4%
Direct expenses	20(d)	8,000,000	-	8,000,000	18,290,000	(10,290,000)	-129%
Supplies and consumables	20(e)	247,798,000	-	247,798,000	256,746,659	(8,948,660)	-4%
Maintenance expenses	20(f)	18,000,000	-	18,000,000	15,775,531	3,024,469	16%
TR Contribution		8,000,000	-	8,000,000	-	8,000,000	100%
Audit Fees	20(g)	24,000,000	-	24,000,000	32,631,420	(8,631,420)	-36%
Acquisition of property, plant, and equipment	5	17,600,000	-	17,600,000	7,964,480	9,635,620	55%
Total Payments		**2,026,969,000**	-	**2,026,969,000**	**1,960,256,816**	**66,712,184**	3%
Net Payments		-	-	-	95,190,219	95,190,219	

Explanations on Budget and Actual Variance are in Note 21.
Notes are an integral part of the financial statements.

5.6 NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2024

1. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

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. The annual financial statements are prepared on a going concern basis.

The annual budget is prepared on cash basis, and the budget period is 12 months ended 30 June 2024.

New Standards, Amendments, and Interpretations

IPSAS 41 is the only new standard that was taken into consideration when preparing the financial statements for assessing Expected Credit Losses (ECL) financial instruments. Otherwise, there was no any other new standards issued that have effects on financial statements of the BAKITA for the year 2023/24.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 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.

3.2 Employment benefits

Employee benefits include salaries, pensions and other related - employment costs. Employee benefits are recognized on accrual basis.

The Council operates a defined contribution plan. Employees are members of PSSSF. The Government through Treasury contributes for each employee out of the basic salary. Additionally, the Council operate insured (health benefit) plan where contributions are paid to the National Health Insurance Fund (NHIF).

3.3 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 accrual basis. When grants are related to an expense item, it is recognised as revenue over the year necessary to match the grant on systematic basis to the costs that it is intended to pay.

3.4 Government grants and development funds

Government grants with conditions are recorded as capital fund on receipt and released to the statement of financial performance upon utilization. Government grants without conditions are recognised in the statement of financial performance in the period in which they are received.

3.5 Services-in-kind (if any) are not recognised as revenue but are disclosed in the financial statements.

3.6 Subvention from Treasury

Subvention comprises of funds received from Treasury to cater for operational costs. These are credited to the statement of financial performance in the period in which they are received.

3.7 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 as provided below.

Table 6: Depreciation rates of property, plant and equipment

These rates are as per Council's financial regulations.

Description	Rate	Years
Land	NIL	
Buildings	2%	50
Plant and machinery	10%	10
Furniture, fixture and equipment	10%	10
Motor vehicles	20%	5
Computer hardware	20%	5

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 2023/24in the National Kiswahili Council financial statements.

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 de-recognition 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.

3.8 Intangible assets

Intangible assets (consisting of computer's software) are recognised 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.

3.9 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.

3.10 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; and
- 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

3.11 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.

3.12 Financial risk management

The overall risk management focuses on unpredictable financial markets and is aimed at minimizing potential adverse effects on the council's financial performance. The final responsibility of the council's risk management is primarily vested in the hands of the Executive council. Management has a duty of developing and maintaining adequate operational and financial internal control systems.

a) Liquidity Risk Management

The Council has a prudent liquidity risk management procedures policy through maintaining sufficient cash to cover committed credit facilities and working capital requirements as budgeted in each financial year based on the approved funds disbursed to the council from the Government, donors as well as own generated funds.

Maturity profile of non-derivative financial liabilities based on the contractual cash flows, including Loans due to Books publication contracts as follows:

YEAR 2024	Carrying amount TZS	Contractual cash flows TZS	Within 1 Year TZS	More than 1 Year TZS
Longhorn Publishers Plc	12,314,000	12,314,000	1,814,000	10,500,000
Books Publishers contract	72,555,000	72,555,000	-	72,555,000
Total	**84,869,000**	**84,869,000**	**1,814,000**	**83,055,000**

There is low liquidity risk on the amounts due to related parties, as settlement can be rearranged and terms of obligations can be renegotiated by virtue of the parties 'relationship, and at under arm's length. Low liquidity risk is also attached to the accruals and other payables the Council ensures that they are followed up and settled immediately when they fall due.

b) Credit Risk Management

The potential credit risk involves short-term cash and receivables which are managed as follows:

Cash and cash equivalents

The Council may deposit with Banks of high credit reputation its short- term surpluses. Cash and cash equivalents are short term highly liquid investments that are readily convertible to known amount of cash and which are subject to insignificant risk of changes in value. Cash and cash equivalents are carried in the Statement of Financial Position as reduced or increased by allowance of Expected Credit Loss (ECL). For the purpose of Statement of Cash flow, cash and cash equivalents comprise of cash in hand and deposit on call/specific short time without any encumbrances. Since there is a change of policy from the one used in 2022/23 where Cash and cash equivalents were carried in the Statement of Financial Position at face value, the 2022/23 are re-stated to accommodate ECL.

Receivables

The Council's receivables mainly constitute of office rent. The management of the Council endeavors to ensure that the tenants pay the rental bills intact and promptly. Receivables are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. However, a loss allowance is calculated at each reporting date using The ECL model. This model is updated on monthly basis to accommodate any event that might cause significant increase in credit risks on financial asset. The term 'expected credit loss' does not imply that losses are anticipated, rather, there is recognition of the potential risk of loss.

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:

For 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 equipment.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

5 CASH AND CASH EQUIVALENTS

	30 June 2024 TZS	30 June 2023 TZS
Petty Cash	-	1,182,907
NMB Bank House A/C 20101100005	5,437,500	4,930,000
NMB Bank House A/C 20101100019	91,213,314	16,305,650
Provision for Expected Credit Loss - Cash	(1,808,208)	(190,202)
BOT A/C9925262681	37,888,356	16,930,396
Total	132,730,962	39,158,751

5.1 COMPUTATION OF EXPECTED CREDIT LOSS ON CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents for the year ended 30 June 2024 have been affected by the adoption of the IPSAS 41 - Financial Instruments which require the provision for the Cash and Cash Equivalents for the amount reported in Statement of Financial Position, making difference amount reported in Statement of Financial Position and that reported in Statement of Cash Flow. The calculation is based on the bank rated probability of default and the Loss Given Default, which according to the regulations when the bank defaults, the deposit will be able to recover up to TZS.7, 500,000 only. The Impact of IPSAS 41 has been reported retrospectively. This also has restated the opening balance carrying amount of Cash and Cash Equivalent for the financial year 2022/23 from TZS.39,348,953 to TZS.39,158,751 after charging the ECL of TZS.190,202.

CASH AND CASH EQUIVALENT BALANCES AS AT 30 June 2024

ACCOUNT NAME	BANK	BALANCE (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D = ABC	A - D
BAKITA NMB COLLECTION ACCOUNT	NMB	5,437,500	-	-	-	5,437,500
BAKITA EXPENDITURE ACCOUNT	NMB	91,213,314	2.16 %	91.78 %	1,808,208	89,405,106
BAKITA BOT COLLECTION ACCOUNT	BOT	37,888,356	-	-	-	37,888,356
TOTAL		134,539,170			1,808,208	132,730,962

CASH AND CASH EQUIVALENT BALANCES AS AT 30 JUNE 2023

ACCOUNT NAME	BANK	BALANCE (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D = ABC	A - D
PETTY CASH	SAFE	1,182,907	-	-	-	1,182,907
BAKITA NMB COLLECTION ACCOUNT	NMB	4,930,000	-	-	-	4,930,000
BAKITA EXPENDITURE ACCOUNT	NMB	16,305,650	2.16%	54%	190,202	16,115,448
BAKITA BOT COLLECTION ACCOUNT	BOT	16,930,396	-	-	-	16,930,396
TOTAL		39,348,953			190,202	39,158,751

6 ACCOUNTS RECEIVABLE

	30.06.2024	30.06.2023
	TZS	TZS
Rent receivable	7,400,000	15,900,000
Expected Credit Loss	(936,000)	(1,327,000)
Net amount	6,464,000	14,573,000

6.1 ACCOUNTS RECEIVABLE

COMPUTATION OF EXPECTED CREDIT LOSS FOR 2023/24

DAYS	BALANCE (EAD)	ECL RATE	ECL	CARRYING VALUE
	A	B	C	D=A-C
1 - 30 Days	1,700,000	3%	51,000	1,649,000
31-90 Days	1,700,000	5%	85,000	1,615,000
Over 90 Days	4,000,000	20%	800,000	3,200,000
TOTAL	7,400,000		936,000	6,464,000

COMPUTATION OF EXPECTED CREIDT LOSS FOR 2022/23

DAYS	BALANCE (EAD)	ECL RATE	ECL	CARRYING VALUE
	A	B	C	D=A-C
1 - 30 Days	3,400,000	3%	102,000	3,298,000
31-90 Days	8,500,000	5%	425,000	8,075,000

Over 90 Days	4,000,000	20%	800,000	3,200,000
TOTAL	15,900,000		1,327,000	14,573,000

7 INVENTORY

Kamusi Kuu ya Kiswahili	453,600	453,600
Other books	16,050,008	16,632,172
Total	16,503,608	17,085,772

8 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Motor vehicles	Plant and machinery	Furniture /Furniture	Computers/ Equipment	Total
COST	TZS	TZS	TZS	TZS	TZS	TZS	TZS
As at 1 July 2023	867,846,096	861,922,639	92,000,000	1,800,000	125,581,118	283,067,780	2,232,217,633
Additions	-	3,753,080	-	-	-	4,211,400	7,964,480
As at 30 June 2024	867,846,096	865,675,719	92,000,000	1,800,000	125,581,118	287,279,180	2,240,182,113
ACCUMULATED DEPRECIATION							
As at 1 July 2023	-	125,910,140	46,000,000	1,800,000	84,373,117	131,671,239	389,754,496
Charge for the year	-	17,313,515	18,400,000	-	4,015,150	50,787,448	90,516,113
As at 30 June 2024	-	143,223,655	64,400,000	1,800,000	88,388,267	182,458,688	480,270,609
NET CARRYINGVALUE							
As at 30 June 2024	**867,846,096**	**722,452,065**	**27,600,000**	**-**	**37,192,851**	**104,820,492**	**1,759,911,504**
As at 30 June 2023	**867,846,096**	**736,012,500**	**46,000,000**	**-**	**41,208,001**	**151,396,541**	**1,842,463,138**

	Land	Buildings	Motor vehicles	Plant and machinery	Furniture /furniture	Computers/ Equipment	Total
COST	TZS	TZS	TZS	TZS	TZS	TZS	TZS
As at 1 July 2022	433,923,048	479,957,905	118,000,000	1,800,000	102,565,578	261,319,580	1,397,566,111
Additions	-	65,887,783	-	-	23,015,540	21,748,200	110,651,523
Adjustment	433,923,048	316,076,952	-	-	-	-	750,000,000
Disposals	-	-	(26,000,000)	-	-	-	(26,000,000)
As at 30 June 2023	867,846,096	861,922,639	92,000,000	1,800,000	125,581,118	283,067,780	2,232,217,634
ACCUMULATED DEPRECIATION							
As at 1 July 2022	-	108,671,687	49,000,000	1,620,000	80,357,967	77,672,062	317,321,716
Charge for the year		17,238,453	23,000,000	180.000	4,015,150	53,999,177	98,432,780
Disposals	-	-	(23,000,000)	-	-	-	(23,000,000)
As at 30 June 2023	-	125,910,140	49,000,000	1,800,000	84,373,117	131,671,239	389,754,496
NET CARRYING VALUE							
As at 30 June 2023	**867,846,096**	**736,012,500**	**46,000,000**	**-**	**41,208,001**	**151,396,541**	**1,842,463,138**
As at 30 June 2022	**433,923,048**	**371,286,218**	**69,000,000**	**180,000**	**22,207,611**	**183,647,518**	**1,080,244,394**

9 ACCRUALS AND PAYABLES

	30.06.2024 TZS	30.06.2023 TZS
Audit Fees	32,930,780	39,962,200
Responsibility Allowance	6,270,500	6,270,500
Special allowance	21,300,000	-
Utility allowance	3,975,000	360,000
E-Government	14,874,563	8,172,854
Suma JKT	23,760,000	10,845,000
Longhorn	12,314,000	10,500,000
TEMESA	6,991,408	4,062,649
Kestem Investment Limited	380,019	380,019
Total	**122,796,270**	**80,553,222**

10 LONG TERM LOAN

Educational Book Publishers Limited	72,555,000	72,555,000

In 2017 Educational Book Publishers Limited ('EBL') advanced BAKITA the above amount towards costs of preparing a dictionary for Primary Schools. Under the agreement BAKITA is entitled for royalties from the sales of dictionaries. EBL is ought to recover its loan from royalties. The dictionary has not yet been approved to be published, as a result the loan remains outstanding in full.

11 REVENUE FROM NON-EXCHANGE TRANSACTIONS

	2023/24 TZS	2022/23 TZS
Personnel emoluments	1,073,538,900	989,574,540
Other charges	167,422,200	179,697,675
Development revenue	300,000,000	300,000,000
Donations	28,110,000	25,400,000
Total	**1,569,071,100**	**1,494,672,215**

12 REVENUE FROM EXCHANGE TRANSACTIONS

Translation & Imprimatur income	329,190,112	288,738,000
Publication income	11,337,823	11,417,150
Miscellaneous income	137,348,000	55,609,800
Total	477,875,935	**355,764,950**

13 COST OF BOOKS SOLD

	2023/24 TZS	2022/23 TZS
Opening stock	17,085,772	27,206,634
Purchase of books	4,830,000	15,340,800
Goods available for sale	21,915,772	42,547,434
Less: closing stock	(16,503,608)	(17,085,772)
Donations	-	(20,245,744)
Cost of sales	5,412,164	5,215,918

14 SALARIES, WAGES AND EMPLOYEE BENEFITS

Salaries and wages	905,597,800	834,984,400
PSSSF	135,891,000	125,262,600
National Health Insurance Fund	27,178,200	25,052,520
Workers Contribution Fund	4,529,700	4,175,420
PSSSF Debt	-	23,592,960
Per diem allowance	200,249,000	164,149,000
House allowance	12,600,000	16,800,000
Sitting allowance	33,035,000	18,230,000
Leave travel	8,048,000	7,864,000
Training expenses	21,757,300	9,995,000
Utility	11,580,000	12,300,000
Honoraria	16,099,425	11,616,000
Terminal benefits	5,211,000	-
Extra Duty	113,053,916	28,079,000
Special allowance	42,900,000	27,400,000
Subsistence allowance	4,666,000	-
Air tickets	53,350,385	38,999,343
Ground Travel	35,001,000	44,146,000
Total	1,650,747,726	1,392,646,243

15 DIRECT EXPENSES

Remuneration to Instructors	18,290,000	50,068,667

16 SUPPLIES AND CONSUMABLES

	2023/24 TZS	2022/23 TZS
Telephone, Internet and Postage	15,423,210	12,691,800
Electricity	21,464,364	20,940,000
Office consumables	21,022,544	23,676,840
Advertisement	21,642,790	19,883,000
Burial expenses	4,200,000	3,000,000
Casual labour	13,930,000	8,920,000
Conference facilities	35,638,322	3,690,325
Food and refreshments	58,581,341	29,985,060
Security expenses	18,000,000	24,780,000
Gifts and prizes	1,750,000	1,414,600
Water bills	2,263,481	2,082,300
Fuel and oils	34,225,390	34,759,600
Idhaa	7,046,000	-
Printing	21,142,427	-
Bank charges	33,500	-
Donations - books	-	20,245,744
MASIKIDU (Maazimisho ya Kiswahili Duniani)	-	27,800,000
Total	276,363,369	**233,869,269**

17 MAINTENANCE EXPENSES

Maintenance -buildings	5,432,000	13,537,380
Repair and maintenance -motor vehicle	13,272,291	8,886,687
Total	18,704,291	**22,424,067**

18 EXPECTED CREDIT LOSS ON CASH

Cash and cash equivalents - (EAD)	134,539,170	39,348,953
Expected Credit Loss:		
Opening	190,202	-
Charge for the year	1,618,006	190,202
Closing	1,808,208	190,202
Cash and cash equivalents - net assets	132,730,962	**39,158,751**

19 EXPECTED CREDIT LOSS ON RECEIVABLES

Receivables - (EAD)	7,400,000	15,900,000
Expected Credit Loss:		
Opening	1,327,000	-
Charge / (gains) for the year	(391,000)	1,327,000
Closing	936,000	1,327,000
Receivables - (net)	6,464,000	14,573,000

20 RECONCILIATIONS OF ACTUAL AMOUNTS ON A COMPARABLE BASIS AND ACTUAL AMOUNT ON THE FINANCIAL STATEMENTS

20(a) CASH RECEIPTS

Revenue from non-exchange transactions(SFP)	1,569,071,100	1,494,672,215
Revenue from exchange transactions(SFP)	477,875,935	355,764,950
(Increase)/decrease in receivables	8,500,000	(8,500,000)
Net Revenue from exchange transactions	**486,375,935**	**347,264,950**

20 (b) CASH PAYMENTS

COST OF GOODS SOLD

Purchase of books(SFP)	4,830,000	15,340,800
Add: opening balance of payables - Longhorn	10,500,000	-
Less: closing balance of payables - Longhorn	(12,314,000)	(10,500,000)
Cash payment	**3,016,000**	**4,840,800**

20(c) SALARIES, WAGES AND EMPLYOMENT BENEFITS

Salaries, wages and benefits(SFP)	1,650,747,726	1,392,646,243
Add: payables at 1 July	6,630,500	19,195,500
Less: payables at 30 June		
Responsibility allowance	(6,270,500)	(6,270,500)
Special allowance	(21,300,000)	-
Utility allowance	(3,975,000)	(360,000)
Cash payment	**1,625,832,726**	**1,405,211,243**

20(d) DIRECT EXPENSES

Direct expenses - cash payment	**18,290,000**	**50,068,667**

20(e) SUPPLIES AND CONSUMABLES

Supplies and consumables(SFP)	276,363,369	233,869,269
Add: payables at 1 July	19,017,854	8,789,054
Less: payables at 30 June		
Suma JKT	(23,760,000)	(10,845,000)
E-Government	(14,874,864)	(8,172,854)
Donations - books	-	(20,245,744)
Cash payment	**256,746,659**	**203,394,725**

20(f) MAINTENANCE EXPENSES

Maintenance expenses(SFP)	18,704,291	22,424,067
Add: payables at 1 July	4,442,667	-
Less: payables at 30 June - Kestem	(380,019)	(380,019)
Tamesa	(6,991,408)	-
Cash payment	**15,775,531**	**22,044,048**

20(g) AUDIT FEE

	2023/24	2022/23
	TZS	TZS
Audit fee (SFP)	25,600,000	25,600,000
Add: payables 1 July	39,962,200	38,919,200
Less: payables at 30 June	(32,930,780)	(39,962,200)
Cash payment	**32,631,420**	**24,557,000**

20(h) LOAN - EDUCATIONAL BOOKS PULISHERS LTD

Payables 30 June	72,555,000	72,555,000
Payables at 1 July	(72,555,000)	(72,555,000)
Cash payment	-	-

21: EXPLANATION ON BUDGET AND ACTUAL VARIANCE

Item	%	Reasons for variance
Payments		
Cost of books sold	40%	Fewer books were sold than it was anticipated.
Direct expenses	(129%)	Most of the translation assignments were undertaken by private external linguists instead of in-house personnel.
Audit fee	(36%)	The un-claimable VAT component and 10% administration charge by NAOT, as well as arrears for 2021/22 were not budgeted for.

22 CAPITAL COMMITMENTS

The Council had no capital commitments as at 30 June 2024.

23: CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 June 2024.

24: RELATED PARTY TRANSACTIONS

These represent transactions in respect of Public entities, Executive Council members and key management personnel's remuneration. The related party transactions are in respect of the following:

24 (a) Exchange transactions

During the year, the Council entered the following exchange transactions with public entities and remuneration to the key management personnel:

Entity /details	2023/24	2022/23
	TZS	TZS
SUMA JKT Guard Limited (security services costs incurred)	18,000,000	24,780,000
Tanzania Electric Supply Corporation (Electricity bills)	21,464,364	20,940,000
DAWASA (water bills incurred during the year)	2,263,484	2,082,300
Executive Council members remuneration	-	-
Key management staff remuneration	433,248,000	469,098,000

24 (b) Outstanding Balances with public authorities

Name of the Entity	2023/24	2022/23
	TZS	TZS
E-Government(Payable)	14,874,563	8,172,854
SUMA JKT Guard Limited(Payable)	23,760,000	10,845,000
TAMESA (Payable)	6,991,408	4,062,649

25 RECONCILIATION OF DEFICIT/SURPLUS FROM ORDINARY ACTIVITIES WITH THE NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2024

	2023/24	2022/23
CASH FLOWS FROM OPERATING ACTIVITIES	TZS	TZS
(Deficit)/Surplus for the year	(39,913,634)	20,663,019
Depreciation	90,516,113	98,432,780
Expected Credit Loss	1,618,008	1,517,202
Change in Accounts Receivable	8,109,000	(8,500,000)
Change in Inventory	582,164	10,120,862
Change in Accruals and payables	42,243,048	9,586,819
Net cash flows from operating activities	**103,154,699**	**131,820,682**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment	**(7,964,480)**	**(110,651,523)**
CASH FLOWS FROM FINANCING ATIVITIES		
Longhorn Publishers Plc debt repayment	-	-
Net increase in cash and cash equivalents	**95,190,219**	**21,169,159**
Cash and cash equivalents:		
At the beginning of the period	**39,348,951**	**18,179,792**
At the end of the period	134,539,170	39,348,951