REPORT OF THE CONTROLLER AND AUDITOR GENERAL

THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE

ISO 9001:2015 Certified

NATIONAL KISWAHILI COUNCIL

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

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March 2026

AR/PA/BAKITA/2024/25

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.

NAOT Vision, Mission & Motto

Vision

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

mission

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

Motto

Modernizing External Audit for Stronger Public Confidence

Core Values

Independence and Objectivity: We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Professional competence: We deliver high quality audit services based on appropriate professional knowledge, skills, and best practices.

Integrity: We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation: We encourage, create and innovate value-adding ideas for the improvement of audit services.

Results-Oriented: We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.

Team Work Spirit: We value and work together with internal and external stakeholders.

TABLE OF CONTENTS

Abbreviations iii

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL 1

2.0 THE REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2025 5

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE 12

4.0 DECLARATION OF THE DIRECTOR OF CORPORATE SERVICES OF THE NATIONAL KISWAHILI COUNCIL 13

5.0 FINANCIAL STATEMENTS 14

6.0 NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2025 20

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

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 2025, the statement of financial performance, statement of changes in net assets, 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 the National Kiswahili Council as at 30 June 2025, 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, as issued by the International Public Sector Accounting Standards Board (IPSASB) and in the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

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

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

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 Executive Council's Report, statement of management responsibility, and Declaration by the Head of Finance, but does not include the financial statements and my audit report thereon, which I obtained prior to the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

I conducted a compliance audit of the procurement of works, goods, and services at the National Kiswahili Council, for the year ended 30 June 2025, as per the Public Procurement Act, 2023 the Public Procurement Regulations, 2024, and related directives. I examined each phase of the procurement life cycle, including advertising of tenders, evaluation of bids, award of contracts, and contract management, to confirm that the entity issued competitive solicitations, applied approved evaluation criteria, secured authorizations before award, and maintained complete transaction records.

Conclusion

Based on the audit procedures performed, I conclude that National Kiswahili Council complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at the National Kiswahili Council, for the year ended 30 June 2025, as per the Public Finance Act (Budget Act), Cap. 439, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries, and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorizations before incurring obligations, recorded transactions accurately and reported variances as required.

Conclusion

Based on the audit procedures performed, I conclude that the National Kiswahili Council, complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2026

2.0 THE REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2025

2.1 INTRODUCTION

The Executive Council has the pleasure of submitting its report, together with the audited financial statements of the Council for the year ended 30 June 2025. 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 the Ministry of Culture, Arts, Sports, and Information.

2.3 VISION OF THE COUNCIL

To be an institution that 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:

i) To promote the development and usage of standard Kiswahili throughout the United Republic of Tanzania;
ii) 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;
iii) To encourage the use of Kiswahili language in the conduct of official business and public life generally;
iv) To encourage the achievement of high standards in the use of Kiswahili language and to discourage its misuse;
v) To co-operate with the authorities concerned in establishing standard Kiswahili translations of technical terms;
vi) To publish a newspaper or a magazine concerned with the Kiswahili language and literature; and
vii) 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 Executive Secretary, who is the Chief Executive Officer. The Executive Secretary is accountable to the Executive Council, which is obliged to meet at least once every three months and is the highest policy-making body of the Council.

2.6 COMPOSITION OF THE EXECUTIVE COUNCIL

The Executive Council includes elected members. It is led by a chairperson elected by the Minister responsible for Information, Culture, Arts, and Sports. The new Council was appointed on 26 November 2024.

S/N	Name	Position	Qualification	Age	Date of appointment	Nationality	Meetings attended
1.	Prof. Martin Mhando	Chairman	PhD in Screen Studies	73	26/11/2024	Tanzanian	3/3
2.	Mr. Francis W Kayachile	Member	Masters of Law (LLM)	44	26/11/2024	Tanzanian	1/3
3.	Dr. Victor Elia	Member	PhD (Journalism & Mass Com.)	47	26/11/2024	Tanzanian	3/3
4.	Dr. Mwanahija A Juma	Member	PhD Kiswahili Isimu	53	26/11/2024	Tanzanian	3/3
5.	Mr. Ivan B Tarimo	Member	Msc Finance	40	26/11/2024	Tanzanian	2/3
6.	Dr. Jabhera Matogoro	Member	PhD in Telecom Engineering	44	26/11/2024	Tanzanian	2/3
7.	Ms. Nyakaho M Mahemba	Member	ACCA, MBA (Finance), ADA	47	26/11/2024	Tanzanian	2/3

For the financial year 2024/25, there were three board meetings, which were held in December 2024, February and June 2025. The mains issues discussed were implementation report of the Council for the financial year 2024/25 and the future plans of the Council for the financial year 2025/26.

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 141,723,000 was contributed to PSSSF compared to the previous year TZS 135,891,000. 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 28,344,600 was contributed to NHIF compared to the previous year TZS 27,178,200.

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

	2024/25	2023/24	Change
	TZS' Million	TZS' Million	%
Property, plant and equipment	1,739	1,760	-1%
Current assets	75	156	-52%
Total liabilities	192	195	-2%
Net assets	1,622	1,720	-6%

ii) Property, plant and equipment (PPE)

The slight 1% decrease in PPE from previous year is primarily due to higher depreciation charge of TZS 65 million than capital assets investment of TZS 45 million during the year.

iii) Current assets

The significant category of current assets for both years is cash and cash equivalents. The 52% decrease in total current assets from last year is therefore mainly attributed to a decrease in cash and cash equivalents. a large component of current assets, down to TZS 44 million from TZS 133 million which was occasioned by a delay in receipt of Development Funds, in 2024, which were transferred to the Council towards the financial year end, whereas other current assets (accounts receivable and inventory balances have remained more or less the same).

iv) **Total liabilities**

The small 2% decrease in total liabilities from the previous year is due to few liabilities were paid off as the obligations fell due as cash flow permitted thus leaving the total liabilities more or less at the same level of last year.

v) **Net assets**

Net assets decreased by 6% from TZS 1.72 billion to TZS 1.62 billion. In this regard, the balances have remained roughly the same.

2.10 FINANCIAL PERFORMANCE

i) Overview of financial performance/results

Details	2024/25 TZS' Million	2023/24 TZS' Million	Change %
Revenue: from non-exchange transactions	3,192	1,541	107%
Revenue: from exchange transactions	1,301	505	158%
Wages, salaries and employee benefits	1,589	1,356	17%
Use of goods and services	2,846	591	382%
(Deficit) / Surplus	(97)	(39)	145%

ii) Revenue from non-exchange transactions

Revenue from non-exchange transactions experienced a more than double increase mainly due to a special TZS 1.59 billion funding for conducting the International Kiswahili Conference outside the Country, in Havana, Cuba, in November 2024.

iii) Revenue from exchange transactions

Revenue from exchange transactions increased by 158% from previous year. This was largely due to unbudgeted consultancy services to the Government in writing, editing and publishing with respect to Kiswahili. The trainings to Personal Assistants/Secretaries in Government Departments that started in September 2024 and brought a significant increase in income were just planned and finalized in July 2024 when the budget for 2024/25 was long ago approved.

iv) Wages, salaries and employee benefits

The 17% increase from rom previous was attributed to recruitment of new staff and salary revisions, started providing meals to staff this year and extra duties performed in this this year more than in the previous year.

v) Use of goods and services

The 382% increase was occasioned mainly by expenditure of TZS 1.59 billion for conducting International Kiswahili Conference in Havana Cuba in November 2024 coupled with expenses incurred 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 97 million (2023/24: deficit of TZS 39 million), primarily because the Council received lower subvention, by TZS 117 million, for operational expenses.

2.11 IMPLEMENTATION OF THE PLAN AND BUDGET 2024/25

The Council planned to implement activities worth TZS 4.73 billion, the actual achievements of implementation was TZS 4.56 billion equals to 97% 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 2024/25 were as follows:

i) For the first time the Council conducted International Kiswahili Conference outside the Country, in Havana Cuba in November 2024;
ii) The Council conducted World Kiswahili Day in Dar es Salaam in July 2024;
iii) The Council opened Kiswahili centre in Mozambique;
iv) The Council conducted training for capacity building to diaspora in teaching Kiswahili to foreigners in Mozambique;
v) Continued teaching Kiswahili to foreigners and having Kiswahili examinations for foreigners;
vi) Teaching of Tutors for Kiswahili as a foreign language was conducted;
vii) The Council conducted language proficiency testing;
viii) Radio and Television programmes were conducted as planned;
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; and
xi) Training BAKITA Staff (Teaching Kiswahili to foreigners) on how to conduct classes via zoom platform to train foreigners online.

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 the development of the Kiswahili language within and outside Tanzania. It is the intention of the Council to enhance its operations to improve its sources of revenue and advertise its activities beyond dependence on the central government funding. Also, the Council is striving to ensure that there exists a 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 a printing press.

The following are the plans for the financial year 2025/26:

i) To standardize Kiswahili terminologies;
ii) Commercialisation of Kiswahili worldwide;
iii) Developing a portal for Kiswahili experts;
iv) To prepare and conduct radio and television programs;
v) To recognise and register Institutions and Centres which teach Kiswahili to foreigners;
vi) To conduct seminars for members of the mass media on the proper use of Kiswahili in radio, newspapers, and television for 6 regions;
vii) To print 2 publications;
viii) To conduct International Kiswahili Day;
ix) To conduct capacity building for interpreters with well-advanced instruments installed at the Council offices;
x) To conduct capacity building for 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 open six 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 to interact with society. The Council fulfils its core functions of promoting the development and usage of standard Kiswahili throughout Tanzania and participates fully in the establishment of the Kiswahili Commission for East Africa.

Gender

The Council ensures gender balancing in all its managerial and other; day-to-day responsibilities. BAKITA has 55 permanent employees, of whom 34 are men and 21 are women.

Environment

The Council ensures that all publications undertaken are environmentally friendly and all other Council activities comply with 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 conservation.

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 2025.

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date________________

3.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE

The National Kiswahili Council Financial Rules and Regulations, 2018 require 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 give 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 2025. 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 a 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 Council's assets 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 has been done in accordance with the Public Procurement Act, CAP 410.

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Prof. Martin Mhando
Chairman

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Consolata P. Mushi
Executive Secretary

Date________________

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 2025 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 2025, 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: ____________________

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

ASSETS	NOTES	2024/25 TZS	2023/24 TZS
Current Assets			
Cash and cash equivalents	5	44,209,894	132,730,962
Accounts receivable	6	12,864,000	6,464,000
Inventories	7	17,528,124	16,503,608
Total Current Assets		**74,602,018**	**155,698,570**
Non-Current Assets			
Property, plant and equipment	8	1,739,459,999	1,759,911,504
TOTAL ASSETS		**1,814,062,017**	**1,915,610,074**
LIABILITIES			
Current Liabilities			
Accruals and payables	9	119,018,721	122,796,271
Long Term Liabilities			
Loan	10	72,555,000	72,555,000
TOTAL LIABILITIES		191,573,721	195,351,271
NET ASSETS		1,622,488,296	1,720,258,803
NET ASSETS / EQUITY			
Taxpayers' fund		1,772,621,500	1,772,621,500
Accumulated deficit		(150,133,204)	(52,362,697)
NET ASSETS		1,622,488,296	1,720,258,803

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

Consolata P. Mushi
Executive Secretary

Date________________

5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2024/25 TZS	2023/24 TZS
Revenue			
Revenue from non-exchange transactions	11	3,192,001,770	1,540,961,100
Revenue from exchange transactions	12	1,301,318,130	505,985,935
Total revenue		**4,493,319,900**	**2,046, 947,035**
Expenses			
Wages, salaries & employee benefits	13	1,589,380,271	1,355,784,405
Use of goods and services	14	2,845,665,781	590,795,354
Maintenance expenses	15	25,599,898	18,704,292
Depreciation of property, plant and equipment	8	65,664,705	90,516,113
Other expenses	16	43,710,000	29,833,500
Expected credit loss	19	4,204,752	1,227,006
Total expenses		4,574, 225,407	2,086,860,670
Transfers			
Treasury Registrar contribution		16,865,000	-
Total expenses and transfers		4,591,090,407	2,086,860,670
Deficit for the year		**(97,770,507)**	**(39,913,635)**

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

Consolata P. Mushi
Executive Secretary

Date________________

5.3 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2024/25 TZS	2023/24 TZS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Revenue from non-exchange transactions		3,192,001,770	1,540,961,100
Revenue from exchange transactions	20(a)	1,289, 318,130	514,485, 935
Total receipts		**4,481, 319,900**	**2,055, 447,035**
Payments			
Wages, salaries & employee benefits	20(b)	1,600,230,790	1,340,494,405
Use of goods and services	20(c')	2,839, 617,328	556,629,640
Other transfers		16,865,000	-
Other expenses	16	43,710,000	29,833,500
Maintenance expenses	15	25,599,898	18,704,292
Total cash payments		**4,526,023,016**	**1,945,661,837**
Net cash inflows from operating activities		(44,703,116)	109,785,198
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(45,213,200)	(14,594,979)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans repayment		-	-
Net change in cash and cash equivalents		**(89,916,316)**	**95,190,219**
Cash and cash equivalents:			
At the beginning of the period		**134,539,170**	**39,348,951**
At the end of the period		**44,622,854**	**134,539,170**

Notes are an integral part of the financial statements.

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date________________

5.4 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

	Taxpayer Fund	Accumulated Surplus/ (Deficit)	TOTAL
		TZS	TZS
Balance As At 1 July 2023	1,772,621,500	(12,449,062)	1,760,172,438
Deficit for the Year	-	(39,913,635)	(39,913,635)
Balance As At 30 June 2024	**1,772,621,500**	**(52,362,697)**	**1,720,258,803**
Balance As At 1 July 2024	1,772,621,500	(52,362,697)	1,720,258,803
Deficit for the Year	-	(97,770,507)	(97,770,507)
Balance As At 30 June 2025	**1,772,621,500**	**(150,133,204)**	**1,622,488,296**

Notes are an integral part of the financial statements.

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date________________

5.5 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2025

	2024/25 TZS	2023/24 TZS
Surplus / (deficit) for the year	**(97,770,507)**	**(39,913,635)**
Add / (less) non-cash items		
Depreciation of property, plant and equipment	65,664,705	90,516,113
Expected credit (gains)/loss on cash	(1,395,248)	1,618,006
Expected credit loss/ (Reversal of ECL)	5,600,000	(391,000)
Add / (less) change in working capital		
Accounts receivable (Note 6)	(12,000,000)	8,500,000
Inventory	(1,024,516)	582,164
Accruals and payables	(3,777,550)	48,873,550
Net cash (out)/in flow from operating activities	**(44,703,116)**	**109,785,198**

Notes are an integral part of the financial statements.

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date________________

5.6 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	Original Budget {A}	Reallocation/ Adjustments	Final Budget {B}	Actual on Comparable Basis {C}	Difference {C-B}	Percentage of Difference
Revenue	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**	
Revenue from non-exchange transactions	3,567,590,968	-	3,567,590,968	3,192,001,770	(375,589,198)	-11%
Revenue from exchange transactions	520,500,000	581,098,680	1,101,598,680	1,289, 318,130	187, 719,450	17%
Other revenue	61,200,000	-	61,200,000	-	(61,200,000)	-100%
Total Revenue	**4,149,290,968**	**581,098,680**	**4,730,389,648**	**4,481, 319,900**	**(249, 069,748)**	5%
Payments						
Wages, salaries & employee benefits	1,674,084,680	-	1,674,084,680	1,600,230,790	73,853,890	4%
Use of goods and services	2,833,631,968	-	2,833,631,968	2,839, 617,328	(5,985,360)	0%
Other transfers	25,000,000	-	25,000,000	16,865,000	8,135,000	33%
Other expenses	42,200,000	-	42,200,000	43,710,000	(1,510,000)	-4%
Maintenance expenses	50,800,000	-	50,800,000	25,599,898	25,200,102	50%
Acquisition of property, plant, and equipment	104,673,000	-	104,673,000	45,213,200	59,459,800	57%
Total Payments	**4,730,389,648**	-	**4,730,389,648**	**4,571, 236,216**	**159, 153,432**	3%
Net Receipts/(Payments)	**(581,098,680)**	**581,098,680**	-	**(89,916,316)**	**(89,916,316)**	

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

Prof. Martin Mhando
Chairman

Consolata P. Mushi
Executive Secretary

Date_______________

6.0 NOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30 JUNE 2025

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 a cash basis, and the budget period is 12 months ended 30 June 2025.

New Standards, Amendments, and Interpretations

IPSAS 41 is the only new standard considered when preparing the financial statements for assessing Expected Credit Losses (ECL) financial instruments. Otherwise, no other new standards have been issued that effect on the financial statements of the BAKITA for the year 2024/25.

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 to each employee's basic salary. Additionally, the Council operates an insured (health benefit) plan for which 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 a 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 funds 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. These rates are as per the Council's financial regulations.

Table 6: Depreciation rates of property, plant, and equipment

Description	Rate	Years
Land	NIL	
Buildings	2%	50
Plant and machinery	10%	10
Furniture, fixture and equipment	10%	10
Motor vehicles	10%	10
Computer hardware	12.5%	8

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 2024/25 in 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 assets (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the statement of financial performance in the year the assets 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 assets 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 separate assets 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:

	Carrying amount	Contractual cash flows	Within 1 Year	More than 1 Year
YEAR 2025	TZS	TZS	TZS	TZS
Longhorn Publishers Plc	12,314,000	12,314,000	-	12,314,000
Books Publishers contract	75,543,750	75,543,750	2,988,750	72,555,000
Total	87,857,750	87,857,750	2,988,750	84,869,000

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 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.

Receivables

The Council's receivables mainly constitute of office rent. The management of the Council endeavours 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 assets. 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 assets 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 2025

5 CASH AND CASH EQUIVALENTS

	30 June 2025 TZS	30 June 2024 TZS
BOT own source collection	18,004,336	37,888,356
Own source collection account - NMB	-	5,437,500
Own source recurrent expenditure GF - NMB	26,618,518	91,213,314
Provision for Expected Credit Loss - Cash	(412,960)	(1,808,208)
Total	44,209,894	132,730,962

5.1 COMPUTATION OF EXPECTED CREDIT LOSS ON CASH AND CASH EQUIVALENTS

Financial Instruments that require the provision for the Cash and Cash Equivalents for the amount reported in Statement of Financial Position, making the difference amount reported in Statement of Financial Position and that reported in Statement of Cash Flow. The calculation is based on the bank's 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.

CASH AND CASH EQUIVALENT BALANCES AS AT 30 June 2025

ACCOUNT NAME	BANK	BALANCE (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D = ABC	A - D
COLLECTION ACCOUNT	NMB	-	-	-	-	-
EXPENDITURE ACCOUNT	NMB	26,618,518	2.16%	71.824%	412,960	26,205,558
BOT COLLECTION ACCOUNT	BOT	18,004,336	-	-	-	18,004,336
TOTAL		44,622,854			412,960	44,209,894

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
NMB COLLECTION ACCOUNT	NMB	5,437,500	-	-	-	5,437,500
NMB EXPENDITURE ACCOUNT	NMB	91,213,314	2.16%	91.78%	1,808,208	89,405,106
BOT COLLECTION ACCOUNT	BOT	37,888,356	-	-	-	37,888,356
TOTAL		134,539,170			1,808,208	132,730,962

6 ACCOUNTS RECEIVABLE

	30.06.2025	30.06.2024
	TZS	TZS
Rent receivable	7,400,000	7,400,000
Receivable (GEPG)	12,000,000	-
Provision for Expected Credit Loss - Short term	(6,536,000)	(936,000)
Net amount	12,864,000	6,464,000

6.1 ACCOUNTS RECEIVABLE

COMPUTATION OF EXPECTED CREDIT LOSS FOR 2024/25

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	12,000,000	20%	2,400,000	9,600,000
Over 2 years	4,000,000	100%	4,000,000	-
TOTAL	19,400,000		6,536,000	12,864,000

COMPUTATION OF EXPECTED CREIDT 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

7 INVENTORIES

Books	17,528,124	16,503,608

8 PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Motor vehicles	Plant and machinery	Furniture /Fittings	Computers/ Equipment	Total
COST	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**	**TZS**
As at 1 July 2024	867,846,096	865,675,719	92,000,000	1,800,000	125,581,118	287,279,180	2,240,182,113
Additions	-	-	-	-	3,705,200	41,508,000	45,213,200
As at 30 June 2025	867,846,096	865,675,719	92,000,000	1,800,000	129,286,318	328,787,180	2,285,395,313
ACCUMULATED DEPRECIATION							
As at 1 July 2024	-	143,223,655	64,400,000	1,800,000	88,388,267	182,458,687	480,270,609
Charge for the year	-	17,313,514	9,200,000	-	5,541,182	33,610,009	65,664,705
As at 30 June 2025	-	160,537,169	73,600,000	1,800,000	93,929,449	216,068,696	545,935,314
NET CARRYINGVALUE							
As at 30 June 2025	**867,846,096**	**705,138,550**	**18,400,000**	-	**35,356,869**	**112,718,484**	**1,739,459,999**
As at 30 June 2024	**867,846,096**	**722,452,065**	**27,600,000**	-	**37,192,851**	**104,820,492**	**1,759,911,504**

	Land	Buildings	Motor vehicles	Plant and machinery	Furniture /Fittings	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 CARRYING VALUE							
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**

9 PAYABLES AND ACCRUALS

	OPENING	ADDITIONS	BALANCE
	TZS	TZS	TZS
Staff claims	21,920,500	(10,850,519)	11,069,981
Supplies of goods and services	98,812,329	9,136,411	107,948,740
Withholding tax	2,063,442	(2,063,442)	-
Total	**122,796,271**	**(3,777,550)**	**119,018,721**

10 LONG TERM LOAN

	30.06.2025	30.06.2024
	TZS	TZS
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 REVENUES FROM NON-EXCHANGE TRANSACTIONS

	2024/25	2023/24
	TZS	TZS
Personnel emoluments	1,118,194,470	1,073,538,900
Other charges	182,642,400	167,422,200
Development revenue	1,891,164,900	300,000,000
Total	**3,192,001,770**	**1,540,961,100**

11.1 RECONCILIATION OF REVENUE FROM NON-EXCHANGE TRANSACTIONS

As previously reported	-	1,569,071,100
Miscellaneous income - donations	-	(28,110,000)
Total - Note 11	**-**	**1,540,961,100**

Previous period figures which were generated from excel records and subsequently booked into MUSE have been regrouped whenever considered necessary to make them comparable with current year's figures processed from MUSE.

12 REVENUES FROM EXCHANGE TRANSACTIONS

Translation & Imprimatur income	391,521,750	329,190,112
Publication income	38,327,000	11,337,823
Miscellaneous income	871,469,380	165,458,000
Total	1,301,318,130	505,985,935

12.1 RECONCILIATION OF REVENUES FROM EXCHANGE TRANSACTIONS

As previously reported	-	477,875,935
Miscellaneous income - donations	-	28,110,000
Total - Note 12	**-**	**505,985,935**

Previous period figures which were generated from excel records and subsequently booked into MUSE have been regrouped whenever considered necessary to make them comparable with current year's figures processed from MUSE.

13 WAGES, SALARIES AND EMPLOYEE BENEFITS

	2024/25 TZS	2023/24 TZS
Civil servants - salaries and wages	944,820,000	905,597,800
PSSSF	141,723,000	135,891,000
National Health Insurance Fund	28,344,600	27,178,200
Workers Contribution Fund	3,306,870	4,529,700
Court attire	1,000,000	-
Electricity	7,080,000	21,464,364
Electricity allowance	-	5,280,000
Extra Duty	227,498,845	113,053,916
Food and refreshments	83,528,758	-
Honoraria	42,146,000	16,099,425
House allowance expenses	19,464,220	12,600,000
Leave travel	11,767,978	8,048,000
Moving expenses	5,000,000	5,211,000
Non-Civil servant contracts	10,685,000	13,930,000
Sitting allowance	19,160,000	33,035,000
Special allowance	38,735,000	42,900,000
Subsistence allowance	-	4,666,000
Telephone allowance	5,120,000	6,300,000
Total	1,589,380,271	1,355,784,405

13.1 RECONCILIATION OF WAGES, SALARIES AND EMPLOYEE BENEFITS

As previously reported	-	1,650,747,726
Less reclassified to Use of Goods / Service	-	
Per diem allowance	-	(220,249,000)
Air tickets	-	(53,350,385)
Ground travel	-	(35,001,000)
Non - civil servant contracts	-	13,637,064
Total - Note 13		1,355,784,405

Previous period figures which were generated from excel records and subsequently booked into MUSE have been regrouped whenever considered necessary to make them comparable with current year's figures processed from MUSE.

14 USES OF GOODS AND SERVICE

Advertising and publication	23,200,000	-
Advertising and publication - communication & info	10,413,375	21,642,790
Air tickets - travel out of country	98,551,689	53,350,385
Books, reference and periodicals	2,214,233	5,412,164
Classroom teaching materials	389,400	-
Conference facilities	56,304,422	42,684,322
Diesel	24,913,000	34,225,390
Electricity - utility supplies and services	17,740,000	-
Entertainment - hospitality supplies and services	2,000,000	-
Exhibition, festivals and celebrations	1,886,689,393	-
Food and refreshments	63,490,177	58,581,341
Gifts and prizes	6,853,000	1,750,000

Ground transport (bus, train and water)	1,161,000	-
Ground travel (bus, railway, taxi, etc) in country	43,553,470	35,001,000
Internet and email connections	37,569,313	15,423,210
Lubricants	1,106,000	-
Office consumables (papers, pens, & stationeries)	25,725,000	21,022,544
Outsourcing costs (cleaning and security services)	61,939,355	18,000,000
Per diem - domestic	384,167,200	220,249,000
Per diem - foreign	29,542,326	-
Printing and photocopying costs	9,468,855	21,142,427
Remuneration of instructors	11,791,000	18,290,000
Telephone charges - land lines	247,500	-
Tuition fees training - domestic	46,242,465	21,757,300
Water charges	393,608	2,263,481
Total	2,845,665,781	**590,795,354**

14.1 RECONCILIATION OF USE OF GOODS AND SERVICE

As previously reported	-	276,363,369
Per diem - Domestic	-	220,249,000
Air tickets - travel out of country	-	53,350,385
Ground travel - in country	-	35,001,000
Books, reference and periodicals	-	5,412,164
Remuneration to instructors	-	18,290,000
Net of electricity - training	-	292,396
Casual labour (non -civil servants contracts)	-	(13,930,000)
Burial expenses	-	(4,200,000)
Bank charges	-	(33,500)
Total	-	590,795,354

Previous period figures which were generated from excel records and subsequently booked into MUSE have been regrouped whenever considered necessary to make them comparable with current year's figures processed from MUSE.

15 MAINTENANCE EXPENSES

	2024/25 TZS	2023/24 TZS
Cement, bricks and building materials	17,600,000	5,432,000
Motor vehicle and water crafts	7,999,898	13,272,292
Total	25,599,898	18,704,292

16 OTHER EXPENSES

Audit fee expenses	25,600,000	25,600,000
Bank charges and commission	-	33,500
Burial expenses	2,600,000	4,200,000
Directors' fees	10,750,000	-
Directors' expenses	4,760,000	-
Total	43,710,000	**29,833,500**

17 EXPECTED CREDIT LOSS ON CASH

Cash and cash equivalents - (EAD)	44,622,854	134,539,170
Expected Credit Loss:		
Opening	1,808,208	190,202
Charge / (gains) for the year	(1,395,248)	1,618,006
Closing	412,960	1,808,208
Cash and cash equivalents - net assets	44,209,894	132,730,962

18 EXPECTED CREDIT LOSS ON RECEIVABLES

Receivables - (EAD)	19,400,000	7,400,000
Expected Credit Loss:		
Opening	936,000	1,327,000
Charge / (gains) for the year	5,600,000	(391,000)
Closing	6,536,000	936,000
Receivables - (net)	12,864,000	6,464,000

19 MERGED EXPECTED CREDIT LOSS ON CASH AND RECEIVABLES

Charge / (gains) for the year on cash	(1,395,248)	1,618,006
Charge / (gains) for the year on receivables	5,600,000	(391,000)
Net	4,204,752	1,227,006

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

20(a) CASH RECEIPTS

Revenue from exchange transactions (SFP)	1,301,318,130	505,985,935
Add/(less): change in working capital		
Receivables (GePG)	(12,000,000)	8,500,000
Net Revenue from exchange transactions	**1,289,318,130**	**514,485,935**

20 (b) CASH PAYMENTS

WAGES, SALARIES AND EMPLYOMENT BENEFITS

Wages, salaries and benefits (SFP)	1,589,380,271	1,355,784,405
Add/(less): change in working capital		
Staff claim - addition	10,850,519	(15,290,000)
Cash payment	**1,600,230,790**	**1,340,494,405**

20(c) USE OF GOODS AND SERVICE

Use of goods and service (SFP)	2,845,665,781	590,795,354
Add/(less): change in working capital		
Books stock - addition	1,024,517	(582,164)
Staff claim - opening	-	(6,630,500)
Supplies of goods and service - addition	(9,136,412)	(24,889,608)
Withholding tax	2,063,442	(2,063,442)

Cash payment	2,839,617,328	556,629,640

21: EXPLANATION ON BUDGET AND ACTUAL VARIANCE

Item	%	Reasons for variance
Payments		
Other transfers	33%	Shortfalls in Other Charges impacted contribution to Treasury Registrar.
Maintenance expenses	50%	Low level of breakdown of vehicles and shortage of funds led to savings in maintenance expenses
Acquisition of property, plant and equipment	57%	Shortage of funds limited the ability of purchase of computers.

22 CAPITAL COMMITMENTS

The Council had no capital commitments as at 30 June 2025.

23: CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 June 2025.

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	2024/25	2023/24
	TZS	TZS
SUMA JKT Guard Limited (security services costs incurred)	18,000,000	18,000,000
Tanzania Electric Supply Corporation (Electricity bills)	17,740,000	21,464,364
DAWASA (water bills incurred during the year)	393,608	2,263,484
Executive Council members remuneration	15,510,000	-
Key management staff remuneration	433,248,000	433,248,000

24 (b) Outstanding Balances with public authorities

Name of the Entity	2024/25	2023/24
	TZS	TZS
E-Government (Payable)	14,874,563	14,874,563
SUMA JKT Guard Limited (Payable)	40,080,000	23,760,000
TAMESA (Payable)	6,991,408	6,991,408