



**TANZANIA EDUCATION
AUTHORITY (TEA)**

ANNUAL REPORT

FOR FINANCIAL YEAR 2023/24

TANZANIA EDUCATION AUTHORITY (TEA)



ANNUAL REPORT FOR FINANCIAL YEAR 2023/24

AUGUST, 2025.

TABLE OF CONTENTS

| | |
|---|----|
| ABBREVIATIONS..... | ii |
| GENERAL INFORMATION..... | 01 |
| LETTER OF TRANSMITTAL..... | 03 |
| BOARD CHAIRMAN'S STATEMENT..... | 04 |
| STATEMENT OF THE DIRECTOR GENERAL..... | 05 |
| CORPORATE GOVERNANCE..... | 06 |
| PERFORMANCE REVIEW..... | 12 |
| STATEMENT OF COMPLIANCE..... | 23 |
| DECLARATION OF THE HEAD OF FINANCE..... | 24 |
| INDEPENDENT REPORT OF THE CAG..... | 25 |
| STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE, 2023..... | 28 |
| STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE, 2023..... | 29 |
| STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30JUNE 2024..... | 30 |
| CASH FLOWS STATEMENT FOR THE YEAR ENDED 30 JUNE, 2023..... | 31 |
| THE STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL IN COMPARABLE BASIS FOR THE YEAR ENDED 30 JUNE 2024..... | 32 |
| NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE, 2023..... | 34 |

ABBREVIATIONS

| | |
|----------------|--|
| CPA | Certified Public Accountant |
| CSR | Corporate Social Responsibility |
| EOBM | Extra Ordinary Board Meeting |
| EWRMF | Entity Wide Risk Management Framework |
| FCCA | Fellow Member of Association of Chartered Certified Accountants |
| FFARS | Facility Financial Accounting System |
| FY | Financial year |
| GPSA | Government Procurement Service Agency |
| HCMIS | Human Capital Management Information System |
| HESLB | Higher Education Students' Loans Board |
| HIV | Human Immunodeficiency Virus |
| ICT | Information Communication Technology |
| IESBA | International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants |
| IPSAS | International Public Sector Accounting Standards |
| IPSASB | International Public Sector Accounting Standards Board |
| ISSAI's | International Standards of Supreme Audit Institutions |
| MBA | Master of Business Administration |
| MEC | Masters of Economics |
| MoEST | Ministry of Education, Science and Technology |
| MSc | Master of Science |
| MTEF | Medium Term Expenditure Framework |
| MUSE | Mfumo wa Ulipaji Serikali |
| NBAA | National Board of Accountants and Auditors |
| NACTE | National Council for Technical and Vocational Education and Training |
| NHIF | National Health Insurance Fund |
| PIE | Public Interest Entities |
| PST | Present in the Meetings |
| SDF | Skills Development Fund |
| TCU | Tanzania Council of University |
| TEA | Tanzania Education Authority |
| TZS | Tanzania Shillings |

1. GENERAL INFORMATION

A. ABOUT TANZANIA EDUCATION AUTHORITY (TEA)

Tanzania Education Authority (TEA) was established under section 5 (1) of the Education Fund Act, No.8 of 2001 to manage the Education Fund. The Education Fund was established under the same Act with the intention of supplementing the Government's efforts in financing education. According to Section 4 (3) of the Act, the monies deposited into the Fund shall be used for the purposes of improving quality, access and equity of education at all education levels in the Mainland Tanzania and higher education in Tanzania Zanzibar.

B. Our Vision

TEA aspires to be a reliable Education Fund responsive to national educational needs through diversified interventions for Tanzania's sustainable education development.

C. Our Mission

To secure financial and material resources for the Education Fund and effectively, deploy those resources to support educational and skills development programs for improved quality, access, and equity to education and skills development.

D. Functions

Section 6 of Education Fund Act, - 2001 as amended thereof, provides for the principal functions of the Tanzania Education Authority that include:

- a) To provide funds to supplement the provision of education at all levels.
- b) To advise the Government on new sources of revenue for the purpose of ensuring an adequate and stable flow of money into the Fund.
- c) To raise the quality of education and increase access and equity.
- d) To promote education and training according to needs within the framework of overall national socio-economic development plans and policies.
- e) To apply the money deposited into the Fund for the purpose of improvement and promotion of education.
- f) To develop and make a periodic review of the formula for allocation and disbursement of the financial resources of the Authority to different educational levels except that, at least fifty percent of the financial resources shall be provided to finance basic and secondary education.
- g) To develop and make a periodic review of the resources allocated for facilitation of education to students with disabilities.
- h) To monitor the use of the funds disbursed and ensure adherence to objectives of the Fund other than the funds allocated to other institutions specified under this section.
- i) To apply the monies deposited into the Fund for the purpose of giving effect to the mandate of the Authority, the Higher Education Students' Loans Board, the Tanzania Commission for Universities and the National Council for Technical Education pursuant to the formula specified in the Third Schedule, except that, the funds so applied shall relate to the sources specified under section 13(a) to (c). Provided that the Authority shall consult with the Institutions referred to in this section in the application of the money deposited into the Fund.
- j) To receive gifts, donations, grants or other money on behalf of the Fund.
- k) To sponsor and provide facilities for higher learning and to establish a relationship or association with institutions both nationally and internationally.

D. Our Core Values

TEA is committed to exercising team spirit, transparency, objectivity, gender sensitivity and equitable treatment in offering prompt and quality services to its stakeholders with due integrity, courtesy and professionalism.

AUDITORS

Controller and Auditor General
National Audit Office of Tanzania
4 Ukaguzi road /Tambukareli
P.O. Box 950
41104 Tambukareli
Dodoma, Tanzania
Tell: +255(026) 2161200
Fax: +255 (026) 231245
Email: ocag@nao.go.tz

PHYSICAL ADDRESS

Tanzania Education Authority
Ilazo Extension
P.O. Box 2516
Plot No 5.7,8,313,314 & 315
Dodoma
Tel: +255 26 2962714| +255 26 2962715
Fax: +255 22 2781086
Email: info@tea.or.tz

BANKERS

Bank of Tanzania
2 Mirambo Street 1184,
P.O. Box 2939.
Dar es Salaam, Tanzania.

CRDB Bank Limited, Azikiwe branch,
Azikiwe Street,
P. O. Box 72344.
Dar es Salaam, Tanzania.
Tel: +255 22 22 214556/2124558
Fax: +255 22 22 211660

2. LETTER OF TRANSMITTAL

Hon. Prof. Adolf F. Mkenda (MP),
Minister for Education, Science and Technology,
Government City - Mtumba,
P.O. Box 10,
DODOMA.

Pursuant to Section 16(3) of the Education Fund Act, No. 8 of 2001, I am honoured to submit the Tanzania Education Authority's Annual Report and Audited Financial Statement for the financial year 2023/2024. The report presents the Authority's operational activities and projects implementation for the period under review.

It includes the Director General's Statement, an Annual Performance Review, the independent audit by the Controller and Auditor General, and the Audited Financial Statements.

We trust this report will serve as a valuable resource on education-related matters for the government and industry stakeholders alike.

We look forward to your continued support and guidance as we work to implement the education sector policies that enhance equity, quality and access to education in Tanzania.

DIRECTOR GENERAL

3. BOARD CHAIRMAN'S MESSAGE



On behalf of the Board of Directors of the Tanzania Education Authority (TEA), I am pleased to present this message as part of the Authority's Annual Report for the Financial Year 2023/2024. This year, TEA continued to demonstrate its commitment to enhance the government efforts in creating conducive learning and teaching environment in Tanzania through effective management of the Education Fund.

A total of TZS 10.72 billion was allocated to support 113 education projects during the period under review.

These projects focused on the construction, renovation, and completion of learning and teaching infrastructure. As of June 30th 2024, 101 projects equivalent to 89% were at various stages of implementations and 83% of the funds were disbursed to beneficiaries.

Through fundraising efforts, a cash revenue amounting to TZS 898,441,180 and non-cash donations valued at TZS 48,500,000 were collected for education infrastructure development. We commend this while advising more efforts for sustainability of The Education Fund.

I extend my sincere appreciation to our partners - particularly the Government of the United Republic of Tanzania, Ministry of Education, Science and Technology, development partners, and stakeholders whose unwavering support made these achievements possible.

I also thank the TEA management and staff for their dedication, professionalism, and resilience in executing the Authority's mandate. As we look forward, the Board remains confident that with continued collaboration and innovation, TEA will further accelerate progress toward accessibility of equitable and quality education opportunities for all in Tanzania.

BOARD CHAIRPERSON

4. STATEMENT OF THE DIRECTOR GENERAL



On behalf of the Tanzania Education Authority (TEA), it's my greater honour presenting the Authority's performance for the Financial Year 2023/2024. During this period, a total of **TZS 10,722,062,883** was allocated for 113 projects funded through the Education Fund. The implemented projects include the construction, renovation, or completion of classrooms, teachers' houses, dormitories, science laboratories, pit latrines, and reading rooms across various parts of Tanzania Mainland and Zanzibar.

By June 2024, 101 projects equivalent to 89% of the 113 projects were at various stages of implementation. A total of TZS 8,903,026,678.81, amounting to 83% of the received funds, was disbursed to project beneficiaries.

During the period under review, the Authority continued with fundraising initiatives for the Education Fund through strategic engagements with key partners, the development and promotion of grant project proposals, and collaborative arrangements with education stakeholders.

As a result of these efforts, the Authority was able to generate revenue amounting to **TZS 898,441,180** in cash donations from UNICEF Tanzania and other funders to support the implementation of education infrastructure projects. In addition, the Authority received non-cash donations valued at **TZS 48,500,000** from various partners.

The Authority remains committed to the effective implementation of its mandate in managing the National Education Fund. In doing so, it will continue to support the Government's efforts to provide a conducive teaching and learning environment across the country by mobilizing resources and ensuring their efficient utilization.

DIRECTOR GENERAL

5. CORPORATE GOVERNANCE

Tanzania Education Authority (TEA) is committed to the principles of effective Corporate Governance.




5.1 Composition of the Governing Board




The Tanzania Education Authority (TEA) is governed by a Governing Board consisting of six non-executive members and the Director General, who serves as the Secretary to the Board. The Chairperson of the Board is appointed by the President of the United Republic of Tanzania for a three-year term, which is renewable once for another three-year period. The other members of the Board are appointed by the Minister for Education, Science and Technology. The Board assumes overall responsibility for the governance of the Authority. Its functions include:

- Overseeing financial matters and budget performance
- Reviewing management performance against plans
- Making investment decisions
- Identifying and monitoring key risk areas
- Ensuring that effective internal controls, policies, and procedures are in place and operational

The Board is required to convene at least four times per year. The day-to-day operations of the Authority are managed by the Director General.

TEA Board Members to August 2023

| S/N | NAME | POSITION | QUALIFICATION |
|-----|--|------------------|--|
| 01 |  Prof. Bernadeta Killian | Vice Chairperson | PhD in Political Science |
| 02 |  Mrs. Mystica Mapunda Ngongi | Member | MBA in Corporate Management |
| 03 |  Mr. Meshack A. Anyingisye | Member | MSc. Development Economics and Policy. |

| S/N | NAME | POSITION | QUALIFICATION |
|-----|---|------------------------------|------------------------------|
| 04 |  Mr. Atupele Mwambene | Member | Master of Economics (MEc) |
| 05 |  Dr. Charles Enock Msonde | Member | Phd in Education |
| 06 |  Ms. Bahati I. Geuzye | Secretary / Director General | MBA in Corporate Management. |

NB: Three years term of the Bord ended on August 2023

5.2 Board and Committee Meetings

To discharge the obligations stipulated in the First Schedule of the Education Fund Act No. 8 of 2001, the Board convened one meeting during the 2023/24 financial year. This was due to the expiration of tenure of the then Board of Directors. The currently appointed Board of Directors commenced its tenure on 12 June 2024.

5.3 Board Committees

The Board is required, by virtue of Sections 7(5), (6), and (7) of the Education Fund Act, 2001, to establish two permanent committees, namely the Revenue Committee and the Award Committee, for the purpose of fulfilling its oversight responsibilities. To facilitate the proper discharge of its obligations, the Board also established two additional committees: The Executive Committee and the Audit Committee. The members of the Board Committees for the period from July 2023 to August 2023 were as follows;

5.3.1 Revenue Committee

The Revenue Committee is composed of three (3) members from the TEA Board, including the Director General, who serves as the Secretary to the Committee. Management members also attended the Committee meetings as invitees. During the financial year ending 30th June 2024, the Committee held one (1) meeting in which several issues were discussed regarding the Authority's sources of funding and the efforts made by Management to enhance resource mobilization. The members of the Revenue Committee for the period from July 2023 to August 2023 were:

5.3.1 Revenue Committee

| S/N | NAME | QUALIFICATION | POSITION |
|-----|-----------------------------|-----------------------------|-------------|
| 01 | Mrs. Mystica Mapunda Ngongi | MBA in Corporate Management | Chairperson |
| 02 | Mr. Atupele Mwambene | Master of Economics (MEc) | Member |
| 03 | Ms. Bahati I. Geuzye | MBA in Corporate Management | Secretary |

5.3.2 Award Committee

The Award Committee is comprised of four (4) members from the TEA Board including the Director General who serves as the Secretary of the Committee. The Management members also attended the meetings of the Committee as invitees. During the year 2023/24, the Committee held one (1) meeting. Members of the Award Committee for the period from July to August 2023 were;

| S/N | NAME | QUALIFICATION | POSITION |
|-----|--------------------------|-----------------------------|-------------|
| 01 | Prof. Bernadeta Killian | PhD in Political Science | Chairperson |
| 02 | Dr. Charles Enock Msonde | PhD in Education | Member |
| 03 | Mr. Atupele Mwambene | Master of Economics (MEc) | Member |
| 04 | Ms. Bahati I. Geuzye | MBA in Corporate Management | Secretary |

5.3.3 Executive Committee

The Executive Committee is composed of four (4) members from the TEA Board, including the Director General, who serves as the Secretary to the Committee. Management members also attended the Committee meetings as invitees. During the year, the Committee held one (1) meeting, in which it deliberated on and recommended the following matters to the Board for approval. From July to August 2023, the members of the Committee were as follows:

| S/N | NAME | QUALIFICATION | POSITION |
|-----|-----------------------------|---------------------------------------|-------------|
| 01 | Prof. Bernadeta Kilian | PhD in Political Science | Chairperson |
| 02 | Mr. Meshack Anyingsisye | MSc. Development Economics and Policy | Member |
| 03 | Mrs. Mystica Mapunda Ngongi | MBA in Corporate Management | Member |
| 04 | Ms. Bahati I. Geuzye | MBA in Corporate Management | Secretary |

5.3.4 Audit Committee

The Audit Committee is comprised of three (3) members, two (2) members from the TEA Board, one co-opted member from outside the Authority, and a secretary. The Management members also attended the meetings of the Committee as invitees. During the financial year ended 30 June 2024 the Committee held one (1) meeting which discussed several issues regarding to audit findings from both internal and external auditor's reports. The Committee is overseeing the implementation of the directives of the Board relating to various issues raised by both internal and external auditors. From July to August 2023, the members of the Committee were as follows;





| S/N | NAME | QUALIFICATION | POSITION |
|-----|-------------------------|--|-----------------|
| 01 | Mr. Meshack Anyingsisye | MSc. Development Economics and Policy. | Chairperson |
| 02 | Mr. Gerald Mweli | MSc in Economics and Finance | Member |
| 03 | *Mr. Simon F. Sayore | FCCA and MSc in Finance | Co-opted Member |
| 04 | Christina Meela | Master of Laws | Secretary |

*Mr. Simon Sayore is Co-opted Member to the Audit Committee. He is Tanzanian.






5.4 TEA MANAGEMENT TEAM

The Management Team of TEA operates under the leadership of the Director General, who is directly accountable to the Governing Board for the day-to-day management of the Authority. The following individuals served in the Management Team during the financial year ending 30th June 2024.





TEA MANAGEMENT TEAM DURING FINANCIAL YEAR 2023- 2024

| S/N | NAME | TITLE | QUALIFICATION |
|-----|--|--|--------------------------------|
| 01 |  Dr. Erasmus Kipesha | Director General | PhD in Financial Management |
| 02 |  Mr. Masozi Nyirenda | Ag. Director of Resources Mobilization and Education Support | Masters in Education |
| 03 |  Ms. Mwanahamis Chambega | Ag. Director of Corporate Services | Master of Science in Finance |
| 04 |  Mr. Richard Mazinge | Chief Internal Auditor | Masters in Finance and Banking |

TEA MANAGEMENT TEAM DURING FINANCIAL YEAR 2023- 2024

| S/N | NAME | TITLE | QUALIFICATION |
|-----|---|---|--------------------------------------|
| 05 |  Mwanafatuma Mohammed | Ag. Education Support Manager | Master's in Education |
| 06 |  Ms. Wendo Chiduo | Planning, Monitoring and Evaluation Manager | Masters in Business Administration |
| 07 |  Ms. Alice Lukindo | Human and Administration Manager | Master of Science in Human Resources |
| 08 |  Thadei Mwita | Finance and Accounts Manager | Master of Science in Finance |
| 09 |  Ms. Christina S. Meela | Legal Service Manager | Master of Laws |

TEA MANAGEMENT TEAM DURING FINANCIAL YEAR 2023- 2024

| S/N | NAME | TITLE | QUALIFICATION |
|-----|--|---|---------------------------------------|
| 10 |  Hamza Hassan | Ag. Resources Mobilization Manager | Master of Arts in Development Studies |
| 11 |  Mr. Stanley Nonjela | Manager, Procurement Management Unit (June 2023 - Feb 2024) | Masters in Business Administration |
| 12 |  Mr. Emmanuel Shirima | Head of ICT and Statistics | Masters in Business Administration |
| 13 |  Ms. Bestina A. Magutu | Head of PR and Communication | Master of Mass Communication |

6. PERFORMANCE REVIEW

6.1. Education projects funded through the Education Fund in 2023/2024

During the FY 2023/2024, **TZS 8,993,827,096** was set aside to undertake projects approved for implementation in the FY using Government subvention development, and TZS 1,728,235,787 for carried-over projects making a total of TZS 10,722,062,883 set aside for project implementation. The Authority disbursed **TZS 8,903,026,678.81** equivalent to (83%) of the received fund for the implementation of 113 projects on construction/renovation/completion of pit latrines, classrooms, teachers' houses, dormitories, science laboratory and reading rooms and facilitating construction of dormitories in One Higher Learning Institution in Zanzibar.

A total of 101 projects equivalent to 89% of 113 projects were at different stages of implementations. The stages and percentage of implementation of the projects were as follows: 41 (36%) projects have been completed, 28 (25%) projects were at finishing stage, 11 (9.7%) were at roofing stages, 18 (15.7%) projects were at lintel and walling stages, 03 (2.6%) schools were at foundation stage and 12 (11%) were at initial stages of signing of Grants and Performance Agreements and procurements processes.

The approved projects for the financial year 2022/2023 were as follows:

- i. Construction of 97 Classrooms worth of TZS. 2,319,679,256 in primary and secondary schools, by June 2024.
- ii. Construction of 10 Girls' Dormitories worth of TZS 1,419,343,320 in selected secondary schools in difficult and hard-to-reach areas by June, 2024
- iii. Construction of 336 pit – latrines worth of TZS 718,676,784 in selected primary and secondary schools in difficult and hard to reach areas by June, 2024.
- iv. Construction of 18 Science Laboratories worth of TZS 1,615,344,000 in 9 Secondary Schools with acute need areas by June, 2024.
- v. Construction of 32 teachers' houses worth of TZS 1,063,053,396 in primary and secondary schools by June, 2024.
- vi. Facilitation of rehabilitation/ construction and procurement of Teaching and Learning facilities (T&L) worth of TZS 300,000,000 in Higher Learning Institutions by June, 2024.
- vii. Facilitation of procurement of furniture to reading room worth of TZS 11,537,000 with acute needs areas by June 2024.
- viii. Facilitation of completion of projects of previous years' worth of TZS 616,751,436 by June 2024.
- ix. Facilitation of completion of projects approved in 2022/23 worth of TZS 929,442,104 by June, 2024
- x. Carry Over Projects worth of TZS 1,728,235,787

6.1.1 Construction of 97 Classrooms Worth TZS 2,319,679,256 in [Number] Schools by June 2024

The Authority, in collaboration with MoEST and PO-RALG, identified schools to benefit from the classroom construction project. A total of TZS 2,329,679,538 was allocated to the respective beneficiaries. The project was implemented using the force account method of procurement. As of June 30, 2024, 14 schools (60.8%) had been completed, 4 schools (17%) were at the finishing stage, and 5 schools (21.7%) were at various stages of implementation (e.g., roofing, lintel, walling, and foundation works). By the end of the fourth quarter of FY 2023/2024, TZS 1,694,884,362.75, equivalent to 73% of the total funds, had been disbursed to beneficiaries. All projects are expected to be completed by the end of the first quarter of FY 2024/2025.

Table 1: List of Schools benefited from Construction of 97 Classrooms

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|--------------------------------|---------------|-------------|
| 01 | Katemwa Primary School | Chato DC | Geita |
| 02 | Kinyamale Primary School | Kibiti DC | Pwani |
| 03 | Sanza Primary School | Manyoni DC | Singida |
| 04 | Urughu Primary School | Iramba DC | Singida |
| 05 | Madanga Primary School | Pangani DC | Tanga |
| 06 | Kwamkole Primary School | Korogwe TC | Tanga |
| 07 | Kinyinya Primary School | Karagwe DC | Kagera |
| 08 | Chamwino Primary School | Chamwino DC | Dodoma |
| 09 | Mukamanye Primary School | Sumbawanga DC | Rukwa |
| 10 | Wipanga Primary School | Sumbawanga MC | Rukwa |
| 11 | Mwasa Primary School | Kilosa DC | Morogoro |
| 12 | Lengatei Primary School | Kiteto DC | Manyara |
| 13 | Tuyombo Primary School | Mbeya DC | Mbeya |
| 13 | Tuyombo Primary School | Mbeya DC | Mbeya |
| 14 | Kindimba Chini Primary School | Mbinga DC | Ruvuma |
| 15 | Uyole Primary School | Mbeya CC | Mbeya |
| 16 | Nsenkwa Primary School | Mlele DC | Katavi |
| 17 | Motamburu Chini Primary School | Rombo DC | Kilimanjaro |
| 18 | Nandanga Primary School | Ruangwa DC | Lindi |
| 19 | Ngongo Secondary School | Lindi MC | Lindi |
| 20 | Namangale Primary School | Mtama DC | Lindi |
| 21 | Mabambani Primary School | Tanga CC | Tanga |
| 22 | Ligumbiro Primary School | Ludewa DC | Njombe |
| 23 | Kiwale Primary School | Malinyi DC | Morogoro |



Students at Umoja Primary School in Lindi Municipality enjoying their studies in a well-constructed classroom built by TEA

6.1.2. Construction of 9 Girls' and 01 Boys' Dormitories Worth TZS 1,419,343,320 in Selected Secondary Schools in Difficult and Hard-to-Reach Areas by June 2024

The Authority, in collaboration with MoEST and PO-RALG, identified 9 schools facing an acute shortage of dormitories. A total of TZS 1,419,343,320 was allocated for the project. The construction work was carried out using the force account method. As of June 30, 2024, 06 schools were at finishing stage, 04 schools were at different stages of implementation (1- foundation, 1- walling 2 roofing). A total of TZS 1,316,084,322 equivalent to 93% of the allocated funds, has been disbursed to the beneficiaries. The project is expected to be completed by the first quarter of FY 2024/2025. The schools that benefited from the funding for the construction of girls' dormitories are as follows;

Table II: List of Schools benefitted from Construction of 9 Girls' and 01 Boys' Dormitories Worth TZS 1,419,343,320

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|---------------------------------|---------------|-------------|
| 01 | Luagala Secondary School | Tandahimba DC | Mtwara |
| 02 | Longido Sec School (girls) | Longido DC | Arusha |
| 03 | Daudi Teewi Secondary School | Mbulu TC | Manyara |
| 04 | Mbomai Sekondari School | Rombo DC | Kilimanjaro |
| 05 | Kyanyari Secondary School | Butiama | Mara |
| 06 | Isack Kamwele Secondary School | Mlele DC | Katavi |
| 07 | Ifinga Secondary School | Madaba DC | Ruvuma |
| 08 | Mnara Secondary School | Mtama DC | Lindi |
| 09 | Ngaiti Secondary School | Manyoni DC | Singida |
| 10 | Longido Secondary School (boys) | Longido DC | Arusha |

6.1.3 Construction of 336 Pit Latrines Worth TZS 718,676,784 in Selected Primary and Secondary Schools in Difficult and Hard-to-Reach Areas by June 2024.

In collaboration with MoEST and PO-RALG, the Authority identified 13 beneficiary schools, comprising both primary and secondary schools. A total of TZS 718,676, 784.00 was approved for these schools. The project was implemented using the force account method. As of June 30, 2023, 05 schools had completed their projects, 04 projects were at the finishing stage and 04 projects were at different stages of implementation (roofing lintel, walling). A total of TZS 718,676,337.00 accounting for 98% of the allocated funds has been disbursed to the beneficiaries. The projects are expected to be completed in the first quarter of FY 2024/2025. The schools that benefited from the project funding are as follows:

Table III: List of Schools Benefitted from Pit latrines Funding

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|--------------------------------|------------|-------------|
| 01 | Katemwa Primary School | Chato DC | Geita |
| 02 | Igurwa Secondary School | Karagwe | Kagera |
| 03 | Kituntu Secondary School | Karagwe | Kagera |
| 04 | Ruhembe Primary School | Kilosa DC | Morogoro |
| 05 | Motamburu Chini Primary School | Rombo DC | Kilimanjaro |
| 06 | Kintinku Secondary School | Manyoni DC | Singida |
| 07 | Ndongosi Primary School | Mbinga DC | Ruvuma |
| 08 | Morotonga Secondary School | Serengeti | Mara |
| 09 | Mnala Primary School | Mtama DC | Lindi |
| 10 | Lemira Secondary School | Hai DC | Kilimanjaro |

Table III: List of Schools Benefitted from Pit latrines Funding

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|---------------------------|--------------|---------------|
| 11 | Mtindiro Secondary School | Muheza DC | Tanga |
| 12 | Ngongo Secondary School | Lindi MC | Lindi |
| 13 | Ushindi Primary School | Kinondoni MC | Dar es Salaam |

6.1.3 6.1.4 Construction of 18 Science Laboratories Worth TZS 1,615,344,000 in 9 Secondary Schools in Areas of Acute Need by June 2024

The Authority, in collaboration with MoEST and PO-RALG, identified 08 secondary schools as beneficiaries of the project. Funds amounting to TZS 1,615,344,000 were approved, and the project was implemented using the force account method. As of June 30, 2024, 05 schools were complete, 3 schools at the finishing stage, A total of TZS 1,078,563,240.7 equivalent to 69% of the approved funds has been disbursed. The projects are expected to be completed by the first quarter of FY 2024/2025. The schools that benefited from the project's funding are as follows:

Table IV: List of 8 Schools Benefitted from Science Laboratories Funding

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|---------------------------------|---------------|-------------|
| 01 | William Lukuvi Secondary School | Iringa DC | Iringa |
| 02 | Nyabugera Secondary School | Chato DC | Geita |
| 03 | Bustani Secondary School | Rombo DC | Kilimanjaro |
| 04 | New Bagamoyo Secondary School | Korogwe TC | Tanga |
| 05 | Nyasa Secondary School | Nyasa DC | Ruvuma |
| 06 | Kisam Secondary School | Moshi DC | Kilimanjaro |
| 07 | Ngongo Secondary School | Lindi MC | Lindi |
| 08 | Mapinduzi Secondary School | Serengeti DC | Mara |
| 09 | Vuma Secondary School | Sumbawanga DC | Rukwa |

6.1.5 Construction of 32 Teachers' Houses Worth TZS 1,063,053,396 in Primary and Secondary Schools by June 2024



Four teachers' houses constructed by TEA at Mandarawe Secondary School, located in Ruangwa Municipality, Lindi Region.

The Authority, in collaboration with MoEST and PO-RALG, identified 07 schools as beneficiaries of the project. Funds amounting to TZS 1,063,053,396 were approved for the respective beneficiaries.

The construction work was carried out using the force account method. As of June 30, 2024, 3 projects had been completed, while 04 were at the various construction stages. A total of TZS 730,505,009.70, equivalent to 69% of the approved fund has been disbursed.

The project is expected to be completed in the first quarter of FY 2024/2025. The schools that benefited from the project's funding are as follows:

Table V: List of 7 Schools Benefitted from Teachers houses Funding

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|-----------------------------|--------------|---------|
| 01 | Ketembere Primary School | Serengeti DC | Mara |
| 02 | Moa Primary School | Mkinga DC | Tanga |
| 03 | Mateteleka Secondary School | Madaba DC | Ruvuma |
| 04 | Ngongo Secondary School | Lindi MC | Lindi |
| 05 | Madasenga Secondary School | Singida DC | Singida |
| 06 | Bwejuu Primary School | Mafia DC | Pwani |
| 07 | Foe Primary School | Kondoa DC | Dodoma |

6.1.6 Facilitation of Rehabilitation/Construction and Procurement of Teaching and Learning (T&L) Facilities Worth TZS 300,000,000 in Higher Learning Institutions by June 2024

The Authority allocated TZS 300,000,000 to facilitate the rehabilitation and construction of Teaching and Learning (T&L) facilities for [name of institution] in Zanzibar. The project was implemented using the force account method.

As of June 30, 2024, the project was at the finishing stage, and a total of TZS 300,000,000 equivalent to 100% of the allocated funds had been disbursed. The project is expected to be completed in the first quarter of FY 2024/2025.

6.1.7 Facilitation of Procurement of Furniture for Reading Room Worth TZS 11,537,000 in Areas with Acute Need by June 2024

The Authority in collaboration with the Ministry of Education, Science and Technology Bustani Secondary school as a beneficiary of furniture for the reading room. A total of TZS 11,537,000 was allocated for the same. As of June 30th 2024, 100 percent of the fund was disbursed while the procurement of the furniture was still in the process.

6.1.8 Facilitation completion of uncompleted projects funded by TEA from previous years 2017/20118 to 2021/2022 Worth TZS 616,751,556 in Areas with Acute Need by June 2024

The Authority, in collaboration with MoEST and PO-RALG, identified 13 secondary schools as beneficiaries of this project. Funds totalling TZS 616,751,436 were approved for the respective beneficiary schools. As of June 30, 2024, 10 projects had been completed, while 3 were at finishing stage. A total of TZS 526,512,548.40, equivalent to 85% of the approved amount had been disbursed by June 2024. The projects are expected to be completed in the first quarter of FY 2024/2025. The schools that benefited from the project's funding are as follows:

Table VII: List of 13 Schools benefited from Additional fund for completion uncomplete projects

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|--|-----------|-------------|
| 01 | Miembeni Primary School (Special Needs Unit) | Chato DC | Geita |
| 02 | Rafsanjani Secondary School | Kibaha DC | Pwani |
| 03 | Maretadu Chini Sec | Mbulu DC | Manyara |
| 04 | Suguti Secondary School | Musoma DC | Mara |
| 05 | Kikaro Secondary School | Chalinze | Pwani |
| 06 | Kurui Secondary School | Kisarawe | Pwani |
| 07 | Vikumburu Secondary School | Kisarawe | Pwani |
| 08 | Kwala Secondary School | Kibaha DC | Pwani |
| 09 | Mangoto Secondary School | Moshi DC | Kilimanjaro |

Table VII: List of 13 Schools benefited from Additional fund for completion uncomplete projects

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|---------------------------|-------------|----------|
| 10 | Mugango Secondary School | Morogoro DC | Morogoro |
| 11 | Kizagila Secondary School | Musoma DC | Mara |
| 12 | Gehandou Secondary School | Mbulu TC | Manyara |
| 13 | Matombo Secondary School | Morogoro DC | Morogoro |

6.1.9 Facilitation of Completion of Projects Approved in FY 2022/2023 Worth TZS 929,442,104 by June 2024

Projects worth TZS 929,442,104 were carried over from FY 2022/2023. As of 30th June, 2024, 25 carry-over projects had been completed, while 24 were at various stages of implementation. A total of TZS 929,442,104, equivalent to 100% of the allocated funds, had been disbursed to the beneficiaries by June 30th 2024.

6.1.10 Construction, rehabilitation and completion of classrooms, pit latrines and science laboratories in 13 primary and Secondary Schools funded by UNICEF Worth TZS 787,715,275 by June 2024

The Authority, in collaboration with MoEST and UNICEF Tanzania, identified 13 schools as beneficiaries of the project. Funds amounting to TZS 787,715,275 were approved for the respective beneficiaries in Kigoma, Songwe and Tabora. The construction work was carried out using the force account method and through NeST system. As of June 30, 2024, 4 projects started the projects and 9 projects were at initial stages of implementation (procurement processes and signing of grants and performance Agreements) roofing). A total of TZS 191,219,450, equivalent to 24.2% of the approved fund has been disbursed.

The project is expected to be completed in the second quarter of FY 2024/2025. The schools that benefited from the project's funding are as follows:

Table VIII: List of 13 Schools Funded by UNICEF Tanzania

| S/N | SCHOOL NAME | COUNCIL | REGION |
|-----|--------------------------------|---------|--------|
| 01 | Mkuyuni Primary school | Kasulu | Kigoma |
| 02 | Nyakitonto Secondary School | Kasulu | Kigoma |
| 03 | Kibilizi Primary School | Kasulu | Kigoma |
| 04 | Kakonko Girls Secondary School | Kakonko | Kigoma |
| 05 | Kagondo Primary School | Kakonko | Kigoma |
| 06 | Songambebe Satellite School | Kibondo | Kigoma |
| 07 | Lwasho Primary School | Momba | Songwe |
| 08 | Itumba Secondary School | Ileje | Songwe |
| 09 | Ilolo Primary School | Mbozi | Songwe |
| 10 | Msense Secondary School | Mbozi | Songwe |
| 11 | Vwawa Secondary School | Mbozi | Songwe |
| 12 | Kazaroho Primary School | Kaliua | Tabora |
| 13 | Kasungu Secondary School | Kaliua | Tabora |

6.2. Implementation of Skills Development Fund (SDF) Projects

During the financial year 2023/24, the Authority finalized the implementation of the Skills Development Fund. The Authority procured 5 motor vehicles through SDF Fund and conducted monitoring and tracer study on the employment status of the youth who benefitted from the SDF training programs, the period of their transition to employment for those who are employed, the quality of engagement for those who are employed and the skills match between the training program and the jobs the youth undertake.

The results of the study have provided critical feedback to TEA, MoEST and World Bank on key issues for future planning of effective skills development financing. This Tracer Study was undertaken through tracing three cohorts of SDF graduates, in which the First Cohort is for the year 2019/20, the Second Cohort is for the year 2020/21 and the Third Cohort is for the year 2021/22. Out of 36,325 of SDF graduates from these cohorts trained under DLI9 and DLI 11, a sample of 4,045 beneficiaries was drawn out of 36,325 of the total population.



The ICT laboratory at Kihesa Secondary School in Iringa is one of the beneficiaries of the Skills Development Fund (SDF) project in the area of ICT.

7. RESOURCE MOBILIZATION ACTIVITIES

7.1. Resource Mobilization Initiatives during the FY 2023/24

During the period under review, the Authority continued with fundraising initiatives for the Education Fund, by making strategic meetings with strategic partners, developing and marketing Grant Project Proposals and collaborative arrangements with education stakeholders.

a. Strategic meeting with strategic partners

During the period under review, the Authority continued its engagement with UNICEF Tanzania, Altezza Travel, East African Television, Vodacom Foundation, Darsh Industry Ltd, Tanzania Association of Tours Operators (TATO), TANESCO, CRDB Bank and Tanzania Wild Animal Authority (TAWA), United Kingdom Internal Aid Agency (UK AID/DFID) and Sweden International Development Agency (SIDA).

b. Developing and Marketing Project Proposals

The Authority has focused on marketing developed proposals to potential donors. Currently, the three proposals are prioritised for marketing them to donors. Three proposals marketed to US-AID, 60 various corporate partners and Germany Development Agency (Giz) and KCB Bank. Furthermore, the Authority is in progress to make follow up on the project Proposals submitted to various corporate partners including Rural Energy Agency (REA), and Vodacom Tanzania.

c. Collaborative Arrangements

During the 4th quarter, TEA consulted with various corporate partners who has agreed to partner with TEA. The following are highlights on the consultations:

- i. Between 21 and 23 May 2024, DG-TEA held meetings with World Bank education and resource mobilisation experts to discuss effective strategies for TEA to undertake to enhance resource mobilisation.
- ii. MoU with Altezza Travel has been signed and it was agreed that, the collaborative project implementation will start in fourth quarter of FY 2023/24. However, due to technical arrangements including logistics for assessment of needs within targeted schools, the project will start in 1st quarter of FY 2024/25.
- iii. MoU with East Africa Television has been signed. The media promotion campaign is expected to start in July, 2024
- iv. Technical meeting between TEA and REA was held on 13 June, 2024 at REA's offices in Dodoma. The meeting deliberated on recommendations from the feasibility study TEA Proposal for clean energy for cooking in secondary schools in Tanzania mainland, undertaken by REA in November 2023, and agreed that the proposal submitted by TEA need to be reviewed and updated in line with the feasibility study findings. Therefore, TEA was requested to review the proposal and re-submit to REA attached with request for funds to implement the first phase of the project.
- v. Preparation of MoU with Tanzania Association of Tours Operation (TATO) is in progress and is expected to be signed in the first quarter of FY 2024/25.

d. Cash Donation Received

During the period under review the Authority had set aside a budget TZS 2,500,000,000 for implementation of CSR projects. In the period from July to June, 2024, the Authority received cash donations of TZS 875,441,180 from UNICEF Tanzania for the implementation of renovation/rehabilitation or construction of classrooms, Laboratories and Toilets in three regions namely Songwe, Tabora and Kigoma. Further, the Authority received TZS 23,000,000 for the implementation of GPE Projects from the following institutions as follows;

- i. LATRA TZS 1,000,000
- ii. NACTVET TZS 10,000,000
- iii. NHC TZS 2,000,000
- iv. Sub-treasury Mtwara TZS 10,000,000

e. Non-Cash Donation Received

In the period under review (from July to June, 2024), the Authority received non-cash donations of TZS 48,500,000 from various institutions as follows;

- i. Donation of 710 science magazines worth TZS 4,900,000 from Baob Shalom
- ii. Donation of 200 pairs of shoes to needy students worth TZS 6,600,000 from NISSAN Tanzania
- iii. Donation of 100 computers worth TZS 37,000,000 from CAMARA Education Tanzania

8. FINANCIAL RESULTS

8.1. Annual Revenue Projections Vs Actual Revenue for the FY 2023/24

During the financial year 2023/24, a revenue budget of TZS 17,112,417,500 was approved as income for the Authority, being TZS 11,500,000,000 Government Subvention Development, TZS 1,975,128,000 as Government subvention PE, TZS 738,000,000.00 as collection of principal loans, TZS 2,500,000,000 as a collection for Corporate Social Responsibility (CSR) projects, TZS 49,500,000 as Own Source revenue, TZS 343,800,000 as Interest from loan and penalties, and TZS 5,989,500 as Other Income.

Up to the end of the same Financial Year the Authority collected a total of TZS 14,900,357,409 (87%) of the expected budget, being TZS 11,500,000,000 Government subvention Development, TZS 1,923,750,385 as Government Subvention PE, TZS 875,441,180 as collection for Corporate Social Responsibility (CSR) projects, TZS 71,500,000 as donation and TZS 246,465,545 from Interest from loans advanced and loan Penalty. Details are indicated in the following table:

c. Table ix: Actual Collection by 30th June, 2024 (July – June, 2024)

| PARTICULARS | ORIGINAL BUDGET 2023/24 (TZS) | ACTUAL COLLECTION JULY 2023 -JUNE 2024 (TZS) | % |
|--|-------------------------------------|--|--------------|
| Income from Government | | | |
| Government Subvention PE | 1,975,128,000 | 1,923,750,385 | 97% |
| Government Subvention Dev | 11,500,000,000 | 11,500,000,000 | 100% |
| Sub Total | 13,475,128,000 | 13,423,750,385 | 99.6% |
| Income from Internal Source | | | |
| Principal Loans Collection | 738,000,000 | 283,200,000 | 38% |
| Donation -CSR Projects | 2,500,000,000 | 875,441,180 | 35% |
| Donation | 49,500,000 | 71,500,000 | 144% |
| Interest from loans Advanced and loan Penalty | 343,800,000 | 246,465,545 | 72% |
| Other Income | 5,989,500 | - | 0% |
| Sub Total | 3,637,289,500 | 1,476,606,725 | 41% |
| Total Income | 17,112,417,500 | 14,900,357,110 | 87% |

8.2. Annual Approved Expenditure Vs Actual Expenditure for the FY 2023/24

During the FY 2023/2024 total approved Expenditure for the Authority was TZS 17,112,417,500.00 out of which, TZS 8,993,827,096 for Government Subvention Development, TZS 2,500,000,000 for CSR Projects, TZS 3,643,462,404 for governance, coordination and support services, and TZS 1,975,128,000 was for Government subvention PE. Moreover, the authority had a carryover expenditure budget of TZS 2,884,836,086.00 where TZS 1,728,235,787 was for Government Subvention Development, TZS 321,465,000 was for governance, coordination and support services and TZS 835,135,299 was for financing SDF operations. A total Expenditure Budget was estimated to be TZS 19,997,253,586 During the period, a total of TZS 15,537,992,456 equivalent to 78% of was actual expenditure as shown in Table 5 below.

Table X: Annual Approved Expenditure Vs Actual Expenditure for the FY 2023/2024

| PARTICULARS | ANNUAL BUDGET 2023/2024 | ACTUAL EXPENDITURE (July 2023 - June 2024) | % |
|--|------------------------------------|---|------------|
| EXPENDITURE | A | C | |
| | TZS | TZS | |
| Personal Emoluments (PE) | 1,975,128,000 | 1,923,750,385 | 97% |
| Monitoring Evaluation, Governance and Administration of Education Fund | 3,964,927,404 | 3,597,612,892 | 91% |
| Fund Assisted Education Project | 10,722,062,883 | 8,903,026,679 | 83% |
| CSR Projects | 2,500,000,000 | 398,071,000 | 16% |
| SDF Operation | 835,135,299 | 715,531,500 | 86% |
| TOTAL EXPENDITURE | 19,997,253,586 | 15,537,992,456 | 78% |

8.3 Challenges

Constraints to the Achievement of Objectives

In the financial year 2023/24, the Authority experienced various challenges and constraints. Key challenges include:

- a. Delays by beneficiaries in completing the required procedures such as submission of signed Grants and Performance Agreements, endorsed Bill of Quantities (BoQ) due to use of standard costs and relevant documents of procurement of works and goods leading to delays in completion of projects.
- b. Submission of incomplete documents when requesting payments leading to delays in payments of Local fundi and suppliers.
- c. Public inertia to contribute to the Education Fund and Non-flow of donations as expected due to education stakeholders implementing education projects directly using their own Corporate Social Responsibility (CSR) funds.
- d. Non-compliance to repayment schedules for 10 educational institutions, which benefited with loans from the Education Fund.

8.4. Remedial Actions to Alleviate Challenges

In addressing the noted challenges and constraints, the authority is implementing the following actions:

- i. The Authority has communicated with respective the Management of schools and District council officials to urge them to complete the required documents timely and submit them to TEA for processing.
- ii. The Authority conducted pre-disbursement visits to councils and schools to provide awareness of project implementation and resolve emerging challenges to increase the submission volume of accurate documents.
- iii. Management has undertaken strategic visits and dialogue with potential contributions and philanthropists to increase support to the Education Fund. Moreover, several proposals have been developed and marketed to potential donors and are expected to yield results in subsequent periods.
- iv. The Authority is in the process of undertaking legal measures against all defaulters to ensure full repayments and/or total recovery through securities.

9. STATEMENT OF COMPLIANCE

The Report by Those Charged with Governance is prepared in compliance with the Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as issued by the National Board of Accountants and Auditors (NBAA). The Authority's financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSASs) as issued by the International Public Sector Accounting Standards Board (IPSASB).

9.1. APPROVAL

The report by those charged with governance has been approved by those charged with governance on 20/03/2025 and signed on its behalf by:



A handwritten signature in black ink, appearing to read 'L. Akwilapo', written over a dotted line.

.....
Dr. Leonard Akwilapo.
Board Chairman

A handwritten signature in black ink, appearing to read 'E. Kipesha', written over a dotted line.

.....
Dr. Erasmus Kipesha
Secretary

9. DECLARATION OF THE HEAD OF FINANCE OF TANZANIA EDUCATION AUTHORITY FOR THE YER ENDED 20 JUNE 2024

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 Authority to discharge the responsibility of preparing Financial Statements of an entity showing a true and fair view of the entity's financial position and performance in accordance with applicable International Public Sector Accounting Standards (IPSASs) and statutory financial reporting requirements.

Full legal responsibility for the preparation of Financial Statements rests with the Authority's Board as stated in the Statement of Directors' Responsibilities under section 22.0 of this report.

I, **CPA Mwanahamis Omary**, being the Head of Finance/Accounting of Tanzania Education Authority hereby acknowledge my responsibility of ensuring that Draft 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 comply with applicable accounting standards and statutory requirements as at that date and that they have been prepared based on properly maintained financial records.



.....

CPA Mwanahamis Omary

Position: Finance and Accounts Manager

NBAA Membership No.: **ACPA 3399**

Date: 20/03/2025

10. INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board,
Board of Directors,
Tanzania Education Authority (TEA),
P.O. Box 2516,
Dodoma, Tanzania.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Education Authority, which comprise the statement of financial position as at 30 June 2024, 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 Tanzania Education Authority 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 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 Tanzania Education Authority 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 background information of the Project, statement of management responsibility, Declaration by the Head of Finance and 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 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. 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

10.3. REPORT ON COMPLIANCE WITH LEGISLATIONS

10.3.1. Compliance with the Public Procurement laws

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

I performed a compliance audit on procurement of works, goods and services in Tanzania Education Authority for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, procurement of goods, works and services of Tanzania Education Authority is generally in compliance with the requirements of the Public Procurement laws.

Liquidated damages not charged for delayed supply TZS 32,146,500

Regulation 242(2) of the PPR and Clause 12(i) of the SCC, require authority to obtain reports on actual or anticipated delivery delays and impose liquidated damages of 0.15% per day, up to a maximum of 10% of the contract price, as stipulated in the contract. On 21 January 2023, the Authority Awarded Contract No. AE/026/2022/2023/G/04 to Masumin Printways and Stationers Ltd for the supply of furniture and fittings worth TZS 321,465,000, with a delivery period of 90 days. However, the supplier delivered the goods on 18 October 2023, exceeding the extended deadline of 08 August 2023 by 71 days. As a result, liquidated damages of TZS 32,146,500 the maximum allowed under the contract—should have been deducted. Despite this, the Authority paid the full contract sum without enforcing the penalty. The failure to deduct liquidated damages was due to inadequate internal controls over project management. As the supplier has already received full payment, there is a risk that the Authority may not be able to recover the liquidated damages, leading to financial loss.

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 Tanzania Education Authority 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 Tanzania Education Authority 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

11. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

| | Note | 2023/24 TZS | 2022/23 TZS |
|----------------------------------|------|--------------------------|--------------------------|
| ASSETS | | | |
| Current Asset | | | |
| Cash and Cash Equivalents | 16 | 2,569,654,743 | 3,091,599,775 |
| Inventories | 19 | 13,338,755 | 62,660,200 |
| Prepayments | 18 | 100,316,300 | 26,117,026 |
| Receivables | 17 | 239,079,650 | 266,057,295 |
| Total Current Asset | | 2,922,389,448 | 3,446,434,296 |
| Non-Current Asset | | | |
| Property, Plant and Equipment | 31 | 5,379,204,692 | 4,660,639,476 |
| Total Non-Current Asset | | 5,379,204,792 | 4,660,639,476 |
| TOTAL ASSETS | | 8,301,594,140 | 8,107,073,772 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Deferred Income | 22 | 1,516,899,427 | 2,596,701,952 |
| Deposits | 23 | 71,162,976 | 69,738,043 |
| Payables and Accruals | 21 | 163,629,550 | 204,902,362 |
| Total Current Liabilities | | 1,751,691,953 | 2,871,342,357 |
| TOTAL LIABILITIES | | 1,751,691,953 | 2,871,342,357 |
| Net Assets | | 6,549,902,187 | 5,235,731,415 |
| NET ASSETS/EQUITY | | | |
| Capital Contributed by: | | | |
| Taxpayers Fund | | 2,881,574,727 | 2,881,574,727 |
| Accumulated Surpluses / Deficits | | 3,668,327,460 | 2,354,156,688 |
| TOTAL NET ASSETS/EQUITY | | 6,549,902,187 | 5,235,731,415 |

Notes form part of financial statements



.....
Prof. Dr. Leonard Akwilapo
Board Chairman

Date: 20/03/2025



.....
Dr. Erasmus Kipsha
Director General

12. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

| | Note | 2023/24 TZS | 2022/23 TZS |
|---|------|-----------------------|------------------------|
| REVENUE | | | |
| Revenue from Non-Exchange Transactions | 6 | 15,394,773,383 | 15,134,005,753 |
| Revenue from Exchange Transactions | 7 | 290,805,203 | 308,891,528 |
| Fair Value Gains (ECL Reversal) | 8 | 40,062,111 | - |
| TOTAL REVENUE | | 15,725,640,697 | 15,442,897,281 |
| EXPENSES AND TRANSFERS | | | |
| Expenses | | | |
| Depreciation of Property, Plant and Equipment | 31 | 197,288,583 | 394,967,942 |
| Expected Credit Loss | 12 | | 4,077,778,324 |
| Obsolete Inventories Expenses | 12 | 46,814,800 | - |
| Impairment of Property, Plant and Equipment | 13 | - | 57,630,566 |
| Maintenance Expenses | 11 | 100,888,828 | 140,602,805 |
| Other Expenses | 14 | 142,419,459 | 247,972,741 |
| Use of Goods and Service | 10 | 1,290,527,182 | 1,895,073,486 |
| Wages, Salaries and Employee Benefits | 9 | 3,648,003,561 | 3,558,462,499 |
| Total Expenses | | 5,425,942,413 | 10,372,488,363 |
| Transfer | | | |
| Grants Subsidies and Transfers | 15 | 9,078,027,179 | 10,845,003,286 |
| TOTAL EXPENSES AND TRANSFERS | | 14,503,969,592 | 21,217,491,649 |
| Surplus / (Deficit) | | 1,221,671,705 | (5,774,594,368) |



.....
Prof. Dr. Leonard Akwilapo
Board Chairman

Date:20/03/2025




.....
Dr. Erasmus Kipsha
Director General

13. STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 25

| PARTICULARS | TAX PAYERS' FUND TZS | ACCUMULATE D SURPLUS TZS | TOTAL TZS |
|---|----------------------------|--------------------------------|----------------------|
| Opening Balance as at 01 Jul 2023 | 2,881,574,727 | 2,354,156,688 | 5,235,731,415 |
| Opening balance Adjustment | - | | |
| Overstatement in opening inventory | | 46,814,800 | 46,814,800 |
| Balance on fully Amortized and not used Intangible assets | | (100) | (100) |
| Overstatement in opening payables | | 45,684,967 | 45,684,967 |
| Adjusted Opening Balance at 01 July 2023 | 2,881,574,727 | 2,446,656,355 | 5,328,231,082 |
| Surplus/ Deficit for the Year | - | 1,221,671,105 | 1,221,671,105 |
| Closing Balance as at 30 Jun 2024 | 2,881,574,727 | 3,668,327,460 | 6,549,902,187 |
| Opening Balance as at 01 Jul 2022 | 2,881,574,727 | 8,128,751,056 | 11,010,325,783 |
| Surplus/ Deficit for the Year | - | (5,774,594,368) | (5,774,594,368) |
| Closing Balance as at 30 Jun 2023 | 2,881,574,727 | 2,354,156,688 | 5,235,731,415 |

During the year, the Authority recorded a surplus of TZS 1,221,671,105 (2022/23: TZS (5,774,594,368)). The Net Assets of the Authority as of 30 June 2024 stood at TZS 6,549,902,287 (2022/23: TZS 5,235,731,415)

Notes form part of financial statements



Prof. Dr. Leonard Akwilapo
Board Chairman

Date:20/03/2025



Dr. Erasmus Kipesho
Director General

Date:20/03/2025

14. CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

| | NOTES | 2023/24 TZS | 2022/23 TZS |
|--|-------|-----------------------|-----------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| RECEIPTS | | | |
| Subvention from other Government entities and Revenue Grants | 24 | 14,266,470,857 | 16,565,402,664 |
| Increase in Deposits | 26 | 1,424,933 | 33,580,309 |
| Financing Income | 27 | 197,993,199 | 98,853,377 |
| Fees, Fines, Penalties and Forfeits | 28 | 29,522,135 | 4,113,383 |
| loan repayments | 25 | 302,750,211 | 478,566,756 |
| Total Receipts | | 14,798,161,335 | 17,180,516,489 |
| PAYMENTS | | | |
| Wages, Salaries and Employee Benefits | 29 | 3,648,741,161 | 3,557,224,900 |
| Use of Goods and Service | 30 | 1,434,777,611 | 1,849,603,296 |
| Grants and Transfers | 15 | 9,078,027,179 | 10,845,003,285 |
| Other Expenses | 14 | 142,419,459 | 247,972,741 |
| Maintenance Expenses | 11 | 100,888,828 | 140,602,805 |
| Total Payments | | 14,404,854,238 | 16,640,407,027 |
| NET CASH FROM OPERATING ACTIVITIES | | 393,307,097 | 540,109,462 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investing Activities | | | |
| Acquisition of Property, Plant and Equipment | 31 | (915,853,898) | (304,260,788) |
| Total Investing Activities | | (915,853,898) | (304,260,788) |
| NET CASH FLOW FROM INVESTING ACTIVITIES | | (915,853,898) | (304,260,788) |
| Net Decrease | | (522,546,801) | 235,848,674 |
| Cash and cash equivalent at beginning of period | | 3,092,755,489 | 2,856,906,815 |
| Cash and cash equivalent at end of period | | 2,570,208,688 | 3,092,755,489 |



.....
Prof. Dr. Leonard Akwilapo
 Board Chairman

Date:20/03/2025



.....
Dr. Erasmus Kipsha
 Director General

15. THE STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL IN COMPARABLE BASIS FOR THE YEAR ENDED 30 JUNE 2024

| | ORIGINAL BUDGET | REALLOCATI ON/ADJUSTM ENT | FINAL BUDGET (B) | ACTUAL AMOUNT ON COMPARISON BASIS (A) | DIFFERENT FINAL BUDGET & ACTUAL (B-A) | COMMENTS |
|--|-----------------|---------------------------|------------------|---------------------------------------|---------------------------------------|---|
| | TZS | TZS | TZS | TZS | TZS | |
| RECEIPTS | | | | | | |
| Fees, Fines, Penalties and Forfeits | 100,800,000 | - | 100,800,000 | 29,522,135 | 71,277,865 | Underperformance was due to noncompliance by loaned institutions to repayment schedules |
| Financing Income | 243,000,000 | | 243,000,000 | 197,993,199 | 45,006,801 | Underperformance was due to noncompliance by loaned institutions to repayment schedules |
| Other Revenue | 5,989,500 | - | 5,989,500 | - | 5,989,500 | This was budgeted for disposal of assets which did not take place in 2023/24 |
| Advances and Loans Payment made to other parties | 738,000,000 | | 738,000,000 | 302,750,211 | 435,249,789 | Underperformance was due to noncompliance by loaned institutions to repayment schedules |
| Subvention from other Government entities and Revenue Grants | 16,024,628,000 | - | 16,024,628,000 | 14,266,470,857 | 1,758,157,143 | Unfavorable Variance was due under collection of CSR Revenue for Partnership project implementation as a result of delayed in finalization of negotiations with UNICEF Tanzania that had pledged to contribute 2.5 billion. |
| Increase in Deposits | - | - | - | 1,424,933 | 1,424,933 | Deposits were not budgeted for. |

THE STATEMENT OF COMPARISON BETWEEN BUDGET AND ACTUAL IN COMPARABLE BASIS FOR THE YEAR ENDED 30 JUNE 2024

| | ORIGINAL BUDGET | REALLOCATI ON/ADJUSTM ENT | FINAL BUDGET (B) | ACTUAL AMOUNT COMPARISON BASIS (A) | DIFFERENT FINAL BUDGET & ACTUAL (B-A) | COMMENTS |
|--|-----------------------|---------------------------|-----------------------|------------------------------------|---------------------------------------|---|
| | TZS | TZS | TZS | TZS | TZS | |
| Total Receipts | 17,112,417,500 | - | 17,112,417,500 | 14,798,161,335 | 2,317,106,031 | |
| PAYMENTS | | | | | | |
| Maintenance Expenses | 136,000,000 | 33,370,000 | 169,780,000 | 100,888,828 | 68,891,172 | Favorable variance was due to effective control of expenditure |
| Other Expenses | 274,091,600 | (48,466,592) | 225,625,008 | 142,419,459 | 83,205,549 | |
| Other Transfers | 13,695,117,585 | (189,225,000) | 13,505,892,585 | 9,078,027,179 | 4,427,865,406 | Favorable variance was due to delayed completion of construction projects |
| Use of Goods and Service | 1,534,942,193 | (71,389,331) | 1,463,552,862 | 1,434,777,611 | 28,775,251 | |
| Wages, Salaries and Employee Benefits | 3,638,256,611 | 285,456,923 | 3,923,713,534 | 3,648,741,161 | 274,972,373 | Favorable variance was due to effective control of expenditure |
| Acquisition of Property, Plant and Equipment | 926,765,000 | 10,156,000) | 916,609,000 | 915,853,898 | 755,102 | Favorable variance was due to less resources to implement the activity |
| Total Payment | 20,205,172,989 | (410,000) | 20,205,172,989 | 15,320,708,137 | 4,884,464,853 | |



.....
Prof. Dr. Leonard Akwilapo

Board Chairman

Date:20/03/2025



.....
Dr. Erasmus Kipasha

Director General

Date:20/03/2025

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

Authority Budget Preparation and Presentations

- i. The Authority presents its approved budget on a modified cash basis and the financial statements on accrual basis.
- ii. The budget is approved on a modified cash basis by functional classification. The Authority's approved budget covers the fiscal period from 1 July 2023 to 30 June 2024.
- iii. The Authority's budget and Financial Statement were prepared on different basis. The Financial Statements are prepared on accrual basis using a classification based on the nature of expenses in the Statement of Financial Performance whereas the budget is prepared on a modified cash basis.
- iv. The amounts in the financial statements were recast from the accrual basis to cash basis and reclassified by presentation to be on the same basis as the approved budget. Further, adjustments to amounts in the financial statements for timing differences associated with the continuing operations were made to express the actual amounts on a comparable basis to the final approved budget. The amount of the adjustments is identified to the note;
- v. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, presented in the Statement of Comparison of Budget and Actual Amounts. The excess of actual amount over the final budget of above 10% are explained;
- vi. For expenditure a positive variance represents under expenditure while negative variance represents over expenditure. For income positive variance represents over collection while negative variance represents under collection of income;
- vii. A reconciliation was made between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts and the actual amounts in the Statement of Cash Flows for the year ended 30 June 2022 presented in this report.

NOTE TO THE FINANCIAL STATEMENT

1.0 ESTABLISHMENT AND PRINCIPAL ACTIVITIES

1.2. Establishment

Tanzania Education Authority (TEA) was established under section 5(1) of the Education Fund Act No.8 of 2001 section 4(1) as amended by Act No.3 of 2013 to manage the Education Fund with the intention to supplement Government's efforts in financing education.

The current address of the Head Office of the Authority is:

Director General,
Tanzania Education Authority,
Head Office,
Ilazo,
P. O. Box 2416, **DODOMA, TANZANIA.**

1.3. Principal Activities

According to section 4(1) and (3) of the Act, the monies deposited in the Fund shall be used for increasing access, equity and improvement of quality of education, at all levels in Tanzania Mainland, and at higher education in Tanzania Zanzibar.

The Powers and Functions of the Authority are provided under Section 6 of the Act as follows:

- a. To provide funds to supplement the provision of education at all levels;
- b. To advise the Government on new sources of revenue for the purpose of ensuring adequate and stable flow of money into the fund;
- c. To raise the quality of education and increase access and equality;
- d. To promote education and training according to needs within the framework of overall national socio-economic development plans and policies;
- e. To apply the money deposited into the fund for the purposes of improvement and promotion of education;
- f. To develop and make periodic review of the formula for allocation and disbursement of financial resources of the Authority to different education levels expect that, at least fifty percent of the financial resources shall be provided to finance basic and secondary education;
- g. To develop and make a periodic review of the resources allocated for facilitation of education to students with disabilities;
- h. To monitor the use of the funds disbursed and ensure adherence to the objectives of the Fund other than funds allocated to HESLB, TCU and NACTE;
- i. To receive gifts, donations, grants or other moneys on behalf of the Fund;
- j. To sponsor and provide facilities for higher learning and to establish relationships or association with institutions both nationally and internationally;
- k. To apply the monies deposited into the Fund for the purpose of giving effect to the mandate of TEA, HESLB, TCU and NACTE provided that the Authority shall consult with institutions referred to in this section in the application of the monies deposited into the Fund.

2.0 AUTHORISATION OF FINANCIAL STATEMENTS

The Authority's financial statements for the year ended 30 June 2024 were approved and authorised for issue by the Board of Directors on 29 August 2024.

Statement of Compliance

The Authority's financial statements have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB). The Report by Those Charged with Governance (TCWG) has been prepared in line with the requirements of the Tanzania Financial Reporting Standard (TFRS) No. 1 as issued by the National Board of Accountants and Auditors (NBAA).

3.0 ACCOUNTING POLICIES

The Authority's financial statements are prepared and presented in compliance with IPSASs accrual basis. The significant accounting policies outlined below have been applied consistently throughout the year.

3.1 BASIS OF PREPARATION

The financial statements have been prepared on historical cost basis. The cash flows statement is prepared using the direct method. The financial statements are prepared on an IPSAS accrual basis of accounting. The functional currency of the Corporation, which is also its presentation currency, is Tanzanian Shillings (TZS). The values in this report are rounded to the nearest (TZS '000).

3.2 REPORTING PERIOD

The reporting period for these financial statements is the financial year of the Authority which runs from 1 July 2023 to 30 June 2024.

3.3 ADOPTION OF NEW STANDARD

3.3.1 New Standards Adopted by the Authority

IPSAS 41 FINANCIAL INSTRUMENTS.

IPSAS 41 replaced IPSAS 29 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2023. The authority has applied IPSAS 41 retrospectively and restated comparative information for 2022/23 for financial instruments in the scope of IPSAS 41. Differences arising from the adoption of IPSAS 41 were recognized in net assets as of 1 July 2023 and are disclosed below.

The nature of the changes in accounting policies can be summarized, as follows

Changes to classification and measurement

To determine their classification and measurement category, IPSAS 41 requires all financial assets to be assessed based on a combination of the entity's management model for managing the assets and the instruments' contractual cash flow characteristics.

The IPSAS 29 measurement categories for financial assets (fair value through surplus or deficit (FVSD), available for sale (AFS), held-to-maturity (HTM) and loans and receivables (L&R) at amortized cost) have been replaced by:

- i. Financial assets at fair value through surplus or deficit
- ii. Financial assets at fair value through net asset/ Equity
- iii. Financial assets at amortized cost

Changes to classification and measurement

The adoption of IPSAS 41 has fundamentally changed the entity's accounting for impairment losses for debt instruments held at FVNA or amortized cost by replacing IPSAS 29's incurred loss approach with a forward-looking expected credit loss (ECL) approach. IPSAS 41 requires the Entity to record an allowance for ECLs for all debt instruments not held at FVSD.

The adoption of the ECL requirements of IPSAS 41 has resulted in increases in impairment allowances in respect of the Entity's debt instruments. The increase in allowance was adjusted to retained earnings.

Changes in disclosure – IPSAS 30

To reflect the differences between IPSAS 41 and IPSAS 29, IPSAS 30 Financial Instruments: Disclosures was also amended. The Authority applied the amended disclosure requirements of IPSAS 30, together with IPSAS 41. Changes include transition disclosures as shown below. Detailed qualitative and quantitative information about the ECL calculations, such as the assumptions and inputs used, are set out in financial assets disclosures

Reconciliations of the impact of application of IPSAS 41

| Expected credit loss impact | Accumulated surplus impact | | |
|--|--------------------------------|---|--------------------------------|
| | Closing balance under IPSAS 29 | Impact of initial application of IPSAS 41 | Closing balance under IPSAS 41 |
| Bank balances | 3,092,755,489 | (1,155,714) | 3,091,599,775 |
| Institutional loan Receivables | 4,072,878,831 | (3,872,878,831) | 200,000,000 |
| Staff loans | 170,364,296 | (170,364,296) | - |
| Other receivables | 33,379,483 | (33,379,483) | - |
| Total Impact on accumulated surplus | 7,369,378,099 | (4,077,778,324) | 3,291,599,775 |

3.3.2 New Standards on Issue Not Yet Adopted by the Authority

There are seven (7) new Standards issued by the International Public Sector Accounting Standards Board (IPSASB) but were not yet effective up to the date of issuance of the Corporation's financial statements. Also, there are two (2) standards issued by International Accounting Standards Board (IASB), for adoption by all entities including government entities. The new Standards are:

a. IPSAS 43- Leases, which is effective on or after January 1, 2025. This standard introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, Leases. For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13. This standard will improve the transparency of lease accounting in the public sector.

b. IPSAS 44-Non-Current Assets Held for Sale and Discontinued Operations, which is effective for annual periods beginning on or after 1 January 2025. This standard fills a gap in the IPSAS suite by providing guidance on how to account for public sector assets that are held for sale on commercial terms. The standard is important from a public interest perspective, as it ensures transparency and accountability when decisions to sell public sector assets have been taken. IPSAS 44 specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:

- i. Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
- ii. Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.

c. IPSAS 45-Property, Plant and Equipment, which is effective for annual periods beginning on or after 1 January 2025. This standard replaces IPSAS 17, Property, Plant, and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets, and adding new guidance on how these important types of public sector assets should be recognized and measured.

The objective of IPSAS 45 is to develop enhanced guidance clarifying the recognition and measurement of infrastructure and heritage assets that are Property, Plant, and Equipment.

3.3.2 New Standards on Issue Not Yet Adopted by the Authority

d. IPSAS 46-Measurement, which is effective for annual periods beginning on or after 1 January 2025. The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. It identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting.

This standard provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. It brings in generic guidance on fair value for the first time, and introduces current operational value, a public sector specific current value measurement basis addressing constituents' views that an alternative current value measurement basis to fair value is needed for certain public sector assets.

e. IPSAS 47-Revenue which is effective for annual periods beginning on or after 1 January 2026. IPSAS 47 replaces the existing three revenue standards IPSAS 9, IPSAS 11 and IPSAS 23, and presents accounting models which will improve financial reporting and support effective public sector financial management.

The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions. To meet the objective, the Standard:

- i. Requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction; and
- ii. Sets out the accounting requirements to account for the revenue transaction.

f. IPSAS 48-Transfer Expenses which is effective for annual periods beginning on or after 1 January 2026. IPSAS 48 provides accounting guidance for transfer expenses, which account for a significant portion of expenditures for many public sector entities. This new Standard fills a significant gap in the IPSASB's literature and provides guidance to help entities account for public sector transfer expense transactions.

The objective of this Standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of cash flows arising from transfer expenses. To meet the objective above, the Standard:

- i. Requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction; and
- ii. Sets out the accounting requirements for the transfer expense transactions.

g. IPSAS 49: Retirement Benefit Plans: The objective of this standard is to prescribe the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants. IPSAS 49 will be effective for periods beginning on or after January 1, 2026.

h. IFRS S1(General Requirements for Disclosure of Sustainability-related Financial Information)

IFRS 1 which is effective for Public Interest Entities (PIE) for annual periods beginning on or after 1 January 2025 sets out general requirements for disclosing material sustainability-related information, including risks and opportunities, across an entity's value chain. It's designed to help investors understand the connections between different sustainability-related risks and opportunities, including those set out in IFRS S2. IFRS S1 also includes qualitative characteristics for the information that needs to be provided, such as relevance and faithful representation

i. IFRS S2 (Climate-related Disclosures)

IFRS 2 which is effective for Public Interest Entities (PIE) annual periods beginning on or after 1 January 2025 sets out specific disclosures for climate-related matters, including risks and opportunities. It's designed to be used with IFRS S1 and incorporates guidance on climate-related disclosure topics and metrics. IFRS S2 metrics and disclosure topics are based on SASB Standards, with amendments to improve international applicability.

The Authority is currently assessing the impact of the above-mentioned standards and plans to adopt them on or before the required effective date.

There are no other IPSASs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Authority.

3.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Tanzania Education Authority adopted the following Fundamental Accounting Concepts:

- Going Concern Concept
- Accrual Basis of Accounting
- Matching Principle of Accounting

The Accounting Policies applied in preparation of financial statements were developed considering the following criteria: -

- Prudence
- Substance Over Form
- Relevance and Materiality

The accounting policies and estimates outlined below have been consistently applied by the Authority to all the presented years

3.4.1 Property, Plant and Equipment

TEA carries Property, Plant and Equipment (PPE) at cost less accumulated depreciation and impairment losses. PPE are initially recorded at cost which includes all costs necessary to get the asset ready for its intended use. If an item of PPE is acquired at no cost, or for a nominal cost its cost is measured at its fair value as at the date of acquisition.

An item of property, plant and equipment is recognized as assets if, and only if, it is probable that the future economic benefits or service potential associated with the item will flow to the entity, and the cost or fair value of the item can be measured reliably.

The assets' residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

Repairs and maintenance of property, plant and equipment are recognized in the Statement of Financial Performance during the financial period in which they are incurred

Derecognition

The Authority derecognizes items of property, plant and equipment upon disposal or when no future economic benefits or service potential is expected from its continuing use. Gains and losses on disposal are determined by comparing the disposal proceeds with the carrying amount and the resulting difference credited/charged to Statement of Comprehensive Income.

Depreciation

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. Depreciation is charged on assets from the date when they are ready for use and stop on the date when the asset is derecognized by the Authority. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Depreciation...

Land is not depreciated as it is deemed to have an infinite life. The Authority therefore accounts land and buildings separately even when they are acquired together.

The Authority charges depreciation on Property, Plant and Equipment on a straight-line method. The Economic useful lives of various classes of assets are as stated in the table below.

| S/N | NAME OF ASSETS | NO OF YEARS |
|-----|------------------------|-------------|
| 01 | Motor Vehicles | 10 |
| 02 | Plant and Equipment | 10 |
| 03 | Furniture and Fittings | 10 |
| 04 | IT Hardware | 8 |
| 05 | Office Machines | 10 |

The economic lives above have been adopted effective from the financial year 2023/24. They are as provided by The Public Finance (Management of Public Property) Regulations, 2024.

3.4.2 Cash and Cash Equivalent

Authority's Cash and cash equivalents comprise cash at bank and on hand, Cash equivalents are investments which are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

3.4.3 Inventories

The Authority inventories are recorded at the lower of cost and current replacement cost. Where inventories are acquired through non-exchange transaction, their cost are measured at fair value as at the date of acquisition. Further, the Authority's inventories are reported as an expense when deployed for utilization or consumption in the ordinary course of operations.

3.4.4 Revenue Recognition

Revenue from non-exchange Transaction

The Authority's non-exchange revenue includes income received direct from the government in form of grants. The grants are firstly recorded as deferred income due to the condition of refund to the government when unused. As the Authority's pays for the various projects it undertakes and other services the carrying amount of the differed income is reduced and amount of revenue equal to that reduction is recorded.

Revenue from Exchange Transaction

The Authority's Exchange revenue includes revenue from interest and penalty on loans issued to various institutions.

(a) Interest Income

The Authority recognizes revenue from interest on a time proportion basis that considers the effect of simple interest rate schedule on the asset. Interest income is accrued using simple interest rate schedule.

(b) Penalty Income

The Authority recognizes revenue from penalty on a time proportion basis that considers the effect of agreed percentage charge on the overdue amount.

3.4.5 Financial Instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Entity recognises financial instruments when it becomes party to the contractual provisions.

Financial assets

Initial recognition

The classification of financial instruments at initial recognition depends on their contractual terms and the management model for managing the instruments, as described below on the specific financial assets.

Financial instruments are initially recognized and measured at their fair value. Except for financial assets and financial liabilities recorded at fair Value through Surplus or Deficit, transaction costs are added to this amount.

Other receivables that do not contain a significant financing component or for which the Entity has applied the practical expedient are measured at the transaction price.

Measurement categories

The Authority classifies all of its financial assets based on the management model for managing the assets and the asset's contractual terms. The categories include the following:

- i. Financial assets at Amortized Cost,
- ii. Financial asset at Fair Value through Net asset/ Equity, and
- iii. Financial asset at Fair Value through Surplus or Deficit.

Financial assets at Amortized Cost

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in Surplus or Deficit when the asset is derecognized, modified or impaired.

The Authority's financial assets at amortized cost includes cash and bank balances, institutional loans, staff loans, other receivables (including grant receivables, sundry debtors).

Financial assets are held at amortised cost if both of the following conditions are met:

- i. The instruments are held within a **management model** with the objective of holding the instrument to collect the contractual cash flows.
- ii. The contractual terms of the debt instrument give rise on specified dates to cash flows that are **solely payments of principal and interest (SPPI)** on the principal amount outstanding.

Financial asset at Fair Value through Net asset/ Equity.

The Entity applies the new category under IPSAS 41 for financial asset at Fair Value through Net asset/ Equity when both of the following conditions are met:

- i. The instrument is held within a management model, the objective of which is both collecting contractual cash flows and selling financial assets.
- ii. The contractual terms of the financial asset meet the SPPI test.
Financial assets in this category are those that are intended to be held to collect contractual cash flows and which may be sold in response to needs for liquidity or in response to changes in market conditions.

The Authority does not have financial assets at financial asset at Fair value through net asset.

Financial asset at Fair Value through Surplus or Deficit

Financial assets in this category are those that are managed in a fair value management model, or that have been designated by management upon initial recognition or are mandatorily required to be measured at fair value under IPSAS 41. This category includes financial assets whose cash flow characteristics fail the SPPI criterion or are not held within a management model whose objective is either to collect contractual cash flows, or both to collect contractual cash flows and sell.

The Authority does not have any financial assets measured at fair Value through Surplus or Deficit

Subsequent measurement

Financial assets at amortized cost

initial measurement, financial assets are measured at amortized cost, using the effective interest rate (EIR) method, less allowance for impairment. Amortized cost is calculated by considering any discount or premium on acquisition and fee or costs that are an integral part of the EIR. ECLs are recognized in the statement of surplus or deficit when the investments are impaired.

Derecognition

Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- i. The rights to receive cash flows from the asset have expired Or.
- ii. The Entity has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - a. The Entity has transferred substantially all the risks and rewards of the asset; or
 - b. The Entity has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

The Authority considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

Derecognition due to substantial modification of terms and conditions

The Authority derecognizes a financial asset when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new instrument, with the difference recognized as a derecognition gain or loss.

When assessing whether or not to derecognize an instrument, amongst others, the Entity considers the following factors:

- i. Change in currency of the debt instrument.
- ii. Introduction of an equity feature
- iii. Change in counterparty.
- iv. If the modification is such that the instrument would no longer meet the SPPI criterion

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original EIR, the Entity records a modification gain or loss.

Impairment of financial assets

The Authority recognizes loss allowances for Expected Credit Losses (ECLs) on the following financial instruments that are not measured at Fair Value Through Surplus or Deficit. The Entity's financial assets in scope of IPSAS 41 Impairment include the following

- ◇ Staff Loans
- ◇ Institutional Loans
- ◇ Cash at bank
- ◇ Other receivables.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Entity expects to receive, discounted at the appropriate effective interest rate.

Impairment of financial assets...

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Entity considers a financial asset to be in default (credit impaired) when contractual payments are 90 days past due. However, in certain cases, the Entity may also consider a financial asset to be in default when internal or external information indicates that the Entity is unlikely to receive the outstanding contractual amounts. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

The calculation of ECLs

The Authority calculates ECLs based on scenarios to measure the expected cash shortfalls, discounted at an appropriate EIR. When estimating the ECLs, the Entity considers 3 scenarios (a base case, an upside, and downside). When relevant, the assessment of multiple scenarios also incorporates the probability of default assessment.

A loss allowance is calculated at each reporting date however, the ECL model is updated on quarterly 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 that there is recognition of the potential risk of loss. Determining whether an expected credit loss should be based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk of the financial asset since initial recognition.

Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the discounted product of probability of default (PD), loss given default (LGD) and exposure at default (EAD) as defined below:

| | |
|------------|---|
| PD | The Probability of Default is an estimate of the likelihood of default over a given time horizon. It is estimated with consideration of economic scenarios and forward-looking information. |
| EAD | The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, and accrued interest from missed payments. |
| LGD | The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Entity would expect to receive. It is usually expressed as a percentage of the EAD. |

For receivables, the Entity applies a simplified approach in calculating ECLs. Therefore, the Entity does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Entity has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Forward looking information

In its ECL models, the Entity relies on a broad range of forward-looking information as economic inputs, such as:

GDP growth

◇ Consumer price index

◇ Government consumptions

Write-offs

Financial assets are written off either partially or in their entirety only when the Entity has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to credit loss expense. There were no write-offs over the periods reported in these financial statements.

Financial liabilities

Recognition

Financial liabilities are recognized when the Entity has contractual obligation to deliver cash as a result of goods or services received.

Measurement

Financial liabilities are initially measured at fair value and net gains and losses, including any interest expense, are recognized in surplus or deficit. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in surplus or deficit. Any gain or loss on derecognition is also recognized in surplus or deficit.

The Entity's financial liabilities include deferred income, deposits, and payables.

Derecognition

The Authority derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Entity also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in surplus or deficit

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.0 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Authority's financial statements in conformity with IPSAS 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 end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Estimates and judgements are continually evaluated and are based on Historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

a. Judgments

In the process of applying the Corporation's accounting policies, Management has made judgments, which have the most significant effect on the amounts recognized in the financial statements.

b. Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Corporation based its assumptions and estimates on parameters available when the financial statements were prepared.

b. Estimates and Assumptions...

However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Corporation. Such changes are reflected in the assumptions when they occur. Thus, the key assumptions are:

i. Useful Lives and Residual Values

Critical estimates are made by the management in determining depreciation rates for equipment and their residual values. The rates used were derived from the minimum year of useful lives as set out in the accounting policies section of these financial statements under Note 3.4.1

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- a. The condition of the asset based on the assessment of experts (professional valuers) engaged by the Corporation;
- b. The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
- c. The nature of the processes in which the asset is deployed;
- d. Availability of funding to replace the asset; and
- e. Changes in the market in relation to the asset.

ii. Impairment of financial assets

Estimates are required to be made of what would be the impact of a loss event that has occurred after the initial recognition of a financial asset and which would affect the estimated future cash flows. The Corporation assessed, at the reporting date, whether a financial asset or group of financial assets have been impaired based on objective evidence of impairment or a loss event. On computation of Impairment loss, a model was developed that use a single forward- looking expected credit loss (ECL) as per IPSAS 41

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model.

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

5.0 FINANCIAL RISK MANAGEMENT

i. Financial Risk

The Authority's activities are potentially exposed to a variety of financial risks, including credit risk, liquidity risk, market risks, operational risks and the effects of the changes in foreign currency exchange rates. The Authority's overall risk management programme takes account of the unpredictability of foreign exchange rate trends and seeks to minimize potential adverse effects on its financial performance.

ii. Market Risk

Market risk is the risk of changes in market prices, such as foreign-exchange rates and interest rates, affecting the Authority's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on the risk. Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority does neither receivable in foreign currency no long-term deposits or borrowings; thus, statement of financial performance is not highly affected by changes in market interest rates.

iii. Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Authority's main revenue generating activities are government subventions and collections from stakeholders in terms of donations and contributions. Furthermore, the Authority has outstanding loan receivables that resulted from nonpayment by loan beneficiaries of the loans issued in prior years. Credit risk mainly arise from loan. The Authority is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments.

The Authority mitigates credit risk by follow up and proper contract management. The Authority's maximum exposure to Credit Risk as at 30 June 2024 is as shown below:

| | 2023/24 TZS | 2022/23 TZS |
|-------------------------------|----------------------|----------------------|
| Financial Assets: | | |
| Cash and Cash Equivalents | 2,570,208,688 | 3,092,755,489 |
| Staff Loans | 143,410,674 | 170,364,296 |
| Institutional Loans | 3,860,372,111 | 4,080,931,315 |
| Other Receivables | 33,379,483 | 33,379,483 |
| Total Financial Assets | 6,607,370,956 | 7,377,430,583 |

Receivables

Outstanding receivables are regularly monitored. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Entity's receivables and contract assets using a provision matrix:

30 June 2024

| Receivables | | | |
|---------------|-----------|----------------------------|-----------------------------|
| Days past due | Loss rate | Exposure at default TZS | Expected credit loss TZS |
| 360+ | 100% | 4,037,162,268 | 4,037,162,268 |

30 June 2024

| Receivables | | | |
|---------------|-----------|----------------------------|-----------------------------|
| Days past due | Loss rate | Exposure at default TZS | Expected credit loss TZS |
| 0-30 | 3% | 206,000,000 | 6,000,000 |
| 360+ | 100% | 4,070,622,610 | 4,070,622,610 |

Total Cash in the Banks to which the Entity is exposed to credit risk as of 30 June 2024 with its comparative figures are presented in the table below according to the classification of assets (classification according to external credit rating is done based on credit ratings published by Moody's

| Name of the bank | Balance as at June 2024 TZS | Balance as at June 2023 TZS | Credit Ratings |
|------------------|-----------------------------|-----------------------------|----------------|
| CRDB | 104,913,907 | 218,885,279 | Ba3 |

Credit quality

Credit quality per class of financial assets. The table below shows the quality by class of asset for all financial assets exposed to credit risk, based on the Entity's credit rating system. The amount presented is gross of impairment allowances.

June 2024

| Description | Stage 1 | Stage 2 | Stage 3 | Total |
|------------------------|--------------------|---------|----------------------|----------------------|
| Exposure | | | | |
| Bank balances | 104,913,907 | | | 104,913,907 |
| Staff Loans | | | 143,410,674 | 143,410,674 |
| Institutional Loans | | | 3,847,768,732 | 3,847,768,732 |
| Other Receivable | | | 33,379,483 | 33,379,483 |
| Total | 104,913,907 | | 4,023,858,889 | 4,128,772,796 |
| ECL | | | | |
| Bank balances | 553,945 | | | 553,945 |
| Staff Loans | | | 143,410,674 | 143,410,674 |
| Institutional Loans | | | 3,860,372,111 | 3,847,768,732 |
| Other Receivable | | | 33,379,483 | 33,379,483 |
| Total | 553,945 | | 4,037,162,268 | 4,037,716,213 |
| Carrying amount | 104,359,962 | | - | 104,359,962 |

June 2024

| Description | Stage 1 | Stage 2 | Stage 3 | Total |
|------------------------|--------------------|---------|----------------------|----------------------|
| Exposure | | | | |
| Bank balances | 218,885,279 | | | 218,885,279 |
| Staff Loans | | | 170,364,296 | 170,364,296 |
| Institutional Loans | 206,000,000 | | 3,866,878,831 | 4,072,878,831 |
| Other Receivables | | | 33,379,483 | 33,379,483 |
| Total | 424,885,279 | | 4,070,622,610 | 4,495,507,889 |
| ECL | | | | |
| Bank balances | 1,155,714 | | | 1,155,714 |
| Staff Loans | | | 170,364,296 | 170,364,296 |
| Institutional Loans | 6,000,000 | | 3,866,878,831 | 3,872,878,831 |
| Other Receivables | | | 33,379,483 | 33,379,483 |
| Total | 7,155,714 | | 4,070,622,610 | 4,077,778,324 |
| Carrying amount | 417,729,565 | | - | 417,729,565 |

| Financial Asset/Financial Liability | 1 - 3 Months | 4 - 12 Months | More than 12 Months | Total |
|-------------------------------------|----------------------|---------------|---------------------|----------------------|
| | TZS | TZS | TZS | TZS |
| 30 June 2024 | | | | |
| Financial Assets | | | | |
| Receivable | | | | |
| Cash & Cash equivalent | 2,569,654,742 | | | 2,569,654,742 |
| Total Financial Asset | 2,569,654,742 | | | 2,569,654,742 |
| Financial Liabilities | | | | |
| Payables and other liabilities | 1,760,064,626 | | | 1,760,064,626 |
| Total Financial Liability | 1,760,064,626 | - | - | 1,760,064,626 |
| Liquidity Gap | 809,590,116 | | | 809,590,116 |
| | | | | |
| 30 June 2023 | | | | |
| Financial Assets | | | | |
| Receivable | | | | |
| Financial Liabilities | | | | |
| Payables | 2,867,935,524 | | | 2,867,935,524 |
| Total Financial Liability | 2,867,935,524 | - | - | 2,867,935,524 |
| Liquidity Gap | 223,664,250 | | | 223,664,250 |

| NOTE 6 - REVENUE FROM NON-EXCHANGE TRANSACTION | 2023/2024 TZS | 2022/23 TZS |
|---|--------------------------|------------------------|
| Government Grant Development Local | 12,557,916,595 | 12,875,278,653 |
| Government Grant Personal Emolument | 1,912,915,608 | 1,782,551,591 |
| Contributions and Donation | 923,941,180 | 476,175,509 |
| | 15,394,773,383 | 15,134,005,753 |

The contribution and donations include contribution from UNICEF Tanzania of TZS 875,441,179 and Non cash Donations of TZS 48,500,000.

| NOTE 7 - REVENUE FROM EXCHANGE TRANSACTIONS | | |
|--|--------------------|--------------------|
| Fees, Fines, Penalties and Forfeits | 149,728,129 | 143,201,560 |
| Interest on Loans | 141,077,074 | 165,689,968 |
| | 290,805,203 | 308,891,528 |

| NOTE 8 - FAIR VALUE GAINS ON ASSETS AND LIABILITIES | | |
|--|-------------------|----------|
| Reversal of provision for impairment of Cash (ECL) | 601,769 | 0 |
| Reversal of provision for impairment of Receivables (ECL) | 40,062,111 | 0 |
| | 40,663,880 | 0 |

The reversal in credit loss is a result of decrease in provision of Impairment losses in respect of cash and principal loan receivable to in line with the decrease in amount of receivables following recoveries made in 2023/24. The provision in respect of different components of receivables are detailed in note 5

| NOTE 9 - WAGES, SALARIES AND EMPLOYEE BENEFITS | | |
|---|------------------------|------------------------|
| Civil Servants | 1,912,915,608 | 1,782,551,591 |
| Court Attire Allowance | 2,000,000 | 700,000 |
| Electricity Allowance | 25,640,000 | 34,525,000 |
| Extra-Duty | 77,380,000 | 45,395,000 |
| Facilitation Allowance Expenses -employee | 7,700,000 | 6,500,000 |
| Field (Practical Allowance) | 1,200,000 | 8,315,000 |
| Food and Refreshment | 169,175,100 | 66,253,005 |
| Fuel Allowance | 70,932,000 | - |
| Honoraria | 2,900,000 | 10,000,000 |
| Furniture Expenses | 42,000,000 | - |
| Housing allowance Expenses | 71,500,000 | 73,200,000 |
| Internship Allowance | - | 120,096 |
| Leave Travel | 38,767,300 | 26,998,100 |
| Medical and Dental Refunds | 2,020,000 | 2,907,500 |
| Moving Expenses | 529,224,700 | 323,397,800 |
| Passages Allowances | - | 15,000,000 |
| Professional Allowances | - | 1,400,000 |
| Risk Allowance | 2,400,000 | 2,400,000 |
| | 2023/24 TZS | 2022/23 TZS |
| Salary Adjustments | 3,523,220 | 72,440,771 |
| Sitting Allowance | 171,356,800 | 200,548,700 |
| Special Allowance | 396,327,633 | 733,742,601 |
| Subsistence Allowance | 2,404,000 | 21,532,835 |
| Telephone Allowance | 28,490,000 | 28,960,000 |
| Transport Allowance | 90,147,200 | 99,999,500 |
| Uniform Allowance | - | 1,575,000 |
| | 3,648,003,561 | 3,558,462,499 |

NOTE 10- USE OF GOODS AND SERVICES

| | | |
|--|------------------------|------------------------|
| Advertising and Publication - Communication & Information | 25,307,419 | 23,282,840 |
| Air Travel Tickets Training - Domestic | 2,118,400 | 12,632,969 |
| Air Travel Tickets Travel - In - Country | 6,453,840 | 2,910,320 |
| Cleaning Supplies - Use of goods and Services | - | 2,037,270 |
| Computer Supplies and Accessories | 8,623,209 | 10,990,237 |
| Conference Facilities | 9,138,866 | 12,280,000 |
| Courier Services | 4,465,000 | - |
| Diesel | 226,964,763 | 207,420,495 |
| Electricity - Utilities Supplies and Services | 16,000,000 | 5,500,000 |
| Donation | 48,500,000 | - |
| Entertainment - Hospitality Supplies and Services | 20,100,000 | 20,548,000 |
| Exhibition, Festivals and Celebrations | 6,900,000 | 3,980,000 |
| Food and Refreshments | 6,821,000 | 50,575,800 |
| Gifts and Prizes | 4,000,000 | 1,200,000 |
| Ground Transport (Bus, Train, Water) | 18,501,000 | 1,793,200 |
| Ground travel (bus, railway taxi, etc) Travel - In – Country | 48,137,592 | 117,269,950 |
| Internet and Email connections | 33,377,081 | 19,633,912 |
| Newspapers and Magazines | 6,389,600 | 9,000,000 |
| Office Consumables (papers, pencils, pens and stationaries) | 69,423,716 | 61,697,760 |
| Outsourcing Costs (includes cleaning and security services) | 63,800,560 | 60,153,391 |
| Per Diem – Domestic | 568,961,150 | 871,279,599 |
| Posts and Telegraphs | 3,600,000 | 5,997,000 |
| Printing and Photocopying Costs | 982,281 | 4,420,000 |
| Publicity | 4,380,000 | 11,801,180 |
| Remuneration of Instructors | - | 5,998,124 |
| Software License Fees | 8,577,457 | 4,250,000 |
| Special Foods (diet food) | 3,600,000 | 3,600,000 |
| Subscription Fees | 13,000,000 | 2,960,000 |
| Technical Service Fees | 9,100,880 | 3,123,209 |
| Telephone Charges (Land Lines) | 1,894,337 | - |
| | 2023/24 TZS | 2022/23 TZS |
| Telephone Charges -Utilities Supplies and Services | - | 1,195,478 |
| Training Aids | - | 269,184,630 |
| Tuition Fees Training – Domestic | 38,337,000 | 76,598,800 |
| Uniforms -Clothing, Bedding, Footwear and Services | 5,275,400 | 1,344,020 |
| Water Charges | 7,796,631 | 10,415,302 |
| | 1,290,527,182 | 1,895,073,486 |
| <i>ANNUAL REPORT FOR FINANCIAL YEAR 2023/ 2024</i> | | 50 Page |

NOTE 11 - MAINTENANCE EXPENSES

| | | |
|---|--------------------|--------------------|
| Fax machines and other small office equipment | 6,000,000 | 2,034,900 |
| Fire Protection Equipment | 590,000 | - |
| Motor Vehicles and Water Craft | 75,599,421 | 90,359,908 |
| Outsource maintenance contract services - Machinery, Equipment and Plant | 13,199,407 | 16,722,900 |
| Outsource maintenance contract services - Office Equipment and Appliances | - | 8,491,196 |
| Small tools and equipment | - | 465,000 |
| Small tools and implements – Buildings | - | 22,528,901 |
| Small tools and implements - Water and Electricity Installations | 5,500,000 | |
| | 100,888,828 | 140,602,805 |

NOTE 12 - EXPECTED CREDIT LOSS AND IMPAIRMENT OF INVENTORY

| | | |
|--------------------------------|-------------------|---------------|
| A: Expected Credit Loss | - | 4,077,778,324 |
| | - | 4,077,778,324 |
| B: Obsolete Inventory Expenses | 46,814,800 | - |
| | 46,814,800 | - |

The amount of TZS 46,814,800 expensed in 2023/24 is a provision for obsolete inventories which is a result of a decision to dispose the books that were received as donation in previous years and found to be unfit for use in Tanzania. The assessed disposal value was TZS 150,000 While the carrying value is TZS 46,964,800.

NOTE 13 IMPAIRMENTS OF ASSETS

| | | |
|--|------------------------|------------------------|
| Impairment Computation for STL 7460 | 6,000,000 | 2,034,900 |
| A. Acquisition Cost -October 1 2019 | | 162,934,584 |
| Accumulated depreciation June 30, 2023 | | 105,304,018 |
| B. Carrying Amount June 30, 2023 | - | 57,630,566 |
| C. Replacement Cost-Toyota TZ * | - | 189,276,380 |
| Accumulated Depreciation | - | 105,153,544 |
| Depreciated Replacement Cost | - | 84,122,835 |
| | 2023/24 TZS | 2022/23 TZS |
| Less Cost of repairs (Restoration cost) | - | 86,629,536 |
| E. Recoverable amount | | - |
| Impairment Loss (b-e) | - | 57,630,566 |

NOTE 14 - OTHER EXPENSES

| | | |
|------------------------------|--------------------|--------------------|
| Audit fees Expenses | 97,750,000 | 97,750,000 |
| Audit supervision expenses | 30,668,000 | 39,014,000 |
| Bank Charges and Commissions | 63,959 | - |
| Burial Expenses | 6,000,000 | 5,000,000 |
| consultancy fees | - | 65,624,400 |
| Director's Fee | 7,937,500 | 39,002,341 |
| Legal fees Expenses | - | 782,000 |
| Sundry Expenses | - | 800,000 |
| | 142,419,459 | 247,972,741 |

NOTE 15 - GRANTS AND SUBSIDIES AND OTHER TRANSFERS

| | | |
|--|----------------------|-----------------------|
| Corporate Social Responsibilities Expenses | 16,500,000 | 44,445,821 |
| Contribution to CF (15%) | 10,000,000 | - |
| Disbursement Transfer | 9,051,527,179 | 10,800,557,465 |
| | 9,078,027,179 | 10,845,003,286 |

NOTE 16 - CASH AND CASH EQUIVALENTS

| | | |
|--------------------------------------|----------------------|----------------------|
| BoT Own source Collection Account | 1,698,171,934 | 2,787,323,464 |
| Deposit Cash Account | 562,153 | 448,453 |
| Development Expenditure Cash Account | 141,039,643 | 125,792,215 |
| Own source Collection Account-CRDB | - | 111,000,000 |
| Own source Expenditure | 694,398,188 | 9,363,321 |
| Provision for ECL (Cash) | (553,945) | (1,155,714) |
| Recurrent Expenditure Cash Account | 22,458,275 | 22,576,875 |
| Unapplied Cash Account | 13,578,495 | 36,251,161 |
| | 2,569,654,743 | 3,091,599,775 |

NOTE 17 – RECEIVABLES

| | | |
|---|--------------------|--------------------|
| Institutional Loans Addition | 2,037,072,173 | 2,339,822,384 |
| Financing Income | 718,502,627 | 775,418,752 |
| Imprest Receivable – Staff | 239,079,650 | 66,057,295 |
| Other Revenue Addition | 33,379,483 | 33,379,483 |
| Receivable from Fees, Fines, Penalties and Forfeits | 1,248,207,985 | 1,128,001,991 |
| Provision for Expected Credit Loss | (4,037,162,268) | (4,076,622,610) |
| | 239,079,650 | 266,057,295 |

NOTE 18 – PREPAYMENTS

| | | |
|------------|--------------------|-------------------|
| Prepayment | 100,316,300 | 26,117,026 |
| | 100,316,300 | 26,117,026 |

The prepayments of TZS 100,316,300 include TZS 96,000,000 which is a prepaid rent for the Authorities office buildings at Ilazo in Dodoma and TZS 4,316,300 a balance of stationery at (Government procurement Services Agency (GPSA)

NOTE 19 – INVENTORIES

| | | |
|----------------------------------|-------------------|-------------------|
| Books | 46,964,800 | 46,964,800 |
| Provision for Obsolete Inventory | (46,814,800) | |
| Consumables | 8,236,200 | 15,695,400 |
| Fuel | 4,952,555 | - |
| | 13,338,755 | 62,660,200 |

NOTE 20 – PAYABLES AND ACCRUALS

| | | |
|---|--------------------|--------------------|
| Staff Claim Addition | 500,000 | 1,237,600 |
| Supplies and Consumables goods Opening | 97,750,000 | 132,855,461 |
| Supplies of goods and services Addition | 61,206,294 | 62,415,159 |
| Withholding tax | 4,173,256 | 8,394,142 |
| | 163,629,550 | 204,902,362 |

The payables mainly include TZS 97,750,000 provision for Audit fee, withholding amounts for tax and retentions in construction projects. In the financial year 2023/24 The authority reduced TZS 45,684,967 from the opening payables to account for the amount that were expensed in FY 2021/22 instead of reducing the payables.

NOTE 21 - DEFERRED INCOME

| | | |
|--------------------------------------|----------------------|----------------------|
| Deferred Subvention Capital | 1,258,010,215 | 2,458,160,215 |
| Development Deferred Income Addition | 258,889,211 | 138,541,737 |
| | 1,516,899,426 | 2,596,701,952 |

NOTE 22 - DEPOSITS

| | | |
|------------------------------------|-------------------|-------------------|
| Deposit General Payable Addition | 57,584,482 | 34,584,482 |
| Unapplied Deposit Account Addition | 13,578,494 | 35,153,561 |
| | 71,162,976 | 69,738,043 |

NOTE 23- ANALYSIS OF CASH RECEIVED FROM SUBVENTION AND GRANTS

| | | |
|-----------------------------------|-----------------------|-----------------------|
| Closing balance (Note 22) | 1,516,899,426 | 2,596,701,952 |
| Revenue for the year (Note 6) | 15,394,773,383 | 15,134,005,753 |
| Opening differed Income (Note 21) | -2,596,701,952 | -1,131,925,558 |
| Opening Miscellaneous Income | 33,379,483 | - |
| Closing Miscellaneous Income | -33,379,483 | -33,379,483 |
| Non-Cash Donation | -48,500,000 | |
| Cash received | 14,266,470,857 | 16,565,402,664 |

NOTE 24 - ANALYSIS OF CASH RECEIVED FROM LOAN REPAYMENTS

| | | |
|---|--------------------|--------------------|
| Opening Loan receivable (Note 17) | 2,339,822,384 | 2,818,389,140 |
| Less Crossing Loan receivable (Note 17) | (2,037,072,173) | (2,339,822,384) |
| Cash received | 302,750,211 | 478,566,756 |

NOTE 25 - ANALYSIS OF CASH RECEIVED/ (PAID) FROM INCREASE/(DECREASE) IN DEPOSITS

| | | |
|---------------------------------|------------------|-------------------|
| Closing deposits (Note 23) | 71,162,976 | 69,738,043 |
| Less Opening deposits (Note 23) | 69,738,043 | (36,157,734) |
| Cash received/(Paid) | 1,424,933 | 33,580,309 |

26 - ANALYSES OF CASH RECEIVED FROM FINANCING INCOME

| | | |
|--|--------------------|-------------------|
| Opening Loan interest receivable | 775,418,752 | 708,582,161 |
| Revenue for the year | 141,077,074 | 165,689,968 |
| Closing financing Opening deposits (Note 23) | (718,502,627) | (775,418,752) |
| Cash received | 197,993,199 | 98,853,377 |

NOTE 27 - ANALYSIS OF CASH RECEIVED FROM PENALTY ON OUTSTANDING LOAN OVER DUE

| | | |
|----------------------------|-------------------|------------------|
| Opening penalty receivable | 1,128,001,991 | 988,913,814 |
| Revenue for the year | 149,728,129 | 143,201,560 |
| Closing penalty receivable | (1,248,207,985) | (1,128,001,991) |
| Cash paid | 29,522,135 | 4,113,383 |

NOTE 28 - ANALYSIS OF CASH PAID FOR WAGES SALARIES AND EMPLOYEES BENEFITS

| | | |
|---------------------|----------------------|----------------------|
| Opening staff claim | 1,237,600 | - |
| Amount expensed | 3,648,003,561 | 3,558,462,499 |
| Closing staff claim | (500,000) | (1,237,600) |
| Cash paid | 3,648,741,161 | 3,557,224,899 |

NOTE 29 - ANALYSIS OF CASH PAID FOR USE OF GOODS AND SERVICES

| | | |
|--|----------------------|----------------------|
| Opening payables and accruals | 203,664,762 | 134,399,388 |
| Amount expensed | 1,290,527,182 | 1,895,073,486 |
| Closing payables and accruals (less staff claims and opening balance adjustment) | (163,129,550) | (203,664,762) |
| Non-Cash Donation | (48,500,000) | 0 |
| Opening payables and accruals adjustment | (45,684,967) | 0 |
| Increase in imprest receivable | 173,022,356 | 44,274,533 |
| Decrease in inventory | (49,321,445) | (31,748,695) |
| Increase in prepayment | 74,199,274 | 11,269,346 |
| Cash paid | 1,434,777,612 | 1,849,603,296 |

NOTE 31

| 2023/24 | Land | Building | Motor Vehicles | Plant & Equipment's | Furniture & Fittings | IT Hardware | Office Machines | TOTAL |
|--|----------------------|----------------------|-----------------------|--------------------------------|---------------------------------|--------------------|------------------------|----------------------|
| COST | TZS | TZS | TZS | TZS | TZS | TZS | TZS | TZS |
| 01.07.2023 | 1,025,432,000 | 2,917,462,015 | 1,412,299,370 | 367,535,894 | 270,496,456 | 627,497,820 | 110,842,807 | 6,731,566,361 |
| Additions 2023/24 | - | - | 569,844,900 | - | 321,464,998 | 24,544,000 | - | 915,853,898 |
| 30.06.2024 | 1,025,432,000 | 2,917,462,015 | 1,982,144,270 | 367,535,894 | 591,961,454 | 652,041,820 | 110,842,807 | 7,647,420,259 |
| DEPRECIATION | | | | | | | | |
| 01.07.2023 | - | 294,241,040 | 859,442,565 | 222,106,635 | 175,054,867 | 391,108,411 | 71,342,901 | 2,013,296,419 |
| Charge for the year 2023/24 | - | 54,650,437 | 80,312,110 | 15,992,495 | 9,913,730 | 31,531,504 | 4,888,308 | 197,288,583 |
| Acc. Deprec. 30.6.2024 | - | 348,891,477 | 939,754,674 | 238,099,130 | 184,968,597 | 422,639,915 | 76,231,209 | 2,210,585,002 |
| IMPAIRMENT LOSS | | | | | | | | |
| 01.07.2023 | - | - | 57,630,566 | - | - | - | - | 57,630,566 |
| Acc. Impairment Loss. 30.6.2024 | - | - | 57,630,566 | - | - | - | - | 57,630,566 |
| NBV 30.6.2024 | 1,025,432,000 | 2,568,570,538 | 984,759,030 | 129,436,764 | 406,992,857 | 229,401,905 | 34,611,598 | 5,379,204,691 |
| NBV 30.6.2023 | 1,025,432,000 | 2,623,220,975 | 495,226,239 | 145,429,259 | 95,441,589 | 236,389,409 | 39,499,905 | 4,660,639,376 |
| 2022/23 | Land | Building | Motor Vehicles | Plant & Equipment's | Furniture & Fittings | IT Hardware | Office Machines | TOTAL |
| COST | TZS | TZS | TZS | TZS | TZS | TZS | TZS | TZS |
| 01.07.2022 | 1,025,432,000 | 2,917,462,015 | 1,412,299,370 | 259,595,894 | 235,271,467 | 466,402,020 | 110,842,807 | 6,427,305,573 |

| 2023/24 | Land | | Building | | Motor Vehicles | | Plant & Equipment's | | Furniture & Fittings | | IT Hardware | | Office Machines | | TOTAL | | |
|--|---------------|---|---------------|---|----------------|---|---------------------|---|----------------------|---|-------------|---|-----------------|---|---------------|---|-------------|
| | TZS | | TZS | | TZS | | TZS | | TZS | | TZS | | TZS | | TZS | | |
| COST | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | 304,260,788 |
| Additions 2022/23 | | | | | | | | | | | | | | | | | |
| 30.06.2023 | 1,025,432,000 | | 2,917,462,015 | | 1,412,299,370 | | 367,535,894 | | 270,496,455 | | 627,497,820 | | 110,842,807 | | 6,731,566,361 | | |
| DEPRECIATION | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 01.07.2022 | - | - | 237,591,292 | | 736,995,544 | | 182,696,491 | | 144,738,109 | | 339,869,590 | | 50,672,639 | | 1,692,563,665 | | |
| Adjustments | - | - | - | - | -54,968,126 | | -686,467 | | -5,055,732 | | -13,524,863 | | - | | -74,235,188 | | |
| Restated Acc.Depreciated on 30.06.2022 | - | - | 237,591,292 | | 682,027,418 | | 182,010,024 | | 139,682,377 | | 326,344,727 | | 50,672,639 | | 1,618,328,477 | | |
| Charge for the year 2022/23 | - | - | 56,649,748 | | 177,415,147 | | 40,096,611 | | 35,372,490 | | 64,763,684 | | 20,670,262 | | 394,967,942 | | |
| Acc. Deprec. 30.6.2023 | - | - | 294,241,040 | | 859,442,565 | | 222,106,635 | | 175,054,867 | | 391,108,411 | | 71,342,901 | | 2,013,296,419 | | |
| IMPAIRMENT LOSS | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 01.07.2022 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Impairment Loss 2022/2023 | - | - | - | - | 57,630,566 | | - | | - | | - | | - | | 57,630,566 | | |
| Acc. Impairment Loss. 30.6.2023 | - | - | - | - | 57,630,566 | | - | | - | | - | | - | | 57,630,566 | | |
| NBV 30.6.2023 | 1,025,432,000 | | 2,623,220,975 | | 495,226,239 | | 145,429,259 | | 95,441,589 | | 236,389,409 | | 39,499,905 | | 4,660,639,376 | | |
| Restated NBV 30.06.2022 | 1,025,432,000 | | 2,679,870,723 | | 730,271,952 | | 77,585,870 | | 95,589,090 | | 140,057,293 | | 60,170,167 | | 4,808,977,096 | | |
| NBV 30.6.2022 | 1,025,432,000 | | 2,679,870,723 | | 675,303,826 | | 76,899,403 | | 90,533,358 | | 126,532,430 | | 60,170,167 | | 4,734,741,908 | | |

Credit quality

Authority conducted stocktaking exercises and realized there are 93 items which have been fully depreciated and are in poor conditions. Management has recommended to the 80th Ordinary Board meeting to approve the process of request Approval for disposal to PS MoF. PS MoF approved the disposal process through a letter with Ref. KA.148/532/02'C/76 dated 25 July, 2023. The mentioned Assets have been disposed 22 July, 2024 and released TZS 4,950,000

| S/N | INSTITUTION | BALANCE AS AT 01.07.2023 | PRINCIPAL REPAYMENTS 2022/23 | BALANCE AS AT 30.06.2024 |
|-----|-----------------------------------|-----------------------------|------------------------------------|-----------------------------|
| 01 | Wazo Hill Secondary School | 66,381,758.54 | - | 66,381,758.54 |
| 02 | St Moses Primary School | 20,000,000 | - | 20,000,000 |
| 03 | The Winning Spirit Sec School | 8,458,129.30 | (8,454,252) | 3,876.83 |
| 04 | Sebastian Kolowa University | 59,537,535.07 | - | 59,537,535.07 |
| 05 | St Augustine University -Tabora | 796,065,053 | - | 796,065,053 |
| 06 | Mzumbe University | 200,000,000 | (200,000,000) | 0 |
| 07 | Theofilo Kisanji University | 500,000,000 | - | 500,000,000 |
| 08 | Sokoine University of Agriculture | 117,761,243.54 | (80,136,651) | 37,624,592.86 |
| 09 | Mzinga Sec School | 100,053,055 | - | 100,053,055 |
| 10 | Charles Totera Sec School | 95,261,819 | - | 95,261,819 |
| 11 | TEJ Secondary School | 43,038,325 | - | 43,038,325 |
| 12 | College of Business Education | 162,901,169.78 | - | 162,901,169.78 |
| | TOTAL | 2,169,458,088 | (288,590,903) | 1,880,867,185 |

NOTE 32: RELATED PARTY TRANSACTIONS

IPSAS 20 requires certain disclosures to be made on the remuneration of key Management personnel and close members of the families of key Management personnel during the reporting period.

Transactions with related parties during the year 2023/24 amounted to TZS 963,267,900 these were disbursements in favor of key Management personnel in terms of remuneration and allowances. The analysis is as follows:

| DETAILS | 30.06.2024 | 30.06.2023 | VARIANCE |
|----------------------------------|--------------------|----------------------|----------------------|
| | TZS | TZS | TZS |
| Directors Fee | 7,937,500 | 39,002,341 | (31,064,841) |
| Board Member Transport & Perdiem | 19,738,400 | 35,055,000 | (15,316,600) |
| Key Management Remuneration | 725,046,000 | 865,800,000 | (140,754,000) |
| Key Management Allowances | 210,546,000 | 213,008,000 | (2,462,000) |
| Total | 963,267,900 | 1,152,865,341 | (189,597,441) |

Related part expenditure decreased by 16% compared to 2022/23 due to three vacant Management posts which leads to decrease in remuneration cost and allowances. Furthermore, the board tenure ended on 10 August, 2023 through the entire period no board meetings were conducted. Thus, the board cost was not incurred from 10 August, 2023.

NOTE 33: PRESENTATION CURRENCY

Financial reports are presented in Tanzania Shillings at full amount. Figures have been rounded to the nearest shilling.

NOTE 34: PRESENTATIONS AND CLASSIFICATION OF ITEMS

Presentation and classification of items of accounts comprising various assertions in the financial statements for the current year, where considered necessary, have been reclassified or regrouped to facilitate comparability with the previous year's figures.

NOTE 35: RESTRICTIONS

There were no amounts of restrictions on title, property, plant, and equipment pledged as security for liabilities.

NOTE 36: CONTINGENT LIABILITIES

There is one pending labor matter at the high court of United Republic of Tanzania Labor Division at Dar es Salaam revision application Number 269 of 2021(Originated from Labor Dispute Na CMA/DSM/LA/R.701/207 where the applicant Mr Fredy Mbeyella (TEA retired staff) applied for revision of award given in favor of the Authority regarding the claims for his salary arrears and other entitlements for the period he was serving as Head of Procurement Management Unit, amounting to TZS 236,488,661.

NOTE 37: ACTUAL LOAN COLLECTION

Authority issued loan to 17 loaned institutions since 2004 the actual loan collection from July 2023 to June 2024 was TZS530,265,545. This figure comprises of loan principal, interest and penalty. Details of loan collection are shown in table below

| Date | Name | Amount TZS |
|-----------|------------------------------------|--------------------|
| 05-Jul-23 | Tej Secondary School | 2,000,000 |
| 08-Jul-23 | Winning Spirit Secondary School | 3,411,828 |
| 15-Jul-23 | Winning Spirit Secondary School | 5,053,717 |
| 03-Oct-23 | Mzinga Secondary School | 2,000,000 |
| 31-Oct-23 | Charles Totera Secondary School | 2,000,000 |
| 17-Nov-23 | Wazo Hill Secondary School | 5,000,000 |
| 27-Nov-23 | Teofilo Kisanji University | 70,000,000 |
| 06-Dec-23 | Wazo Hill Secondary School | 10,000,000 |
| 04-Jan-24 | Wazo Hill Secondary School | 10,000,000 |
| 29-Jan-24 | Mzumbe University | 212,000,000 |
| 26-Feb-24 | Sua University | 40,000,000 |
| 26-Mar-24 | Teofilo Kisanji University | 10,000,000 |
| 27-Mar-24 | Teofilo Kisanji University | 10,000,000 |
| 24-Apr-24 | Sua University | 40,000,000 |
| 30-Apr-24 | George Washington Secondary School | 15,000,000 |
| 30-Apr-24 | Teofilo Kisanji University | 40,000,000 |
| 06-Jun-24 | Wazo Hill Secondary School | 10,000,000 |
| 29-Jun-24 | Sua University | 40,000,000 |
| 2023/24 | Staff loan Collection | 3800,000 |
| | Total | 530,265,545 |

NOTE 38. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT) FOR THE PERIOD ENDED 30 JUNE 2024

| Date | 2024 TZS | 2024 TZS |
|--|---------------------|---------------------|
| Surplus/ (Deficit for the Period) | 1,221,671,105 | (5,774,594,368) |
| Add/ (Less) Non-Cash Item | | |
| Depreciation of Property, Plant and Equip- ment | 197,288,583 | 452,598,507 |
| Impairment of Inventories | 46,814,800 | - |
| Expected Credit Loss | - | 4,077,778,324 |
| Fair Value gain | (40,062,111) | - |
| Add/ (Less) Change in Working Capital | | |
| Decrease in Deferred Income | (1,079,802,526) | 1,464,776,395 |
| Increase in Deposit | 1,424,933 | 33,580,309 |
| Decrease in Inventories | 49,321,445 | 31,748,695 |
| Decrease in Payables and Accruals | (41,272,812) | 70,502,976 |
| Prepayments | (74,199,274) | (11,269,347) |
| Decrease in Receivables | 66,437,987 | 194,987,971 |
| Opening payables Adjustments | 45,684,967 | - |
| Net Cash Flow from Operating Activities | 393,307,097 | 540,109,462 |

NOTE 39: FULLY DEPRECIATED ASSET

The Authority has fully depreciated asset which are in use with the total netbook value TZS 43,890.02

NOTE 40: INTRAGOVERNMENT TRANSACTION AND BALANCES

The table below lists the intragovernmental transaction and balance for the year that ended on 30 June 2024.

NOTE 40: INTRAGOVERNMENT TRANSACTION AND BALANCES

The table below lists the intragovernmental transaction and balance for the year that ended on 30 June 2024.

| DISCLOSURE OF INTER-PSES TRANSACTIONS AND BALANCES | | | | |
|---|--|---|---|-------------------------|
| ENTITY NAME: TANZANIA EDUCATION AUTHORITY | | | | |
| FINANCIAL YEAR:2023/24 | | | | |
| TRANSACTIONS WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE, 2024 | | | | |
| S/N | Goods/Services provided (Revenue) | Goods/Services received (Expenses) | Counterpart entity | Amount (TZS) |
| | | Stamp and postage services | TANZANIA POSTS CORPORATION | 11,605,000 |
| | | Telephone bills, Internet bills and data recovery | TANZANIA TELECOMMUNICATIONS CORPORATION | 29,111,173 |
| | | Car maintainance services | GEPG TEMESA REVENUE ACCOUNT | 43,716,257 |
| | | ELECTRICITY | TANZANIA ELECTRIC SUP CO LTD | 16,000,000 |
| | | Purchase of office consumables and motor vehicles fuels | GOVERNMENT PROCUREMENT SERVICE AGENCY 1(GPSA) | 109,763,656 |
| | | Purchase of Motor vehicles | GOVERNMENT PROCUREMENT SERVICE AGENCY (GPSA) | 569,844,900 |
| | | Contribution of office space utilities | UDOM | 1,089,275 |
| | | Conference Facilities | Sokoine University of Agriculture | 3,068,000 |
| | | Water Bills | DAWASCO | 4,057,357 |
| | | Provision of Nest Services, Training fees and Publication | PUBLIC PROCUREMENT REGULATORY AUTHORITY | 6,350,000 |

| DISCLOSURE OF INTER-PSES TRANSACTIONS AND BALANCES | | | | |
|---|---|--|--|---------------------|
| ENTITY NAME: TANZANIA EDUCATION AUTHORITY | | | | |
| FINANCIAL YEAR:2023/24 | | | | |
| TRANSACTIONS WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE, 2024 | | | | |
| S/N | Goods/Services provided | Goods/Services received | Counterpart | Amount (TZS) |
| | | Payment of Mail system GMS, e-office, and renewal of Domain registration | E GOVERNMENT AGENCY | 8,750,880 |
| | | Printing services | GOVERNMENT PRINTER | 455,000 |
| | | Subscription fee and Training fee | NBAA | 9,315,000 |
| | | Training Fee | TANZANIA LIBRARY SERVICES BOARD | 250,000 |
| | | Conference facility | TAFORI | 478,814 |
| | | CSR | THE NATIONAL SPORTS COUNCIL | 3,000,000 |
| | | Contribution to the Government Fund | TREASURY REGISTRAR | 20,000,000 |
| | | CSR | NECTA | 5,000,000 |
| | Loan repayment | | Sokoine University of Agriculture | 120,000,000 |
| | Loan repayment | | Mzumbe University | 212,000,000 |
| | | EXHIBITION FEE | MINISTRY OF EDUCATION SCIENCE AND TECHNOLOGY | 1,500,000 |
| BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30TH JUNE, 2024 | | | | |
| S/N | Goods/Services provided (Assets) | Goods/services received (Liability) | Counterpart entity | Amount |
| | Fuel | | GOVERNMENT PROCUREMENT SERVICE AGENCY (GPSA) | 4,952,555 |
| | NEST | | PUBLIC Procurement Regulatory Authority (PPRA) | 1,480,000 |
| | | POSTAGE SERVICES FOR NOV 2023 | POSTA | 1,060,000 |



Tanzania Education Authority (TEA)

P.O. Box 2516, Ilazo - Dodoma.



info@tea.or.tz



www.tea.or.tz



[officialteatz](https://www.instagram.com/officialteatz)

"Contribute to the Education Fund ; Improve Education Infrastructure"