



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
CONSOLIDATED FINANCIAL STATEMENTS AND COMPLIANCE AUDIT
OF TANZANIA INSTITUTE OF EDUCATION FOR THE YEAR
ENDED 30 JUNE 2021**

The Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41104 Tambukareli,
DODOMA,
Tel: 255 (026) 2161200,
Fax: 255 (026) 2321245,
E-mail: ccag@nao.go.tz
Website: www.nao.go.tz

March 2022

AR/PA/TIE/2020/21



**THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE**



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
CONSOLIDATED FINANCIAL STATEMENTS AND COMPLIANCE AUDIT
OF TANZANIA INSTITUTE OF EDUCATION FOR THE YEAR
ENDED 30 JUNE 2021**

The Controller and Auditor General,
National Audit Office,
Audit House,
4 Ukaguzi Road,
P.O. Box 950,
41104 Tambukareli,
DODOMA,
Tel: 255 (026) 2161200,
Fax: 255 (026) 2321245,
E-mail: ocag@nao.go.tz
Website: www.nao.go.tz

March 2022

AR/PA/TIE/2020/21

Mandate

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

Vision

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

Mission

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

Motto: "Modernizing External Audit for Stronger Public Confidence"

Core values

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

- i. Independence and objectivity
- ii. Professional competence
- iii. Integrity
- iv. Creativity and Innovation
- v. Results-Oriented
- vi. Teamwork Spirit

We do this by:

- ✓ Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;
- ✓ Helping to improve the quality of public services by supporting innovation on the use of public resources;
- ✓ Providing technical advice to our clients on operational gaps in their operating systems;
- ✓ Systematically involve our clients in the audit process and audit cycles; and
- ✓ Providing audit staff with adequate working tools and facilities that promote independence.

©This audit report is intended to be used by Tanzania Institute of Education (TIE) and may form part of the annual general report which once tabled to National Assembly, becomes a public document hence, its distribution may not be limited.

TABLE OF CONTENTS

ABBREVIATIONSiii
1.0.....REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED.....	1
2.0 STATEMENT OF GOVERNING COUNCIL RESPONSIBILITIES	21
3.0 DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING	22
4.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	23
4.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS.....	23
4.2 REPORT ON COMPLIANCE WITH LEGISLATIONS.....	26
5.0 FINANCIAL STATEMENTS FOR THE YEAR END 30 JUNE 2021.....	29

ABBREVIATIONS

3Rs	Reading, Writing and Arithmetic
ADB	Africa development Bank
ARC	Audit and Risk Committee
BOT	Bank of Tanzania
BSCEd	Bachelor of Science in Education
CAG	Controller and Auditor General
CDC	Center for Disease Control
FIFO	First in First Out
I4ID	Institution for Inclusive Development
IPSAS	International Public Sector Accounting Standards
LANES	Literacy and Numeracy Support in Education
MA	Master in Arts
MBP	Mzumbe Book Project
MoEST	Ministry of Education Science and Technology
NBAA	National Board of Accountants and Auditors
NHIF	National Health Insurance Fund
NMB	National Microfinance Bank
NSSF	National Social Security Fund
PAA	Public Audit Act
PHD	Doctor of Philosophy
PPA	Public Procurement Act
PPE	Property, Plant and Equipment
PPF	Public Provident Fund
PPR	Public Procurement Regulations
RTI	Research Triangle Institute International
TESP	Teachers Educational Support Program
THTU	Tanzania Higher Learning Institutions Trade Union
TIE	Tanzania Institute of Education
TZS	Tanzanian Shillings
UDSM	University of Dar es Salaam
UK	United Kingdom
UN	United Nations
UNESCO	United Nations Education, Science and Cultural Organization.
UNICEF	United Nations Children Fund
URT	United Republic of Tanzania

1.0 REPORT OF THE GOVERNING COUNCIL FOR THE YEAR ENDED 30 JUNE 2021

1.1 INTRODUCTION

The Governing Council Members are pleased to present the financial statements for the year ended 30 June 2021, which disclose the state of affairs of Tanzania Institute of Education.

1.2 THE INSTITUTE'S VISION, MISSION AND CORE VALUES

VISION STATEMENT

To become the centre of excellence in curriculum design, development and implementation with highly competent, motivated and committed professionals.

MISSION STATEMENT

To facilitate provision of quality education through quality curricula in pre-primary, primary, secondary and teacher education levels.

CORE VALUES

The following are core values that the Institute undertakes to uphold in order to deliver quality services to its clients efficiently and effectively.

(i) Promotion of Excellency

We promote and encourage innovations on the provision of efficient service to our stakeholders.

(ii) Transparency

We consult the stakeholders to ensure openness and fairness in carrying out our functions.

(iii) Professionalism

We strictly abide by professional ethics and codes of conduct. Honesty and integrity are highly upheld in the discharge of our duties.

(iv) Accountability

We maintain accountability on execution of our duties.

(v) Integrity

We perform all of our activities and duties honestly.

(vi) Responsiveness

We uphold a customer responsive culture by providing courteous, prompt and quality services.

(vii) Dedication and Innovativeness

We promote commitment and inspire innovativeness to our staff on provision and delivery of quality services.

1.3 STRATEGIC PLAN OF THE INSTITUTE

TIE as a public Institution has developed a Five Year Rolling Corporate Strategic Plan (CSP) for the period of July 2018 to June 2023. This Corporate Strategic Plan sets the direction that TIE will follow in the course of fulfilling its mandatory roles in the coming five years. Specifically, the Corporate Strategic Plan is intended to fulfill the National Development Vision 2025, Millennium Development Goals and the National Strategy for Growth and Reduction of Poverty.

1.4 OBJECTIVES OF THE INSTITUTE

The following are main objectives of TIE:

- a) Quality of curricula and curriculum supporting materials in Tanzanian schools Improved;
- b) Competencies on curricula development and implementation improved;
- c) Capacity of TIE to deliver its core functions strengthened;
- d) Collaboration and networking with the national, regional and international educational stakeholders strengthened;
- e) Care and Supportive Services Improved and HIV and AIDS infection reduced; and
- f) National Anti - Corruption Strategy Enhanced, Sustained and Effectively Implemented.

In achieving the above mentioned objectives TIE performed the following activities for the Financial Year 2020/21:

A: Quality of curricula and curriculum supporting materials improved

- (i) Conducting curriculum analysis for pre-primary, primary and secondary education levels;
- (ii) Collecting stakeholders' opinions on the improvements of curriculum for Pre-primary, Primary and Secondary education levels;

- (iii) Preparation of diploma curricula and syllabi for Pre-primary and Primary school teachers;
- (iv) Conducting chemistry subject panel;
- (v) Preparing the Tanzanian sign language dictionary and guide for deaf students in secondary education level;
- (vi) Preparing syllabus for Tanzanian History at Pre-primary, Primary and Secondary levels;
- (vii) Design and develop five (5) titles of STD VII textbooks for English Schools;
- (viii) Review and improve 20 titles for secondary school textbooks, Form 1-4;
- (ix) Design and develop 14 titles of Historia ya Tanzania for Pre-Primary, Primary and Secondary F1-6;
- (x) Develop 14 titles of Braille and Large Print Textbooks for STD VI and VII;
- (xi) Develop 4 titles of Braille Textbooks for Forms 1 and 2;
- (xii) Evaluation of 150 references and supplementary books from private publishers;
- (xiii) Develop 8 titles of Standard VII textbooks (including English Medium, Braille and large print);
- (xiv) Writing various policies and framework related to core functions of the institute to guide research, monitoring and soft copy storage;
- (xv) Train 1,302 tutors from 35 teacher's colleges;
- (xvi) Development of 5 titles of Standard VII textbooks for English Medium schools;
- (xvii) Prepare an evaluation Report for re-printing and distribution 12,681,647 Standard VI and VII textbooks and Braille textbooks and large prints;
- (xviii) Print and distribute a total of 4,443,586 standard VII textbooks and 2,178 braille textbooks;
- (xix) Preparing COBET curriculum for cohort one and two;
- (xx) Prepare CPD module for continuous training for Primary Teachers (Standard V-VII) for new curriculum together with teaching and learning materials and continuous Assessment;

(xxi) Prepare a module for on the job training for facilitators of Complementary Basic Education (COBET) on new curriculum, teaching and learning materials and continuous Assessment;

(xxii) Prepare a CPD module for on job teacher training for Special Education on new curriculum and enabling teaching environment;

(xxiii) Develop a new syllabus for Complementary Basic Education of Tanzania (COBET);

B: Competencies on curricula development and implementation improved

(i) Conducted training for implementation of competence based curriculum to primary and secondary teachers and school quality assurers.

C: Capacity of TIE to deliver its core functions strengthened

(i) Developed "TIE Online Library" for electronic documents dissemination;

D: Collaboration and networking with the national, regional and international educational stakeholders strengthened

(i) Evaluation of 150 references and supplementary books from private publishers;

(ii) Record television and radio lessons for Primary and Secondary schools.

E: Care and Supportive Services Improved and HIV and AIDS infection reduced

(i) Awareness to TIE staff on HIV/AIDS and its prevention

(ii) Voluntary testing of HIV/AIDS was advocated and implemented

F: National Anti - Corruption Strategy Enhanced, Sustained and Effectively Implemented

(i) Posters around TIE premises titled "*This is a Corruption Free Zone*" were administered

1.5 MEMBERSHIP OF THE GOVERNING COUNCIL

Members of the Governing Council who served the Institute during the financial year 2020/21 and whose tenure lapse September 2021 were as follows:

No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
1	Prof. Bernadetha Kilian	54	Chairperson	Tanzanian	11 Sept 2017	PhD in Political Science, University of California (Los Angeles (UCLA)	Deputy Vice Chancellor Research-UDSM

TANZANIA INSTITUTE OF EDUCATION (TIE)

No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
2	Mr. Julius Nestory	57	Member	Tanzanian	13 Sept 2018	Masters of Education (Open University of Tanzania)	Director for Education Administration PORALG
3	Mr. David Zacharia Kakwaya	43	Member	Tanzanian	11 Sept 2017	Master of Laws (University of Aberdeen UK)	Principal State Attorney - Mara Regional Commissioners Office
4	Prof. Gastor Mapunda	50	Member	Tanzanian	11 Sept 2017	PhD in Linguistics (Bristol University UK)	Associate Professor, UDSM
5	Mr. Suleman Yahaya Ame	56	Member	Tanzanian	11 Sept 2017	BSc Ed (UDSM), Med UPSI (Malaysia)	Director, Zanzibar Institute of Education
6	Dr. Jennifer Sesabo	50	Member	Tanzanian	11 Sept 2017	PhD in Economics and Social Sciences (Hamburg University German)	Senior Lecturer Mzumbe University
7	Mrs. Assela Luena	57	Member	Tanzanian	11 Sept 2017	Master of Education (International Education (Massachusetts USA))	Principal Coordinator - Tanzania Education Authority
8	Mr. Stanslaus Mpembe	47	Member	Tanzanian	11 Sept 2017	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Finance and Planning - Assistant Internal Auditor General

Source: TIE Governing Council file

New members of Governing Council appointed 16 December 2021 and who will adopt and sign this report were as follow;

No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
1	Prof. Maulid Walad Mwatawala	52	Chairperson	Tanzanian	16 Dec 2021	PhD in Agriculture, Sokoine Univesrsity	College of Agriculture, Sokoine University of Agriculture -
2	Dr. Ali Makame Ussi	44	Member	Tanzanian	16 Dec 2021	PhD in Marine Science, University of Dar es Salaam	State University of Zanzibar - Deputy Vice Chancellor Academics
3	Prof. Hulda Swai	69	Member	Tanzanian	16 Dec 2021	PhD in Biomedical Materials Science	The Nelson Mandela African

TANZANIA INSTITUTE OF EDUCATION (TIE)

No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
						in Biomaterials in Dentistry, University of London, Queen Mary & Westerfield College	Institution of Science and Technology - Centre Leader CREATES-FNS
4	Prof. Joel Mtebe	46	Member	Tanzanian	16 Dec 2021	PhD in Interactive Technology/Human Computer Interaction, University of Tampere (UTA) Finland	College of Information and Communication Technologies - University of Dar es Salaam - Principal
5	Mr. Meshack Joram Anyingisye		Member	Tanzanian	16 Dec 2021	MPhil. International and Business Law - Yokohama National University, Japan	Ministry of Finance and Planning - Assistant Commissioner for Government Budget (Ministries)
6	Ms. Felister Emmanuel Shuli	44	Member	Tanzanian	16 Dec 2021	Master of Human Resources Management, Mzumbe University	President's Office Public Service Management and Good Governance - Director of Establishment
7	Mr. Henry Kulaya	48	Member	Tanzanian	16 Dec 2021	Postgraduate Diploma in Education with Specialism in Mathematics and ICT - Nottingham Trent University, UK	Equitable Inclusion in Education Consultancy London, UK - Senior International Education Consultant
8	Mr. Jumanne Mtambalike	34	Member	Tanzanian	16 Dec 2021	Master's in IT and Management - Avinashilingam Institute for Home Science and Higher Education for Women	Sahara Ventures - Chief Executive Officer
9	Mr. Kadari Lincoln Singo	53	Member	Tanzanian	16 Dec 2021	Master of Business Administration - USA	Institute of African Leadership for Sustainable Development - Chief Executive Officer
10	Mr. Stanlaus Mpembe	47	Member	Tanzanian	16 Dec 2021	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Energy - Principal Internal Auditor I

TANZANIA INSTITUTE OF EDUCATION (TIE)

No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
11	Mr. Ephraim Andrew Simbeye	45	Member	Tanzanian	16 Dec 2021	Master's in Education (MA-ED), University of Arusha	President's Office Regional Administration and Local Government - Director of Education Administration
12	Ms. Felista Steven Lelo	36	Member	Tanzanian	16 Dec 2021	Masters of Law in Taxation, University of Dar es Salaam	Office of Attorney General - State Attorney

Source: TIE Governing Council file

PRINCIPAL ACTIVITIES

The Principal activities of Tanzania Institute of Education are as follow:

- i. To develop education programs within the United Republic of Tanzania having regard to objectives specified by the Government and to undertake the evaluation of courses of study and practices on the basis of such objectives;
- ii. To undertake analysis, review and revision of curricula and syllabi and to initiate, promote and supervise such changes in syllabi and educational programs as are necessary for the implementation of policy on education;
- iii. To specify standards of equipment, instructions and other devices this may be used for educational purposes in schools, colleges and other institutions of learning and training;
- iv. To advise and assist the Government and other public authorities in the United Republic of Tanzania on matters relating to the achievement and maintenance of high standards of competence in teaching;
- v. To sponsor, arrange and provide facilities for in-service training courses, conferences, workshops and seminars for discussion on matters relating to its work and activities.

1.6 KEY PERFORMANCE INDICATORS

For the purpose of implementing the planned activities against the functions of the Institute, the following activities were implemented during the year:

- (a) 5 Titles of Textbooks and its Teacher's Guide for STD VII for English Medium Schools developed and approved;
- (b) Reviewed Four Braille titles textbooks for Form I and II (English F I & II, Geography F I and History F II);
- (c) A total of 35 textbooks for secondary education form 1 - 4 and 9 subjects for secondary education Form 5 - 6 developed and approved;
- (d) Developed 32 textbooks for technical schools for form I to IV in Tanzania;
- (e) Developed a History of Tanzania syllabus and its textbooks for students from Pre-primary to secondary levels (O-level and A-level);
- (f) The research and Consultancy policy prepared and approved;
- (g) The Monitoring and Evaluation Framework prepared and approved;
- (h) Installed 7 pieces of printing machine at Press A printing unit;
- (i) Prepared 58 lessons for E-content in form of Cartoon for Pre-primary children ready for approval process;
- (j) Evaluated 51 titles of supplementary Electronic teaching and learning content (ETLC), 73 titles of supplementary books (23 submitted to council, 25 submitted to Commissioner for Education and 55 submitted to management for improvement);
- (k) Printed and distributed a total of 4,443,586 Standard VII textbooks, 238,000 copies of teacher's guide, 2,178 braille, 43,671 curricula and 305,697 syllabi;
- (l) A total of 1,567,460 copies of textbooks have been received from bidders out of 10,034,650 and 299,964 copies of teachers guides out of 599,970 copies printed and received;
- (m) Conducted Education Stakeholders meeting in Dar es Salaam Dodoma and Zanzibar to receive views on improving the curriculum;
- (n) Prepared a curriculum, syllabi and guidelines that will be used by students with special needs;
- (o) 4 Curricula and 36 Syllabi of Teacher Diploma for Pre-primary and Primary Education have been prepared;

- (p) 1,302 tutors from 35 teachers' colleges were trained on curriculum implementation;
- (q) Programme for COBET, facilitators' guides and textbooks developed. A total of 1,510,832 COBET textbooks and facilitators' guides printed;
- (r) Need assessment conducted and report prepared. Four (4) modules (named *Moduli ya Ujifunzaji na Ufundishaji*; *Moduli ya Upimaji*, *Tathmini na Mrejesho*; *Moduli ya Stadi za Maisha na Moduli ya Kiingereza*) for upper primary teachers on new curriculum developed;
- (s) 10 CPD modules for upper primary teachers', COBET facilitators, Special Needs Education teachers on new curriculum, materials and continuous assessment approved by Commissioner for Education and
- (t) Trained 1,231 teachers for government schools and 800 teachers from private schools in different phases.

1.7 FUTURE PLANS/ WAY FORWARD

The Institute has the following plans for the future for enhancing its operational efficiency and improving service delivery:

- a) Development of remained titles of textbooks for Secondary Schools;
- b) Development of Pre-primary Education curriculum for pupils with special needs;
- c) Training for Non-Government primary schools on reviewed curriculum;
- d) Develop TIE staff regulations
- e) Review of TIE succession plan policy
- f) Convene an educational conference/ symposium on curriculum
- g) Strengthening of quality assurance system;
- h) Strengthen of Educational studio and ICT facilities;
- i) Improving of printing units of Mzumbe Book Project, Press A and Press B;
- j) Evaluation of reference and supplementary books and
- k) Development of storage facilities at Mikocheni plot.

1.8 SUMMARY OF FINANCIAL PERFORMANCE DURING THE YEAR 2020/21

Total receipts for the year 2020/21 amounts to TZS 61,861,632,630. The comparison between total receipts and the budget is as shown below

Source of fund	Budget TZS	Receipts TZS	Over/(Under) TZS
Revenue from own Source	10,906,888,687	8,112,473,659	(2,794,415,028)
Salaries Subvention	3,776,648,000	3,636,706,743	(139,941,257)
Other charges	464,264,698	464,264,698	-
Development Fund	15,876,975,186	16,422,642,722	545,667,536
Funded Educational Development Projects	32,584,297,711	33,225,544,808	641,247,097
Total	63,609,074,282	61,861,632,630	(1,747,441,652)

Source: TIE Financial Statements

Out of TZS 4,100,971,441 received as recurrent Government grants, TZS 464,264,698 was received as other charges (OC) and TZS 3,636,706,743 was staff salaries which were sent directly to their bank accounts by the Treasury, and corresponding taxes and pension contributions paid directly to respective authorities.

1.9 EXPENDITURE

During the year 2020/21 the Group spent a total of TZS 30,202,554,522 to run its operations. Out of total amount spent, TZS 7,332,729,408 was spent in operational and administrative activities and TZS 22,869,825,114 spent on production of books and teaching materials.

1.10 SIGNIFICANT CHANGES

During the year ended 30 June 2021 the Institute acquired a control to manage the Mzumbe Book Project (MBP) located at Morogoro region, Press A and Press B Printing Press located at Dar es Salaam, Kisumu Printing Press - Mwanza, NuruYetu Printing Press - Mbeya, Tujiliemishe Printing Press - Songea and Elimu ni Bahari Printing Press - Tabora from Ministry of Education, Science and Technology (MoEST). These Printing Presses have semi-autonomous status under the MoEST, through Tanzania Institute of Education.

1.11 CONSOLIDATED FINANCIAL STATEMENTS

The Institute consolidates the financial statement following acquisition of control, rights to variable benefits from its involvement with the above mentioned Printing press and possession of ability to affect the nature or amount of those benefits through its power over the project.

On consolidation, total assets, liabilities, net assets/equity, revenue, expenses and cash flows of the Institute and its controlled entities are presented together as a single entity, with appropriate adjustments for intra-group transactions.

1.12 INSTITUTE'S COUNCIL COMMITTEES

For the purpose of discharging the oversight responsibilities, there are four (4) Committees established by the Governing Council. Members of these Committees are appointed by the Institute's Council meeting.

(a) Audit and Risk Management Committee

The Audit and Risk Management Committee comprises of three (3) members. All members are from the Governing Council and appointed by the council.

The objective of the Audit and Risk Management Committee is to enhance financial and non-financial Information, System of Internal Controls, Risk Management and the legal and ethical Governance issues and employees.

During the year the Audit and Risk Management Committee conducted one extra ordinary meeting to receive and deliberate of Financial Statement 2019/20 submitted to CAG and four ordinary meetings and deliberate on the following:

- (i) Discuss and approve the audit annual work plan and budget for 2020/21;
- (ii) Quarterly and annual audit reports 2020/21.
- (iii) Review Risk Management implementation plan
- (iv) Review of financial report of 2019/20

The Committee is composed of the following members who serve from September 2017 to Sept 2021;

No	Name	Position	Qualification	Others
1	Mr. Stanlaus Mpembe	Chairperson	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Finance and Planning- Assistant Internal Auditor General
2	Mr. David Z. Kwakwaya	Member	Master of Laws (University of Aberdeen UK)	Principal State Attorney - Mara Regional Commissioners Office
3	Mr. Julius Nestory	Member	Masters of Education (Open University of Tanzania)	Director for Education Administration PORALG

Source: TIE Governing Council file

New members of Audit and Risk Management Committee from 16 December 2021 are;

No	Name	Position	Qualification	Others
1	Mr. Stanslaus Mpenbe	Chairperson	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Energy - Principal Internal Auditor I
2	Ms. Felister Lelo	Member	Masters of Law in Taxation, University of Dar es Salaam	Office of Attorney General - State Attorney
3	Mr. Kadari Lincoln Singo	Member	Master of Business Administration - USA	Institute of African Leadership for Sustainable Development - Chief Executive Officer

Source: TIE Governing Council file

(b) Finance and Planning Committee

This Committee is responsible for all matters regarding to finance, and planning. During the year the committee conducted four meetings to:

- (i) Discuss and approve the Institute's work plan and budget for financial year 2020/21,
- (ii) Receive the annual reports for 2019/20, and
- (iii) Receive and deliberate of the quarterly and annually financial reports for 2020/21.

The committee is comprised of the following members:

No	Name	Position	Qualification	Others
1	Dr. Jennifer Sesabo	Chairperson	PhD in Economics and Social Sciences (Hamburg University German)	Senior Lecturer Mzumbe University
2	Mr. Stanslaus Mpenbe	Member	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Finance and Planning- Assistant Internal Auditor General
3	Mr. Suleman Yahaya Amc	Member	Med UPSI (Malaysia)	Director, Zanzibar Institute of Education

Source: TIE Governing Council file

New members of Finance and Planning Committee are;

No	Name	Position	Qualification	Others
1	Mr. Meshack Joram Anyingisye	Chairperson	MPhil, International and Business Law - Yokohama National University, Japan	Ministry of Finance and Planning - Assistant Commissioner for Government Budget (Ministries)
2	Mr. Kadari Lincoln Singo	Member	Master of Business Administration - USA	Institute of African Leadership for Sustainable Development - Chief Executive Officer
3	Mr. Jumanne Mtambalike	Member	Master's in IT and Management - Avinashilingam Institute for Home Science and Higher Education for Women	Sahara Ventures - Chief Executive Officer
4	Mr. Henry Kulaya	Member	Postgraduate Diploma in Education with Specialism in Mathematics and ICT - Nottingham Trent University, UK	Equitable Inclusion in Education Consultancy London, UK - Senior International Education Consultant

Source: TIE Governing Council file

(c) Academic Committee

This Committee is responsible for all matters regarding to core function of the institute which is academics. During the year, the committee conducted four meetings in which it:

- Approved the work plan and budget for Financial Year 2020/21.
- Received and deliberated on the annual report for 2019/20 and quarterly reports of respective periods for year 2020/21.

The Committee was comprised of the following members:

No.	Name	Position	Qualification	Others
1	Prof. Gastor Mapunda	Chairperson	PhD Bristol University UK (Linguistics),	Associate Professor, UDSM
2	Mr. Suleman Yahaya Ame	Member	Med UPSI (Malaysia)	Director, Zanzibar Institute of Education
3	Dr. Jennifer Sesabo	Member	PhD Economics and Social Sciences (Hamburg University German)	Senior Lecturer Mzumbe University

Source: TIE Governing Council file

New Academic Committee members are;

No.	Name	Position	Qualification	Others
1	Prof. Joel Mtebe	Chairperson	PhD in Interactive Technology/Human Computer Interaction, University of Tampere (UTA) Finland	College of Information and Communication Technologies - University of Dar es Salaam - Principal
2	Prof. Hulda Swai	Member	PhD in Marine Science, University of Dar es Salaam	State University of Zanzibar - Deputy Vice Chancellor Academics
3	Dr Ali Makame Ussi	Member	PhD in Marine Science, University of Dar es Salaam	State University of Zanzibar - Deputy Vice Chancellor Academics
4	Mr. Henry Kulaya	Member	Postgraduate Diploma in Education with Specialism in Mathematics and ICT - Nottingham Trent University, UK	Equitable Inclusion in Education Consultancy London, UK - Senior International Education Consultant

Source: TIE Governing Council file

(d) Appointment, Disciplinary and Human Resources Development Committee

This Committee is responsible for all matters pertaining to staff recruitment, discipline and development welfare. The Committee conducted four meetings to:

- Approve the work plan and budget for the Financial Year 2020/21.
- Receive and deliberate on the annual report for 2019/20 and quarterly reports for 2020/21.

The Committee is comprised of the following members:

No	Name	Position	Qualification	Others
1	Mr. David Z. Kakwaya	Member	Masters of Laws (University of Aberdeen UK)	Principal State Attorney - Mara Regional Commissioners Office
2	Mr. Julius Nestory	Member	Masters of Education (Open University of Tanzania)	Director for Education Administration
3	Mrs. Assela Luena	Member	Masters of Education (International Education)	Principal Coordinator Tanzania Education Authority

Source: TIE Governing Council file

New Disciplinary and Human Resources Development Committee

No	Name	Position	Qualification	Others
1	Ms. Felister Emanuel Shuli	Member	Master of Human Resources Management, Mzumbe University	President's Office Public Service Management and Good Governance - Director of Establishment
2	Bi. Felister Steven Lelo	Member	Masters of Law in Taxation, University of Dar es Salaam	Office of Attorney General - State Attorney
3	Mr. Ephraim Andrew Simbeye	Member	Master's in Education (MA-ED), University of Arusha	President's Office Regional Administration and Local Government - Director of Education Administration
4	Stanslaus Mpembe	Member	Master of Business Administration (Executive MBA - ESAM)	Ministry of Energy - Principal Internal Auditor I

Source: TIE Governing Council file

1.13 BOARD MEETINGS

During the year, the Governing Council held meetings as follows:

No.	Name	Designation	Nationality	No. of meetings 2020/2021
1.	Prof. Bernadeta Killian	Chairman	Tanzanian	4
2.	Prof. Gastor Mapunda	Member	Tanzanian	4
3.	Dr. Jennifer Sesabo	Member	Tanzanian	4
4.	Mrs. Assela Luena	Member	Tanzanian	4
5.	Mr. Suleman Yahaya Ame	Member	Tanzanian	4
6.	Mr. David Zacharia Kakwaya	Member	Tanzanian	4
7.	Mr. Stanslaus Mpembe	Member	Tanzanian	2
8.	Mr. Julius Nestory*	Member	Tanzanian	2

Source: TIE Governing Council file

During the year, the Council:

- (i) Discussed and approved the Institute's budget for financial year 2020/21,
- (ii) Received the annual reports for 2019/20,
- (iii) Received and deliberated of the quarterly and annually financial reports for 2020/21,
- (iv) Reviewed and approved deliberations of Council committees

1.14 MANAGEMENT OF THE INSTITUTE

The Management of the Institute is under the Director General who reports to the Chairman of the Council. In assisting the Director General to discharge her responsibilities the Institute is organized in the following departments and units reporting directly to the Director General;

- (i) Curriculum Design and Development Department;
- (ii) Research Information and Publication Department;
- (iii) Centre for Curriculum Training Department;
- (iv) Educational Material Design and Development Department;
- (v) Human Resources and Administration Department;
- (vi) Finance and Accounts Department;
- (vii) Planning Unit;
- (viii) Procurement and Logistic Unit;
- (ix) Internal Audit Unit; and
- (x) Legal Services Unit.

1.15 FACTORS WHICH CONTRIBUTED TO INSTITUTE'S PERFORMANCE

(a) Dedication and Loyalty

The Institute has a dedicated, committed and loyal workforce ready to provide quality services to stakeholders and the public in general. The workforce has a team working culture that builds a productive synergy in achieving the Institute's objectives.

(b) Good Governance Policy

The Institute works under Good Governance Policies which are aimed at improving service delivery to the public in general.

(c) Good Relationship with Development Partners

During the year the Institute continued to receive enormous support from Development Partners and Agencies. The support included funding of education projects implemented in during the year; contribution from these partners was substantial compared to other revenue streams. The Institute believes that the good relationship with these partners will continue in the next financial year.

1.16 PRINCIPAL RISKS AND UNCERTAINTIES

Most of the expenditure (both recurrent and development) are financed by the funds received from the Treasury on monthly basis. The Institute is uncertain of cash flow if it could suffice the respective month's requirements.

In mitigating this risk the Institute is planning to;

- Prioritize maximum utilization of limited resources on implementation of its operations and objectives within financial limits;
- Enhance utilization of existing strength on its workforce in the area of curriculum and capitalize on opportunity for production of teaching and learning materials;
- Indulge into public private partnership practice as an alternative source of financing its operational activities;

1.17 EMPLOYEES WELFARE

(a) Relationship between Management and Employees

There is a systematic procedure of communication with employees on a regular basis which is done through the workers' trade union known as Tanzania Higher Learning Institutions Trade Union (THTU) at the Institute and Staff Workers Council Meetings.

(b) Workers' Council

Workers' Council convened four meetings in a year. The members of the Workers' Council include heads of departments, employee representatives from each department and other employees representing Employees' Trade Union (THTU). All major decisions affecting employees are discussed in the Workers' Council including Staff Benefit Package Policies and Staff Regulations.

(c) Employment Policy

The Institute is an equal opportunity employer. It gives equal access to employment opportunities that ensures that the best available person is appointed to any given position on merit and free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

(d) Medical Services

All members of the staff together with a maximum number of four beneficiaries (dependants) for each employee were availed medical insurance under the National Health Insurance (NHIF). The Institute contributed 3% of employee salary towards this fund.

(e) Free Morning Tea Served at TIE Canteen

During the financial year 2020/21 the Institute continued to offer free morning tea with snacks at ten o'clock to all employees at TIE canteen. Total cost incurred for tea and snacks was TZS 46,452,232.

(f) Training and Development

Training programs have been and are continually being developed to ensure that employees are adequately trained at all levels. The programmes are focused on raising staff skills to make them more competent. In implementing training programmes, only a few employees could be trained due to financial constraints facing the Institute, three staff attended long courses and were sponsored by development partners.

(g) Persons with Disability

It is the policy of the Institute not to discriminate persons with disability in recruitment, bearing in mind the aptitudes of applicant concerned. The Institute gives equal opportunities to disabled persons for vacancies they are able to fill. Similarly under the Workmen's Compensation Act, the Institute compensates employees who become disabled while in service of the Institute.

(h) Gender Parity

The Institute is an equal opportunity employer. It gives equal access to employment and ensures that the best person is appointed to any given position free from discrimination of any kind and without regard to his/her gender. The Institute had 201 employees, out of which 89 (44%) were female and 112 (56%) were male.

1.18 SOLVENCY

The Institute depends on subvention from Government. Out of the total recurrent expenditure budget of TZS 4,240,912,698 where TZS 3,776,648,000 which forms 89% of the recurrent budget is paid by the Government in form of personal emolument and other charges.

Funding of development projects depends on support from development partners and the development subvention from the Government. During the year, the Institute received TZS 16,422,642,722 which is (103%) of the amount budgeted for development project. Budget for funds from educational development partners was TZS 32,584,297,711 and budget for development funds from the Government was TZS 15,876,975,186.

The Institute has reasonable expectation that, the Government through the Ministry of Finance and Planning will continue to fund various projects and recurrent expenditures. The Institute's statement of financial position as at 30 June 2021 is set out on page 18 of these financial statements. The Institute confirms that applicable financial reporting standard have been followed and that the financial statements have been prepared on a going-concern basis. No

matters have come to their attention of Management to indicate that the Institute will not remain a going concern for at least the ensuing financial year.

1.19 AUDITORS

The Controller and Auditor General (CAG) is the statutory auditor of Tanzania Institute of Education by virtue of Article 143 of the Constitution of the United Republic of Tanzania and amplified in section 10(1) of the Public Audit Act, Cap.418. However, the audit for the year ended 30 June 2021 was jointly carried out by TAC Associates and the Controller and Auditor General.

BY ORDER OF THE COUNCIL


CHAIRPERSON

DATE 09.03.2022


MEMBER

DATE 09.03.2022

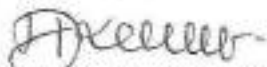
STATEMENT OF DIRECTOR GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

These financial statements have been prepared by the management of Tanzania Institute of Education in accordance with the provision of section 25(4) of the Public Finance Act, No. 6 of 2001. The financial statements comply with the International Public Sector Accounting Standards and are presented in a manner consistent with the same standards.

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

To the best of my knowledge, the system of Internal Control has operated adequately throughout the reporting period and that the accounts and underlying records provide a reasonable basis for the preparation of the financial statements for the financial year ended 30 June 2021.

I accept responsibility for the integrity of the Financial Statements, the information it contains, and its compliance with the Public Finance Act, Cap. 348 [R.E 2020] and instructions issued by the Treasury in respect of the year under review.



Signed by Director General

8/3/2022

Date

2.0 STATEMENT OF GOVERNING COUNCIL RESPONSIBILITIES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021


The Governing Council is required to prepare financial statements for each financial year which give a true and fair view of the affairs of the Institute as at the end of the financial year and of the operating results of the Institute for that year. The Governing Council also is required to ensure that, the Institute keeps proper accounting records which disclose with reasonable assurance at any time the financial position of the Institute. It is also responsible for safeguarding the assets of the Institute.

The Governing Council accepts responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with international Public Sector Accounting Standards (IPSAS). To the best of Council's knowledge and belief, the Governing Council confirms that the financial statements give a true and fair view of the affairs of the Institute and of its operating results. The Governing Council further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the Governing Council to indicate that the Institute will not remain a going concern for at least next twelve months from the date of this statement.


CHAIRPERSON

DATE 04-03-2022


MEMBER

DATE 09-03-2022

3.0 DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING OF TANZANIA INSTITUTE OF EDUCATION

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 Governing Council/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Public Sector Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Governing Council as under Governing Council's Responsibility statement on an earlier page.

I, CPA Deo L. Fazaah being the Head of Finance/Accounting of Tanzania Institute of Education (TIE) hereby acknowledge my responsibility of ensuring that Financial Statements for the year ended 30 June 2021 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signature: 

Signed by: Deo L. Fazaah

Position: Director of Finance & Planning

NBAA Membership No: 2376

Date: 08/03/2022

4.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Governing Council,
Tanzania Institute of Education,
P.O Box 35094,
Dar es Salaam,
Tanzania.

4.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

I have audited the consolidated financial statements of Tanzania Institute of Education, which comprise the consolidated statement of financial position as at 30 June 2021, and the consolidated statement of financial performance, consolidated statement of changes in net assets and consolidated cash flow statement and the consolidated 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 consolidated financial statements present fairly in all material respects, the financial position of Tanzania Institute of Education as at 30 June 2021, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs) Accrual basis of accounting.

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 Institute of Education 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 consolidated 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 Governing Council's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 consolidated 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 consolidated financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [R.E. 2021] 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, 2011 (as amended in 2016) 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.

4.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

Compliance with the Public Procurement Laws in Tanzania

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

I performed a compliance audit on procurement of works, goods and services in the Tanzania Institute of Education for the financial year 2020/21 as per the Public Procurement Laws in Tanzania.

Conclusion

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

i. Delay in completion of procurement cycle compared to planned time in the Annual Procurement Plan

Regulation 68 (3) and (4) of the Public Procurement Regulations, 2013 requires the timescale for each procurement to be calculated on the basis of the standard processing times prescribed in the Schedules to Regulations, allowing any necessary margin for delays in transmission of documents or clarification of tenders or proposals. Commencing dates and critical points in the procurement process are required to be set out in the Annual Procurement Plan (APP).

My review of time scale of implementation of the planned procurements process set out in the Annual Procurement Plan for the financial year 2020/21, I noted material delays in actual implementation of the planned procurements.

ii. Expired performance security TZS 21.93 million

I noted that there were undelivered goods worth TZS 21,925,879.32 while the respective performance security had expired since 11 October 2021. The goods were thus not covered by valid performance security contrary to Regulation 29 (1) of Public Procurement Regulations of

2013 that directs successful tenderer to submit performance security to guarantee faithful performance of the contract.

iii. Incomplete Annual Procurement Plan implementation report of awarded tenders in 2020/21

The contract register and Annual Procurement Plan implementation status report showed that there were ten awarded tenders in 2020/21 but were not included in the Annual Procurement Plan implementation report contrary to Section 38 (m) of the Public Procurement Act, 2011 that requires the Procurement Management Unit to maintain a list or register of all contract awarded. Maintaining incomplete contract register might affect monitoring of contract execution.

iv. Non-preparation of monthly and quarterly procurement reports

Quarterly procurement implementation reports for the first, second and third quarters of the year under review were neither prepared and submitted to the tender board or management meetings nor communicated to the PPRA as required under Section 38 (n) and (o) of Public Procurement Act, 2011; and Regulation 87(2) (c) of Public Procurement Regulations, 2013.

v. Absence of evaluation report by evaluation committee to awarded tenders at Press A TZS 209.72 million

Section 74 (1) of Public Procurement Act, 2011 requires that evaluation committee evaluates on a common basis tenders that have not been rejected in order to determine the cost to the procuring entity of each tender in a manner that permits a comparison to be made between the tenders. On assessment of tender evaluation procedures which were done on competitive quotation methods at TIE Press A, there was no evidence of involvement of the evaluation committee on evaluation of awarded tenders amounting to TZS 209,715,000 in aggregate, before being tabled to delegated tender board for approval.

vi. Tender awarded beyond the established limits TZS 212.82 million

Seventh Schedule of Public Procurement Regulations, 2013 (amended in 2016) specifies limits of amounts to be spent in each method of procurement applied by a Procuring Entity (PE's) during the tendering processes of Goods, Works and Non-consultancy services. However, TIE used a competitive quotation method to procure various printing materials for a contract sum of TZS 212,824,800, while the respective established limit was TZS 120,000,000. Further, management were unable to provide evidence to confirm that the procurement was approved by the tender board when requested during audit.

vii. Splitting of Contracts TZS 658 million

Section 49(1) (c) of Public procurement Act, 2011 requires procuring entity to avoid splitting of procurement to circumvent the use of appropriate procurement methods unless such splitting is to enable wider participation of local consultants, suppliers or contractors in which case the

Authority shall determine such an undertaking. Moreover, Regulation 73(1) and (3) of Public Procurement Regulations, 2013 requires a procuring entity not to divide its procurement into separate contracts for the purpose of avoiding international or national competitive tendering or selection. However, contracts amounting to TZS 658,026,174 were splitted and awarded to a single supplier on the same work contrary to the cited legislation and its regulation requirement, without consideration of a wider participation of local suppliers and without prior approval of PPRA.



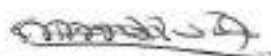
Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2022




5.0 FINANCIAL STATEMENTS FOR THE YEAR END 30 JUNE 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

<u>Assets</u>	Notes	Group		Institute	
		30.06.2021 TZS	30.06.2020 TZS	30.06.2021 TZS	30.06.2020 TZS
Current assets					
Cash and cash equivalents	6	45,429,583,277	13,972,771,174	45,269,883,148	13,865,033,543
Other receivables & Pre-payment	7	323,258,724	60,213,293	323,258,724	60,213,293
Trade receivables	8	324,318,931	212,685,935	-	-
Inventories	9	<u>2,172,785,266</u>	<u>3,933,124,000</u>	<u>2,152,843,590</u>	<u>3,933,123,999</u>
		48,249,946,198	18,178,794,402	47,745,985,462	17,858,370,835
Non-Current Assets					
Property, plant and equipment	10	<u>31,768,589,861</u>	<u>31,732,370,640</u>	<u>30,609,944,521</u>	<u>30,513,588,544</u>
Total Assets		<u>80,018,536,059</u>	<u>49,911,165,042</u>	<u>78,355,929,983</u>	<u>48,371,959,379</u>
Equity and Liabilities					
Equity and reserve					
Capital fund	11	3,553,277,160	3,553,277,160	1,720,262,514	1,720,262,514
Accumulated surplus/(deficit)		<u>30,391,574,401</u>	<u>29,810,345,274</u>	<u>31,017,620,114</u>	<u>30,688,418,636</u>
Total Equity and Reserves		<u>33,944,851,561</u>	<u>33,363,622,434</u>	<u>32,737,882,628</u>	<u>32,408,681,150</u>
Current Liabilities					
Sundry payables and Accruals	12	803,801,351	2,550,245,801	348,164,208	1,965,981,422
Advanced received and Deferred income	13	<u>45,269,883,147</u>	<u>13,997,296,807</u>	<u>45,269,883,147</u>	<u>13,997,296,807</u>
Total Current Liabilities		<u>46,073,684,498</u>	<u>16,547,542,608</u>	<u>45,618,047,355</u>	<u>15,963,278,229</u>
Total Equity and Liabilities		<u>80,018,536,059</u>	<u>49,911,165,042</u>	<u>78,355,929,983</u>	<u>48,371,959,379</u>


 CHAIRPERSON
 DATE 09.03.2022


 MEMBER
 DATE 09.03.2022

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2021**

		Group		Institute	
	Notes	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Revenue					
Revenue from non exchange transactions	-				
Funded projects income	14	14,695,345,368	4,541,615,234	14,695,345,368	4,541,615,234
Government grants	15	<u>7,781,550,090</u>	<u>15,769,436,185</u>	<u>7,781,550,090</u>	<u>15,769,436,185</u>
		22,476,895,458	20,311,051,419	22,476,895,458	20,311,051,419
Non-Monetary Revenue	16(a)	87,718,526	-	87,718,526	-
Revenue from exchange transactions					
Other revenue	16(b)	<u>8,219,169,664</u>	<u>2,884,555,713</u>	<u>7,022,307,249</u>	<u>1,530,522,067</u>
Total Revenue		<u>30,783,783,648</u>	<u>23,195,607,132</u>	<u>29,586,921,233</u>	<u>21,841,573,486</u>
Expenses					
Curriculum development expenses	17	22,869,825,114	17,446,751,106	22,256,716,141	16,487,793,563
Salaries, wages and staff benefits	18	4,473,740,198	3,780,794,659	4,414,160,075	3,468,668,377
Administrative expenses	19	2,390,775,200	1,420,861,030	2,178,766,287	1,296,927,819
Statutory audit fees	20	112,000,000	112,565,803	112,000,000	112,565,803
Depreciation	10	<u>356,214,009</u>	<u>359,877,548</u>	<u>296,077,253</u>	<u>300,064,310</u>
Total Expenses		<u>30,202,554,521</u>	<u>23,120,850,146</u>	<u>29,257,719,756</u>	<u>21,666,019,872</u>
Surplus for the year		<u>581,229,127</u>	<u>74,756,986</u>	<u>329,201,478</u>	<u>175,553,614</u>


CHAIRPERSON

DATE 09.03.2022


MEMBER

DATE 09.03.2022


CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	Note	Group		Institute	
		2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Cash Flows from operating activities					
Subvention from Government	23.1	20,523,614,163	9,002,272,185	20,523,614,163	9,002,272,185
Funded projects	23.2	33,225,544,808	13,106,210,404	33,225,544,808	13,106,210,404
Other Revenue	23.3	8,112,473,660	2,884,861,215	7,027,244,240	1,530,827,570
Salaries and staff benefits	23.4	(4,473,740,198)	(3,780,794,659)	(4,414,160,075)	(3,463,808,377)
Payments in respect of goods and services received	23.5	(25,246,706,031)	(20,548,295,258)	(24,273,019,232)	(19,345,290,419)
Audit fee paid	23.6	(112,000,000)	(112,565,803)	(112,000,000)	(112,565,803)
Net cash generated from operating activities		<u>32,029,186,402</u>	<u>551,688,084</u>	<u>31,977,223,904</u>	<u>717,645,560</u>
Cash flows from investing activities					
Acquisition of fixed assets	23.7	(304,714,704)	(112,642,239)	(304,714,704)	(112,642,239)
Pre-payment for acquisition of Motor vehicle	7	(267,659,595)	=	(267,659,595)	=
Net cash used in Investing activities		<u>(572,374,299)</u>	<u>(112,642,239)</u>	<u>(572,374,299)</u>	<u>(112,642,239)</u>
Net increase in cash and cash equivalent		31,456,812,103	439,045,845	31,404,849,605	605,003,321
Cash and cash equivalent at the beginning of the period		<u>13,972,771,174</u>	<u>13,533,725,329</u>	<u>13,865,033,543</u>	<u>13,260,030,222</u>
Cash and cash equivalent at the end of the period		<u>45,429,583,277</u>	<u>13,972,771,174</u>	<u>45,269,883,148</u>	<u>13,865,033,543</u>

Notes form part of these financial statements.


CHAIRPERSON

DATE 09.03.2022



MEMBER


DATE 09.03.2022

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE
2021

Group	Capital Fund TZS	Accumulated surplus TZS	Total TZS
Balance at 1 July 2019	3,553,277,160	29,735,588,288	33,288,865,448
Surplus for the year	-	74,756,986	74,756,986
Balance at 30 June 2020	<u>3,553,277,160</u>	<u>29,810,345,274</u>	<u>33,363,622,434</u>
Balance at 1 July 2020	3,553,277,160	29,810,345,274	33,363,622,434
Surplus for the year	-	581,229,127	581,229,127
Balance at 30 June 2021	<u>3,553,277,160</u>	<u>30,391,574,401</u>	<u>33,944,851,561</u>

Notes form part of these financial statements.



 CHAIRPERSON
 DATE 09.03.2022


 MEMBER
 DATE 09.03.2022

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2021 (CONTINUED)

Institute	Capital Fund TZS	Accumulated Surplus TZS	Total TZS
Balance at 1 July 2019	1,720,262,514	30,512,865,022	32,233,127,536
Surplus for the year	-	175,553,614	175,553,614
Balance at 30 June 2020	<u>1,720,262,514</u>	<u>30,688,418,636</u>	<u>32,408,681,150</u>
Balance at 1 July 2020	1,720,262,514	30,688,418,636	32,408,681,150
Surplus for the year	-	329,201,478	329,201,478
Balance at 30 June 2021	<u>1,720,262,514</u>	<u>31,017,620,114</u>	<u>32,737,882,628</u>

Notes form part of these financial statements.


CHAIRPERSON

DATE 04.03.2022


MEMBER

DATE 09.03.2022


STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2021

Details	Original and Final Budget Amounts 2020/21	Actual Comparable Basis 2020/21	Performance Difference 2020/21	% chang e from the Budget
Revenue	TZS	TZS	TZS	
Subvention from Government	20,117,887,884	20,523,614,163	405,726,279	2
Other revenue	10,906,888,687	8,112,473,659	(2,794,415,028)	(-26)
Funded projects	<u>32,584,297,711</u>	<u>33,225,544,808</u>	<u>641,247,097</u>	2.0
Total revenue	<u>63,609,074,282</u>	<u>61,861,632,630</u>	<u>(1,747,441,652)</u>	(-3)
Expenses				
Salaries and staff benefits	4,517,848,000	4,473,740,198	44,107,802	1
Payment in respect of goods and services	58,979,226,282	25,246,706,031	33,732,520,251	57
Audit fees	<u>112,000,000</u>	<u>112,000,000</u>	-	
Total expenses	<u>63,609,074,282</u>	<u>29,832,446,229</u>	<u>33,776,628,053</u>	53

Notes form part of these financial statements.


 CHAIRPERSON

DATE 09-03-2022


 MEMBER

DATE 09-03-2022

EXPLANATION OF MATERIAL VARIANCES EMANATING FROM STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FINANCIAL YEAR 2020/21

1. **Government Grants** - The excess of TZS 405,726,279 was due to receipt of funds for printing of history of Tanzania textbooks for Primary and Secondary Schools.
2. **Internal Generated Funds**-The shortfall of TZS 2,794,415,028 was due to breakout of Pandemic disease (COVID 19) which led to decrease of printing orders from expected customers and buyers of textbooks and other curriculum support materials.
3. **Funded Projects**

The excess of TZS 641,247,097 was due to receipt of funds for printing of Standard Seven Certificate.
4. **Salaries and Staff Benefits** - The saving of TZS 44,107,802 was due to delayed transfer of salaries for 54 employees who were transferred to TIE from other government institutions
5. **Payments in respect of goods and services** - The saving of TZS 33,732,520,251, was due to overlapping of the printing contracts which were supposed to be settled after completion of deliveries.

RECONCILIATION OF BUDGET AND FINANCIAL STATEMENTS AMOUNTS

Details	Amounts reported on budget comparative 2020/21 TZS	Amount recognized in Financial Statements TZS	Amount deferred for future accounting periods TZS
Revenue			
Subvention from Government	20,523,614,163	7,781,550,090	12,742,064,073
Other revenue	8,112,473,659	8,219,169,664	(106,696,005)
Funded educational development projects	33,225,544,808	14,695,345,368	18,530,199,440
Total revenue	<u>61,861,632,630</u>	<u>30,696,065,122</u>	<u>31,165,567,508</u>
Expenses			
Salaries and staff benefits	4,473,740,198	4,414,160,075	59,580,123
Administrative expenses(net of depreciation)	2,390,775,200	2,178,766,287	212,008,913
Educational development expenditure	7,153,486,600	7,438,969,921	(285,483,321)
Educational projects expenses	<u>15,814,444,231</u>	<u>15,814,444,231</u>	-
Total expenses	<u>29,832,446,229</u>	<u>29,846,340,514</u>	<u>13,894,284</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 BASIS OF PREPARATION**(a) Statement of Compliance**

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS), and the financial statements have been prepared on accrual basis.

(b) Basis of Measurement

The financial statements have been prepared at the historical cost, as modified by the revaluation of available-for-sale financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

(c) Use of Estimates and Judgements

The preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the institute's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are separately disclosed in a note.

(d) Functional and Presentation Currency

These financial statements are presented in Tanzanian Shillings, which is the institute's functional currency and presentation currency.

(e) Changes In Accounting Policies

Changes in accounting policies are prescribed in IPSAS 3. The objective of this Standard is to prescribe the criteria for selecting and changing accounting policies, together with the accounting treatment and disclosure of changes in accounting policies, changes in accounting estimates and the corrections of errors. This Standard is intended to enhance the relevance and reliability of an entity's financial statements and the comparability of those financial statements over time.

2 ADOPTION OF INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS)

With effect from 1 July 2014, TIE adopted the International Public Sector Accounting Standards (IPSASs).

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently in all periods presented in these financial statements:

(a) Foreign Currency Translation

Transactions in foreign currencies are translated into the respective functional currency of the operation at the spot exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into the functional currency at the spot exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated into the functional currency at the spot exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized in profit or loss, except for differences arising on the retranslation of available-for-sale equity instruments which is recognized directly in equity.

(b) Financial Assets and Liabilities

(i) Recognition

The institution initially recognizes loans and advances, deposits, debt securities issued and liabilities on the date at which they are originated. Regular way purchases and sales of financial assets are recognized on the trade date at which the Institution commits to purchase or sell the asset. All other financial assets and liabilities (including assets and liabilities designated at fair value through profit or loss) are initially recognized on the trade date at which the Institution becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus (for an item not subsequently measured at fair value through profit or loss) transaction costs that are directly attributable to its acquisition or issue.

(ii) De-recognition

The institution derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Institution is recognized as a separate asset or liability.

The institution derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The institution enters into transactions whereby it transfers assets recognized on its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. If all or substantially all risks and rewards are retained, then the transferred assets are not derecognized from the statement of financial position. Transfers of assets with retention of all or substantially all risks and rewards include, for example, securities lending and repurchase transactions.

In transactions in which the Institution neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset, it derecognizes the asset if it does not retain control over the asset. The rights and obligations retained in the transfer are recognized separately as assets and liabilities as appropriate. In transfers in which control over the asset is retained, Institution continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

TIE writes off certain loans when they are determined to be uncollectible.

(iii) Off-setting

Financial assets and liabilities are set off and the net amount presented in the statement of financial position when, and only when, the institution has a legal right to set off the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions such as in the Institution's trading activity.

(iv) Amortized Cost Measurement

The amortized cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.

(v) Fair Value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

When available, Institution measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

(vi) Fair Value Measurement

If a market for a financial instrument is not active, Institution establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially the same, discounted cash flow analyses and option pricing models.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e., the fair value of the consideration given or received, unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

When transaction price provides the best evidence of fair value at initial recognition, the financial instrument is initially measured at the transaction price and any difference between this price and the value initially obtained from a valuation model is subsequently recognized in profit or loss depending on the individual facts and circumstances of the transaction but not later than when the valuation is supported wholly by observable market data or the transaction is closed out.

Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the institution where appropriate. Fair value estimates obtained from models are adjusted for any other factors, such as liquidity risk or model uncertainties; to the extent that the Institution believes a third-party market participant would take them into account in pricing a transaction.

(vii) Identification and Measurement of Impairment

At each statement of financial position date the institution assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a borrower, restructuring of a loan or advance by the Institution on terms that the Institution would not otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

The institution considers evidence of impairment for loans and advances at both a specific asset and collective level. All individually significant loans and advances securities are assessed for specific impairment. All individually significant loans and advances found not to be specifically

impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and advances that are not individually significant are collectively assessed for impairment by grouping together loans and advances and held-to-maturity investment securities with similar risk characteristics.

In assessing collective impairment, the institution uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets carried at amortized cost are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

(viii) Identification and Measurement of Impairment (continued)

Losses are recognized in profit or loss and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognized through the unwinding of the discount.

When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

(c) Cash and Cash Equivalents

Cash and cash equivalents include notes and coins on hand, and highly liquid financial assets with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortized cost in the statement of financial position.

(d) Property, Plant and Equipment

Land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset. All other property, plant and equipment are stated at historical cost less depreciation.

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item

will flow to the group and the cost of the item can be measured reliably. Where an asset is acquired at no cost, or for a nominal cost through a non-exchange transaction, its cost shall be measured at its fair value at the date of acquisition.

The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred. Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as other reserves in shareholders' equity.

Decreases that offset previous increases of the same asset are charged in other comprehensive income and debited against other reserves directly in equity; all other decreases are charged to the income statement. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement, and depreciation based on the asset's original cost is transferred from 'other reserves' to 'retained earnings'.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows:

Particulars	Rate - p.a.
Buildings	2%
Office and Household Equipment and Furniture	20%
Motor Vehicles	20%
Motor Cycles	14%
Computer Equipment's	25%
Library Books & Publications	20%
Plant and Machinery	7%

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

Major renovations are depreciated over the remaining useful life of the related assets or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditure is charged to the statement of Financial Performance during the financial period in which it is incurred. The asset's residual values and useful lives are reviewed and adjusted if appropriate at each statement of financial position's date. An asset's carrying amount is

Written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within 'Other (losses)/gains - net' in the income statement.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

(e) Intangible Assets

Generally, costs associated with maintaining computer software and programs are recognized as an expense as incurred. However, costs that is clearly associated with an identifiable and unique product, which will be controlled by the Institute and has a probable benefit accruing to the Institute beyond one year, are recognized as an intangible asset.

Expenditure which enhances and extends the computer software and programs beyond their original specifications and lives is recognized as a capital improvement and added to the original cost of the software. Computer software development costs recognized as assets are amortized using the straight line method over their useful lives, estimated at two years (50%).

(f) Impairment of Non-Financial Assets

Assets that have an indefinite useful life - for example, goodwill or intangible assets not ready to use - are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Trade Receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

(h) Trade Payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(i) Provisions

A provision is recognized if, as a result of a past event, the Institution has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(j) Employee Benefits**(i) Defined Contribution Plans**

Obligations for contributions to defined contribution pension plans are recognized as an expense in profit or loss when they are due.

(ii) Short-term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognized for the amount expected to be paid under short-term cash bonus if the Institution has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(iii) Termination Benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange of these benefits.

The Institute recognizes termination benefits when it is constructively obliged to either terminate the employment of the current employees according to detailed formal plan without possibility of withdrawal or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

(k) Revenue Recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Institute's activities.

The institute recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific

criteria have been met for each of the institute's activities as described below. The institution bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

(i) Sales of Publications

The Institute sales a range of curricula support materials such syllabi and teacher guides. Sales of these publications are recognized when institute has delivered the products to the customer, delivery does not occur until the products have been moved to the specified location. The syllabus and teacher guides are rarely sold with volume discounts; customers have a right to return damaged books to the Institute. Sales are recorded based on the price specified by the Institute's price list, net of the estimated volume discounts and returns at the time of sale.

(ii) Royalty Income

Royalty income is recognized on an accruals basis in accordance with the substance of the relevant agreements.

(iii) Grants

Grant income and deferred grants

All donor grants received are initially recognized as deferred income at fair value and recorded as liabilities in the Grant Received in Advance for the period.

The portion of the grants that are utilized to purchase property and fixed assets are transferred as deferred income in liabilities and subsequently release to income to match the depreciation for the period and amortization of the fixed assets as charged to statement of comprehensive income.

Grants utilized to reimburse program related expenditure are recognized as grant income for the period.

Donor grants received in kind, through the provision of gifts and/or services, are recorded at fair value (excluding situations when the institute may receive emergency supplies for onward distribution in the event of a disaster which are not recorded as grants).

Grant income classified as temporarily restricted or unrestricted depending upon the existence of donor imposed restrictions. For completed or phased out projects and programs, any unutilized amounts are dealt with in accordance with consequent donor and management agreements.

For ongoing projects and programs, any expenditures yet to be funded but for which funding has been agreed at the end of the reporting is recognized as Grants receivable.

Government Grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the institute will comply with all attached conditions.

Government grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the income statement on straight-line basis over the expected lives of the related assets.

(I) Accounting for Government Assistance/Grants

- Assistance pertaining to current year expenses is credited direct to income.
- Grants which are received in the form of long lived assets are debited to Property, Plant and Equipment Account and are correspondingly credited to Capital Fund Account.
- Capital grants (except for grants related to buildings) are amortized and credited to income according to depreciation rates charged to respective assets annually.

4 FINANCIAL RISK MANAGEMENT

The Institution has exposure to the following risks from its use of financial instruments:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk.

Risk Management Framework

The Governing council members have overall responsibility for the establishment and oversight of the Institution's risk management framework. The Governing Council has established Audit and Risk Committee (ARC) which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Institution's risk management policies are established to identify and analyze the risks faced by the Institution, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Institution's activities. The Institute through its training and management standards and procedures aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The ARC oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in the relation to the risks faced by the Institute. The Institute ARC is assisted in its oversight

role by Planning Unit. Internal Audit undertakes both regular and ad hoc reviews of risk management control and procedures, the results of which are reported to the Audit and Risk Committee.

The Institute exposure to risk, its objectives, policies and processes for managing the risks and the methods used to measure it have been consistently applied in the years presented, unless otherwise stated.

This note presents information about the Institute exposure to each of the above risks, the Institute objectives, policies and processes for measuring and managing risk, and the and the group management of capital. Further quantitative disclosures are included throughout these financial statements.

i) Credit Risk

Credit risk is the risk of financial loss to the Institution if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Institution's trade and other receivables.

Trade and Other Receivables

The Institution's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Institution's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk.

The Institution has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Institution's standard payment and delivery terms and conditions are offered.

The Institution's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the risk

Management Committee; these limits are reviewed quarterly. Customers that fail to meet the Institution's benchmark creditworthiness may transact with the Institution only on a prepayment basis. More than 85 percent of the Institution's customers have been transacting with the Institution for over four years, and no impairment loss has been recognized against these customers.

The Institute (Group) has policies in place to ensure that debts are recoverable after the invoice is issued to customers. Credit risk arising from cash at bank is managed by having deposits with more than one bank with good reputation and all bulk cash balances are transferred to Institute Bank account held at Central Bank.

The carrying amounts of financial assets represent the maximum credit exposure. The 139 maximum credit exposure to credit risk at the reporting date was as follows:

	Group		Institute	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	TZS	TZS	TZS	TZS
Cash and cash equivalent	45,429,583,276	13,972,771,174	45,269,883,147	13,865,033,543
Trade receivables	324,318,931	212,685,935	0	0
Other receivables	323,258,724	60,213,293	323,258,724	60,213,293
	<u>46,077,160,931</u>	<u>14,245,670,402</u>	<u>45,593,141,871</u>	<u>13,925,246,836</u>

Analysis of receivables and other receivables is provided in note 7 and 8.

Cash and cash equivalents

The Group held cash and cash equivalents of TZS 45,429,583,276 (Institute: TZS 45,269,883,147) at 30 June 2021 which represents its maximum credit exposure on these assets. The cash and cash equivalents are generally held with bank of good reputation.

ii) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The table below analyses the Group's financial liabilities that will be settled into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows:

30 th June, 2021	Contractual Cash Flows	Less than 1 year	Between 1-2 years
	TZS	TZS	TZS
Group			
Trade and other payables	<u>639,608,527</u>	<u>538,907,120</u>	<u>100,701,407</u>
Institute			
Trade and other payables	<u>183,971,385</u>	<u>183,971,385</u>	
30 th June, 2020			
Group			
Trade and other payables	<u>2,550,245,801</u>	<u>2,353,159,941</u>	<u>197,085,860</u>
30 th June, 2020			
Institute			
Trade and other payables	<u>1,965,981,422</u>	<u>1,904,034,796</u>	<u>61,946,626</u>

iii)Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Institution's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

iv)Foreign exchange risk

Foreign exchange risk arise from commercial transaction as the Group incurs a significant portion of it in US dollar and the Euro on purchases while its earnings are based in its functional currency that is Tanzania shillings. The group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar and the Euro.

Institution's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The summary of quantitative data about Group's exposure to currency risks are shown below:

	Group 30.06.2021		Institute 30.06.2021	
	USD	EURO	USD	EURO
Cash and cash equivalents	7,323.72	6,513.22	7,323.72	15,109
Trade and other payables	-	-	-	-
Net exposure	7,323.72	6,513.22	7,323.72	15,109

The following significant exchange rates applied during the year/period (TZS values for 1 unit of selected currencies);

	Average rate		Reporting rate	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
USD	2,298.93	2,294.08	2,310.37	2,300.90
EURO	2,732.97	2,618.90	2,747.03	2,615.89

Interest Rate Risk

The Institutions adopts a policy of ensuring that between 45 and 65 percent of its exposure to changes in interest rates on borrowings is on a fixed-rate basis, taking into account assets with exposure to changes in interest rates. This is achieved by entering into interest rate swaps.

5 DETERMINATION OF FAIR VALUES**Trade and Other Receivables**

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Non-Derivative Financial Liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

6 CASH AND CASH EQUIVALENTS

	Group		Institute	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	TZS	TZS	TZS	TZS
General Account NO. 2221100009	40,310,317	185,505,126	40,310,317	185,505,126
Revenue Collection Account (NMB) NO:2221100007	19,380,500	574,000	19,380,500	574,000
CRDB (Staff RF)	19,405,480	3,199,623	19,405,480	3,199,623
French Lang Account no 2221100015	-	1,821,966	-	1,821,966
CRDB-CDC Account no 2J1013986400	17,196,095	10,405,901	17,196,095	10,405,901
NICHE Project Account No1950013986400	17,455,430	17,423,702	17,455,430	17,423,702
Revenue Coll. Account (CRDB) No.150013986401	23,457,500	54,354,800	23,457,500	54,354,800
Petty Cash	-	473,400	-	473,400
Mzumbe Book Project CRDB	39,353,163	439,299	-	-
Kisomo Printing Press	45,863,380	71,386,503	-	-
NuruYetu Printing Press	15,672,136	4,246,243	-	-
Press A Printing Press	58,811,450	31,665,586	-	-
Revenue & Collection Account (9925261181) - BOT	<u>45,132,677,824</u>	<u>13,591,275,025</u>	<u>45,132,677,826</u>	<u>13,591,275,025</u>
Total	<u>45,429,583,277</u>	<u>13,972,771,174</u>	<u>45,269,883,148</u>	<u>13,865,033,543</u>

7 OTHER RECEIVABLES & PRE-PAYMENT

	Group		Institute	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	TZS	TZS	TZS	TZS
Staff Loans	9,461,851	14,398,842	9,461,851	14,398,842
Treasury Staff Deductions (Hazina)	<u>46,137,278</u>	<u>-</u>	<u>46,137,278</u>	<u>-</u>
Sub-total	55,599,129	14,398,842	55,599,129	14,398,842
Pre-paid for acquisition of motor vehicle	<u>267,659,595</u>	<u>45,814,451</u>	<u>267,659,595</u>	<u>45,814,451</u>
Total	<u>323,258,724</u>	<u>60,213,293</u>	<u>323,258,724</u>	<u>60,213,293</u>

8 TRADE RECEIVABLES

Receivables	895,847,739	634,696,738	9,503,500	9,503,500
Less: Provision for Impairment of Receivables	<u>(571,528,808)</u>	<u>(422,010,803)</u>	<u>(9,503,500)</u>	<u>(9,503,500)</u>
Net	<u>324,318,931</u>	<u>212,685,935</u>	<u>-</u>	<u>-</u>

MOVEMENT IN IMPAIRMENT PROVISION

Opening Balance	(422,010,803)	(9,503,500)	(9,503,500)	(9,503,500)
Current Year Provision	<u>(149,518,005)</u>	<u>(412,507,303)</u>	<u>(0)</u>	<u>(0)</u>
TOTAL PROVISION FOR IMPAIRMENT	<u>(571,528,808)</u>	<u>(422,010,803)</u>	<u>(9,503,500)</u>	<u>(9,503,500)</u>

9 INVENTORIES

Books and Teaching Materials	2,714,610,269	4,482,499,743	2,714,610,269	4,482,499,744
Raw Materials	19,941,676	-	-	-
Less: Provision for Impairment Books and Teaching Materials	<u>(566,067,984)</u>	<u>(566,067,984)</u>	<u>(566,067,984)</u>	<u>(566,067,984)</u>
Net	2,168,483,961	3,916,431,759	2,148,542,285	3,916,431,760
Consumables (Stock for stationery & office Supplies)	<u>4,301,305</u>	<u>16,692,240</u>	<u>4,301,305</u>	<u>16,692,240</u>
TOTAL	<u>2,172,785,266</u>	<u>3,933,124,000</u>	<u>2,152,843,590</u>	<u>3,933,124,000</u>

10 PROPERTY, PLANT AND EQUIPMENT

	Land TZS	Buildings TZS	Office Equipment and Furniture TZS	Computer Equipment's TZS	Household Equipment and Furniture TZS	Motor vehicles TZS	Plant & Machinery TZS	Library Books & Publications TZS	Total TZS
Cost									
1 July 2020	28,485,581,530	1,336,877,492	1,206,012,851	609,646,588	14,185,620	1,459,758,712	990,503,780	57,356,913	36,159,923,506
Additions	-	-	113,491,704	191,223,000	-	87,718,526	-	-	392,433,230
30 June 2021	28,485,581,530	1,336,877,492	1,319,504,555	800,869,588	14,185,620	1,547,477,238	990,503,780	57,356,913	36,552,356,736
Accumulated depreciation									
1 July 2020	-	785,773,884	948,730,461	591,047,322	14,185,620	1,295,105,807	757,858,297	34,851,475	4,427,552,866
Charge for the year	-	67,030,803	22,759,171	42,509,105	-	132,549,596	47,893,933	11,471,401	356,214,009
30 JUNE 2021	-	847,804,687	1,008,489,632	633,556,427	14,185,620	1,427,655,403	805,752,230	46,322,876	4,783,766,875
Net Book Value									
30 JUNE 2021	28,485,581,530	2,485,072,805	311,014,923	167,313,161	-	119,821,835	184,751,550	11,034,037	31,768,589,861
30 JUNE 2020	28,485,581,530	2,551,103,608	257,282,390	18,599,266	-	164,652,905	232,645,483	22,505,458	31,732,370,640
GROUP									

10 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)
INSTITUTE

	Land	Buildings	Office Equipment and Furniture	Computer Equipment's	Household Equipment and Furniture	Motor vehicles	Plant & Machinery	Library Books & Publications	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Cost									
1 July 2020	28,363,781,530	2,543,383,416	1,024,922,399	552,209,648	14,185,620	1,306,030,673	233,239,965	57,356,933	34,095,119,184
Additions	-	-	111,491,704	191,221,000	-	87,718,526	-	-	392,431,230
30 June 2021	28,363,781,530	2,543,383,416	1,138,414,103	743,432,648	14,185,620	1,393,758,199	233,239,965	57,356,933	34,487,552,414
Accumulated depreciation									
1 July 2020	-	728,696,822	916,028,830	540,471,098	14,185,620	1,141,386,766	206,721,387	34,040,113	1,581,530,640
Charge	-	46,160,921	47,389,458	31,987,321	-	132,549,596	26,518,576	11,471,401	296,077,253
30 June 2021	-	774,857,743	963,418,268	572,458,419	14,185,620	1,273,936,364	233,239,963	45,511,516	1,877,607,893
Net Book Value									
30 June 2021	28,363,781,530	1,768,525,673	174,995,835	170,974,229	-	119,821,835	2	11,845,417	30,609,944,521
30 June 2020	28,363,781,530	1,814,686,594	108,893,569	11,738,550	-	164,652,905	26,518,578	23,316,818	30,513,588,544

11 CAPITAL FUND

Capital fund of TZS 3,553,277,160 represent capital grants from the Government and other donors and press centers transferred from MoEST to the Institute along with their respective managements.

	Group		Institute	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>
1 July 2020	3,553,277,160	3,553,277,160	1,720,262,514	925,013,039
Other Presses				795,249,475
30 June, 2021	<u>3,553,277,160</u>	<u>3,553,277,160</u>	<u>1,720,262,514</u>	<u>1,720,262,514</u>

12 SUNDRY PAYABLES AND ACCRUALS

	Group		Institute	
	30.06.2021	30.06.2020	30.06.2021	30.06.2020
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>
Audit fee accrual	112,000,000	112,000,000	112,000,000	112,000,000
Staff accrual	-	-	-	4,860,000
Trade creditors	455,637,142	2,157,114,039	-	1,567,989,660
Other Creditors		11,283,757	-	11,283,757
THTU	1,230,000	-	1,230,000	-
PSPF	16,876,393	-	16,876,393	-
NHIF	10,125,836	-	10,125,836	-
WADU	610,000	1,260,000	610,000	1,260,000
TIE CREDIT UNION	27,567,011	871,000	27,567,011	871,000
Accrued Expenditure	<u>179,754,969</u>	<u>267,717,005</u>	<u>179,754,969</u>	<u>267,717,005</u>
Total	<u>803,801,351</u>	<u>2,550,245,801</u>	<u>348,164,209</u>	<u>1,965,981,422</u>

13 ADVANCE RECEIVED AND DEFERRED INCOME

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Development Subvention for Printing Text Books	12,742,386,900	-	12,742,386,900	-
LANES Project fund for development & printing text books	23,518,826,824	11,283,302,753	23,518,826,824	11,283,302,753
TESP fund for development of teachers curriculum, modules and training	317,839,022	2,011,831,008	317,839,022	2,011,831,008
UNESCO	-	103,586,955	-	103,586,955
UNICEF	-	38,030,555	-	38,030,555
NICHE	-	-	-	-
I4ID Sign language activities	-	14,878,000	-	14,878,000
EP4R	1,300,184,737	-	1,300,184,737	-
COVID 19 Recovery Plan	7,390,645,664	-	7,390,645,664	-
Development	-	545,667,536	-	545,667,536
Total	45,269,883,147	13,997,296,807	45,269,883,147	13,997,296,807

Below is the statement which shows a reconciliation of deferred income account up to 30 June 2021:

	2020/21 TZS	2019/20 TZS
SUBVENTIONS FROM GOVERNMENT ENTITIES		
Balance at the beginning of the year	13,840,801,298	12,112,810,192
Subvention received during the year	53,203,814,262	18,215,549,330
Amount utilised during the year	(21,774,732,413)	(16,487,558,224)
(a) Deferred amount as at year end	45,269,883,147	13,840,801,298
GRANTS, TRANSFERS AND SUBSIDIES FROM PRIVATE ENTITIES		
Balance at the beginning of the year	156,495,510	34,331,096
Grants received during the year	493,003,512	459,230,300
Amount utilised/incurred during the year	(649,499,022)	(337,065,887)
(b) Deferred amount as at the year end	-	156,495,509
Grand Total (a) + (b)	45,269,883,147	13,997,296,807

14 FUNDED PROJECT INCOME

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
UNESCO	184,610,930	147,623,845	184,610,930	147,623,845
UNICEF	450,010,092	112,922,565	450,010,092	112,922,565
LANES Project	10,682,653,633	3,394,698,074	10,682,653,633	3,394,698,074
TESP	3,130,861,356	809,851,274	3,130,861,356	809,851,274
I4ID	14,878,000	72,202,000	14,878,000	72,202,000
COVID 19 Recovery	232,331,357	-	232,331,357	-
NICHE	-	4,317,476	-	4,317,476
Total	<u>14,695,345,368</u>	<u>4,541,615,234</u>	<u>14,695,345,368</u>	<u>4,541,615,234</u>

15 GOVERNMENT GRANTS

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Salaries	3,637,029,570	3,008,123,960	3,637,029,570	3,008,123,960
Development	3,680,255,822	12,335,733,225	3,680,255,822	12,335,733,225
Other charges	464,264,698	425,579,000	464,264,698	425,579,000
Total	<u>7,781,550,090</u>	<u>15,769,436,185</u>	<u>7,781,550,090</u>	<u>15,769,436,185</u>

16(a) NON MONETARY REVENUE

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Grants of 1 motor vehicle (Ford Everest XLS 2.2L) received from RTI International	87,718,526	-	87,718,526	-
Total	<u>87,718,526</u>	<u>-</u>	<u>87,718,526</u>	<u>-</u>

16 (b) OTHER REVENUE

Staff House Rental	18,957,500	18,836,000	18,957,500	18,836,000
Seminar Room	4,800,000	900,000	4,800,000	1,054,000
Tender document	-	15,130,000	-	15,130,000
Income from other sources (Note 24.1)	4,560,818,414	1,450,872,034	3,363,955,999	96,684,388
Training Income	9,870,000	-	9,870,000	-
Sales of books	3,572,649,750	1,271,465,182	3,572,649,750	1,271,465,182
Fund for Evaluation of Books & Learning	52,074,000	127,658,000	52,074,000	127,658,000
Exchange gains/loss	-	(305,503)	-	(305,503)
Total other Income	<u>8,219,169,664</u>	<u>2,884,555,713</u>	<u>7,022,307,249</u>	<u>1,530,522,067</u>

17 CURRICULUM DEVELOPMENT

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Production of Books and teaching materials	19,754,631,909	15,558,927,109	19,141,522,936	14,608,108,495
Stationery (Note 22)	159,615,127	34,096,407	159,615,127	25,957,478
Books printing charges (Note 22)	<u>2,955,578,078</u>	<u>1,853,727,590</u>	<u>2,955,578,078</u>	<u>1,853,727,590</u>
Total	<u>22,869,825,114</u>	<u>17,446,751,106</u>	<u>22,256,716,141</u>	<u>16,487,793,563</u>

18 SALARIES, WAGES AND STAFF BENEFITS

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Staff salaries	3,610,271,091	3,076,924,927	3,657,804,767	3,014,965,360
Pensions contributions	1,067,273	12,807,271	-	-
Housing allowance	92,400,000	108,600,000	92,400,000	99,400,000
Death condolences	41,228,000	41,840,900	41,228,000	38,270,000
Staff welfare	46,452,232	23,444,752	40,273,767	23,444,752
Overtime	104,710,900	199,760,000	-	45,085,000
Leave allowances	34,326,260	39,671,735	34,326,260	32,622,944
Recruitment/moving allowances	114,776,205	60,768,820	108,171,205	55,679,220
Casual Labourers	113,398,061	74,626,254	124,845,900	26,271,101

TANZANIA INSTITUTE OF EDUCATION (TIE)

	2020/21	Group	Institute	
	TZS	2019/20	2020/21	2019/20
		TZS	TZS	TZS
Staff training	19,250,000	24,625,000	19,250,000	24,625,000
Responsibility allowance	34,500,000	33,650,000	34,500,000	31,200,000
Communication allowance	35,280,000	34,200,000	35,280,000	31,455,000
Furniture allowance	176,000,000	-	176,000,000	-
Water and electricity	50,080,176	49,875,000	50,080,176	45,650,000
Total (Note 24.1)	4,473,740,198	3,780,794,659	4,414,160,075	3,468,668,377

19 ADMINISTRATIVE EXPENSES

	2020/21	Group	Institute	
	TZS	2019/20	2020/21	2019/20
		TZS	TZS	TZS
Insurance & License fee - Motor Vehicles	70,325,710	47,741,387	70,325,710	47,741,387
Transport and Traveling	217,539,622	175,284,299	194,836,432	135,049,389
Software licenses	11,006,688	4,206,030	11,006,688	4,206,030
Internet	22,850,368	26,223,478	21,388,732	25,957,478
Electricity	72,809,719	65,150,861	60,853,119	55,029,861
Water Charges	11,696,859	15,421,687	10,620,000	14,221,447
Petrol and Oils	93,933,341	78,382,070	85,356,574	66,100,470
Maintenance and repairs - Motor Vehicles	115,906,338	81,529,750	114,406,338	81,529,750
Maintenance and Repairs - Office Equipment	134,737,598	47,140,106	102,361,357	47,140,106
Maintenance and Repairs - Machines	24,226,452	24,179,884	-	-
Council Meetings	167,275,000	169,788,804	167,275,000	169,788,804
Training - Council Committee	-	20,560,645	-	20,560,645
Maintenance of Buildings	19,239,260	20,725,000	19,239,260	20,725,000
Bank Charges	49,027,980	14,549,524	47,695,667	14,549,524
General Expenses	129,265,006	79,507,347	74,852,650	77,413,347
Office Rent	17,640,000	4,600,000	14,400,000	0
Tender Board expenses	9,375,000	13,217,000	-	13,217,000
Other Committee, P.E. & Budgets Meetings	97,552,270	66,939,000	74,952,271	66,939,000
Hospitality Allowance	17,680,000	3,660,000	10,200,000	3,660,000
THTU & Workers Council Expenses	5,400,000	2,220,000	5,400,000	2,220,000
Security Charges	289,618,862	192,784,438	282,422,862	187,688,862
Upkeep of ground and Amenities	58,495,504	33,760,000	56,000,004	33,600,000
Corporate Social Responsibility	10,320,000	-	10,320,000	0
Stock taking expenses	23,119,000	12,230,000	23,119,000	12,230,000
Audit expenses	24,364,500	46,927,047	24,364,500	23,727,048
Legal & Consulting Expenses	109,584,965	4,486,630	109,584,965	4,486,631
Professional Contribution fee	9,982,500	2,848,500	9,982,500	2,848,500

	Group		Institute	
	2020/21	2019/20	2020/21	2019/20
	TZS	TZS	TZS	TZS
Revaluation Expenses	-	10,679,320	-	10,679,320
Annual Treasury Contributions	33,300,000	33,300,000	33,300,000	33,300,000
Development of Printing Presses	518,070,723	96,718,973	518,070,723	96,718,970
Land & Property Tax	-	2,250,750	-	2,250,750
Other expenses	26,431,935	23,848,500	26,431,935	23,348,500
Total	2,390,775,200	1,420,861,030	2,178,766,287	1,296,927,819

20 STATUTORY AUDIT FEES

	Group		Institute	
	2020/21	2019/20	2020/21	2019/20
	TZS	TZS	TZS	TZS
Audit fees for the year	112,000,000	112,565,803	112,000,000	112,565,803
Total	112,000,000	112,565,803	112,000,000	112,565,803

21 PRODUCTION OF BOOKS, TEACHING MATERIALS AND TRAINING EXPENSES

	Group		Institute	
	2020/21	2019/20	2020/21	2019/20
	TZS	TZS	TZS	TZS
Teacher Education	-	12,975,668	-	12,975,668
Education Media & Technology	-	56,016,480	-	56,016,480
UNICEF	450,010,092	112,922,565	450,010,092	112,922,565
UNESCO	184,610,930	147,623,845	184,610,930	147,623,845
NICHE Project	-	3,812,658	-	3,812,658
LANES Project	10,722,404,554	3,394,698,074	10,722,404,554	3,394,698,074
TESP	3,130,861,356	809,851,274	3,130,861,356	809,851,274
I4ID	-	72,202,000	-	72,202,000
EP4R	1,094,225,942	-	1,094,225,942	-
COVID 19 Recovery Plan	232,331,357	-	232,331,357	-
Advertisements and Publicity	69,021,510	54,654,833	69,021,510	54,654,833
Review & Evaluation of books	32,604,400	166,856,000	32,604,400	166,856,000
Writing of Guides & Syllabus	-	15,255,509	-	15,255,509
Writing of Primary School Textbooks	331,207,180	714,530,182	331,207,180	714,530,182
Writing of Secondary School Textbooks	2,585,351,198	343,191,383	2,585,351,198	343,191,383
Curriculum Review & Implementation	-	980,000	-	980,000
Printing of Books, Guides & Syllabi	285,516,197	7,898,595,814	285,516,197	7,982,030,531
Presses printing expenses (Note 24.1)	613,108,973	1,034,253,331	-	-
Distribution of Books & Syllabus	23,378,220	720,507,493	23,378,220	720,507,493
Total	19,754,631,909	15,558,927,109	19,141,522,936	14,608,108,495

22 COST OF GOODS/STATIONERY USED:-

FOR THE YEAR 2020/21

	BOOKS TZS GROUP	STATIONERY TZS	TOTAL TZS
Opening Stock	4,482,499,743	16,692,240	4,499,191,983
Purchases	<u>1,187,688,604</u>	<u>147,224,192</u>	<u>1,334,912,796</u>
Cost of Goods Available	5,670,188,347	163,916,432	5,834,104,779
Less Closing Stock	<u>(2,714,610,269)</u>	<u>(4,301,305)</u>	<u>(2,718,911,574)</u>
Cost of Goods Sold (Note 17)	<u>2,955,578,078</u>	<u>159,615,127</u>	<u>3,115,193,205</u>
INSTITUTE			
Opening Stock	4,482,499,743	16,692,240	4,499,191,983
Purchases	<u>1,187,688,604</u>	<u>147,224,192</u>	<u>1,334,912,796</u>
Cost of Goods Available	5,670,188,347	163,916,432	5,834,104,779
Less Closing Stock	<u>(2,714,610,269)</u>	<u>(4,301,305)</u>	<u>(2,718,911,574)</u>
Cost of Goods Sold (Note 17)	<u>2,955,578,078</u>	<u>159,615,127</u>	<u>3,115,193,205</u>

FOR THE YEAR 2019/20

	BOOKS TZS GROUP	STATIONERY TZS	TOTAL TZS
Opening Stock	2,683,420,273	4,128,864	2,687,549,137
Purchases	<u>3,652,807,060</u>	<u>46,659,783</u>	<u>3,684,173,021</u>
Cost of Goods Available	6,336,227,333	50,788,647	6,371,722,158
Less Closing Stock	<u>(4,482,499,743)</u>	<u>(16,692,240)</u>	<u>(4,499,191,983)</u>
Cost of Goods Sold (Note9)	<u>1,853,727,590</u>	<u>34,096,407</u>	<u>1,872,530,175</u>
INSTITUTE			
Opening Stock	2,683,420,273	11,283,757	2,694,704,030
Purchases	<u>3,652,807,060</u>	<u>31,365,961</u>	<u>3,684,173,021</u>
Cost of Goods Available	6,336,227,333	42,649,718	6,378,877,051
Less Closing Stock	<u>(4,482,499,743)</u>	<u>(16,692,240)</u>	<u>(4,499,191,983)</u>
COGS(Note9)	<u>1,853,727,590</u>	<u>25,957,478</u>	<u>1,879,685,068</u>

23 NOTES TO STATEMENT OF CASH FLOWS

23.1 SUBVENTION FROM GOVERNMENT

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Salaries subvention	3,637,029,570	3,008,123,960	3,637,029,570	3,008,123,960
Other charges	464,264,698	425,579,000	464,264,698	425,579,000
Development funds	<u>3,680,255,822</u>	<u>12,335,733,225</u>	<u>3,680,255,822</u>	<u>12,335,733,225</u>
Sub-total	7,781,550,090	15,769,436,185	7,781,550,090	15,769,436,185
Uncollected salaries deduction (Note 7)	(46,137,278)	-	(46,137,278)	-
Received in Prior year (Note 7)	45,814,451	(6,767,164,000)	45,814,451	(6,767,164,000)
Amount deferred	<u>12,742,386,900</u>	-	<u>12,742,386,900</u>	-
Total	<u>20,523,614,163</u>	<u>9,002,272,185</u>	<u>20,523,614,163</u>	<u>9,002,272,185</u>

23.2 FUNDED PROJECTS

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Funded project income	14,695,345,368	4,541,615,234	14,695,345,368	4,541,615,234
Amount deferred	<u>32,527,496,247</u>	<u>13,997,296,807</u>	<u>32,527,496,247</u>	<u>13,997,296,807</u>
	47,222,841,615	18,538,912,041	47,222,841,615	18,538,912,041
Received in prior year	<u>(13,997,296,807)</u>	<u>(5,432,701,637)</u>	<u>(13,997,296,807)</u>	<u>(5,432,701,637)</u>
	<u>33,225,544,808</u>	<u>13,106,210,404</u>	<u>33,225,544,808</u>	<u>13,106,210,404</u>

23.3 OTHER REVENUE

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Other income	8,219,169,665	2,884,555,713	7,022,307,249	1,530,522,067
Non-cash foreign currency exchange (gain)/loss	-	305,503	-	305,503
Prior year trade receivable balance (Note 8)	212,685,935	-	-	-
Trade receivable closing bal. (Note 8)	(324,318,931)	-	-	-
Prior year other receivable (Note 8)	14,398,842	-	14,398,842	-
Other receivable closing bal.	<u>(9,461,851)</u>	-	<u>(9,461,851)</u>	-
Total	<u>8,112,473,660</u>	<u>2,884,861,216</u>	<u>7,027,244,240</u>	<u>1,530,827,570</u>

23.4 SALARIES WAGES AND STAFF BENEFITS

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Wages, salary & benefits	4,473,740,198	3,780,794,659	4,414,160,075	3,468,668,377
Liabilities not paid		-	-	(4,860,000)
	<u>4,473,740,198</u>	<u>3,780,794,659</u>	<u>4,414,160,075</u>	<u>3,463,808,377</u>

23.5 PAYMENTS TO SUPPLIERS IN RESPECT OF GOODS AND SERVICES

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Curriculum development	22,869,825,114	17,446,751,106	22,256,716,141	16,487,793,563
Administrative expense	2,390,775,201	1,412,632,630	2,178,766,287	1,288,699,420
Purchase of inventories	-	-	-	156,967,863
Sub-total	<u>25,260,600,315</u>	<u>18,859,383,736</u>	<u>24,435,482,428</u>	<u>17,933,460,846</u>
Prior year liabilities	2,550,245,801	1,700,195,280	1,965,981,422	1,423,113,330
Unpaid liabilities	(803,801,351)	(11,283,757)	(348,164,209)	(11,283,757)
Sub-total	<u>1,746,444,450</u>	<u>1,688,911,523</u>	<u>1,617,817,213</u>	<u>1,411,829,573</u>
Prior year prepayment amortized to expenses				
Closing inventory bal.	2,172,785,266		2,152,843,590	
Prior year inventory bal.	(3,933,124,000)		(3,933,123,999)	
Sub-total	<u>(1,760,338,734)</u>		<u>(1,780,280,409)</u>	
Total	<u>25,246,706,031</u>	<u>20,548,295,259</u>	<u>24,273,019,232</u>	<u>19,345,290,419</u>

23.6 AUDIT FEE PAID

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Audit fees for the year	112,000,000	112,565,803	112,000,000	112,565,803
Prior year accrued liabilities	<u>112,000,000</u>	<u>112,565,803</u>	<u>112,000,000</u>	<u>112,565,803</u>
	224,000,000	225,131,606	224,000,000	225,131,606
Unpaid liabilities at year end	(112,000,000)	(112,565,803)	(112,000,000)	(112,565,803)
Amount paid	<u>112,000,000</u>	<u>112,565,803</u>	<u>112,000,000</u>	<u>112,565,803</u>

23.7 PREPAYMENT & ACQUISITION OF PPE

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Assets acquired	392,433,230	112,642,239	392,433,230	112,642,239
Less: Motor vehicle received as grant	<u>(87,718,526)</u>	-	<u>(87,718,526)</u>	-
Amount paid	<u>304,714,704</u>	<u>112,642,239</u>	<u>304,714,704</u>	<u>112,642,239</u>

23.8 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)

	Group		Institute	
	2020/21 TZS	2019/20 TZS	2020/21 TZS	2019/20 TZS
Surplus/(deficit)	581,229,127	74,756,986	329,201,478	175,553,613
Depreciation of Property and Equipment	356,214,009	359,877,548	296,077,253	300,064,310
Amortization of motor vehicle grant received	<u>(87,718,526)</u>	-	<u>(87,718,526)</u>	-
Increase/(Decrease) in Payables	<u>(1,746,444,450)</u>	84,794,407	<u>(1,617,817,213)</u>	189,655,069
Increase/(Decrease) in Deferred Income	31,272,586,340	1,850,155,519	31,272,586,340	1,850,155,519
(Increase)/Decrease in Inventories	1,760,338,734	<u>(1,913,836,116)</u>	1,780,280,409	<u>(1,804,487,955)</u>
(Increase)/Decrease in Trade Receivables	<u>(111,632,996)</u>	89,234,736	-	-
(Increase)/Decrease in Other Receivables (Note 7)	<u>4,614,164</u>	<u>6,705,004</u>	<u>4,614,164</u>	<u>6,705,004</u>
Net Cash Flows from Operating Activities	<u>32,029,186,402</u>	<u>551,688,084</u>	<u>31,977,223,904</u>	<u>717,645,560</u>

24 SEGMENT REPORTING

24.1 SEGMENT REVENUE & EXPENSES

Revenue Item	TIE TZS	Press A TZS	MBP TZS	Nuru Yetu TZS	Kisumu TZS	Elimination TZS	Consolidated TZS
Other Income	3,363,955,999	2,301,698,137	720,291,259	266,917,490	600,657,000		7,253,519,885
Net off (fund from TIE)	-	(2,045,387,608)	(635,313,863)	(12,000,000)	-	(2,692,701,471)	(2,692,701,471)
Total (Note 16)	<u>3,363,955,999</u>	<u>256,310,529</u>	<u>84,977,396</u>	<u>254,917,490</u>	<u>600,657,000</u>	<u>(2,692,701,471)</u>	<u>4,560,818,414</u>
Segment Expenses							
Salaries & Staff benefits (Note 18)	4,414,160,075	108,512,000	42,955,434	47,767,465	46,778,900	(186,433,676)	4,473,740,198
Administrative Expenses	2,178,766,287	114,603,509	27,634,196	32,136,282	37,634,928	-	2,390,775,201
Printing Presses expenses (Note 21)	-	2,073,556,767	398,666,212	247,945,844	399,207,945	(2,506,267,795)	613,108,973
Depreciation	<u>296,077,253</u>	<u>47,943,445</u>	<u>2,254,101</u>	<u>4,041,452</u>	<u>5,897,758</u>	-	<u>356,214,009</u>
Total	<u>6,889,003,615</u>	<u>2,344,615,721</u>	<u>471,509,943</u>	<u>331,891,043</u>	<u>489,519,531</u>	<u>(2,692,701,471)</u>	<u>7,833,838,381</u>

24.2 TRADE PAYABLES

Descriptions	TIE TZS	Press A TZS	MBP TZS	Nuru Yetu TZS	Kisumu TZS	Elimination TZS	Consolidated TZS
Running balance	348,164,209	164,415,817	95,632,506	22,025,501	257,082,517	0	887,320,550
Net off	-	(54,141,574)	(4,399,100)	(12,557,500)	(12,421,025)	(83,519,199)	(83,519,199)
Total (Note 12)	<u>348,164,209</u>	<u>110,274,243</u>	<u>91,233,406</u>	<u>9,468,001</u>	<u>244,661,492</u>	<u>(83,519,199)</u>	<u>803,801,351</u>

24.3 OTHER RECEIVABLES

Descriptions	TIE TZS	Press A TZS	MBP TZS	Nuru Yetu TZS	Kisumu TZS	Elimination TZS	Consolidated TZS
Running balance	323,258,724	54,141,574	4,399,100	12,557,500	12,421,025	0	406,777,923
Net off	-	(54,141,574)	(4,399,100)	(12,557,500)	(12,421,025)	(83,519,199)	(83,519,199)
Total (Note 7)	<u>323,258,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,519,199)</u>	<u>323,258,724</u>

24.4 TRADE RECEIVABLES

Descriptions	TIE TZS	Press A TZS	MBP TZS	Nuru Yetu TZS	Kisumu TZS	Elimination TZS	Consolidated TZS
Running balance	-	137,749,269	23,084,160	-	163,485,502	-	324,318,931
Net off	-	-	-	-	-	-	-
Total (Note 8)	<u>-</u>	<u>137,749,269</u>	<u>23,084,160</u>	<u>-</u>	<u>163,485,502</u>	<u>-</u>	<u>324,318,931</u>

25 GOING CONCERN

The Group net profit is TZS 581,229,126 and Institute net profit is TZS 329,201,478 for the year ended 30 June 2021. As at reporting date, the Group's current assets exceeded current liabilities by TZS 2,176,261,699 Institute current assets exceeded its current liabilities by TZS 2,127,938,106. These conditions indicate that the entity is capable of honoring all maturing obligations in the near future.

The Group relies on Government support to finance its turnkey projects and meeting its recurrent expenditure, and the Government has shown its willingness to continue its support to the Group.

In this respect, the consolidated and Institute financial statements have been prepared on the going concern basis, and nothing has come to the attention to management that indicates that the Institute will not remain a going concern for at least next twelve months period.

26 REVALUATION

During the financial year 2018/2019, TIE revalued its Land, Buildings, Office Equipment and Furniture, Computer Equipment's, Household Equipment and Furniture and Motor vehicles. The valuation was done by M/S. Stan Property (T) Limited and a revaluation report was issued at 30 June 2019. Valuation of the said assets was based on Cost Approach method. No revaluation reserve has been recognized in the books according to Treasury circular number 2 of 2018/19 issued on November, 2018.

27 PRIOR YEAR'S FIGURES

Previous year's figures have been regrouped whenever necessary to make them comparable with those of the current year.

28 TAXATION

Provision for taxation has not been made in the accounts because the Institute is exempted from tax on its income which is mainly grants and donations.

29 RELATED PARTY TRANSACTIONS

Related parties as defined by IPSAS 20, are the members of the Governing Council and key management personnel. Key management personnel of the Tanzania Institute of Education comprise members of executive management team. These includes Director General, Department Directors, Heads of Units and Managers.

Payments made to the members of the Governing Council during the year are as shown below:-

	2020/21 TZS	2019/20 TZS
Governing Council Allowances	167,275,000	169,788,804

Transactions which were carried out with key management personnel during the year ended 30th June, 2021, are disclosed as required by IPSAS 20 below:-

Related Party Disclosure	Consolidated 30.06.2021	Consolidated 30.06.2020	Institute 30.06.2021	Institute 30.06.2020
	TZS	TZS	TZS	TZS
Salaries and Wages	432,714,000	432,714,000	432,714,000	432,714,000
Other Benefits	216,000,000	216,000,000	216,000,000	216,000,000
Total	<u>648,714,000</u>	<u>648,714,000</u>	<u>648,714,000</u>	<u>648,714,000</u>

30 COMMITMENTS

As at the financial position's date, the Institute had the following commitments:

No.	Descriptions	30.06.2021 TZS
1	Re-printing and supply of 9,956,250 copies of 7 titles of textbooks for Standard VI and VII to attain the ratio of 1:1. Contract No.: PA/070/2020/2021/G/17(A)	16,383,670,243
2	Printing and supply of Brail and Large print textbooks for Standard VI and VII. Contract No.: PA/070/2020/2021/G/17(B)	861,139,000
3	Printing and supply COBET materials for primary schools. Contract No. PA/070/2020/2021/G/12	2,295,398,000
4	Printing and supply of 42,000 copies of large print textbooks for standard VI.	387,036,862
5	Printing and supply of 36,400 copies of large print textbooks for standard VII.	229,008,676
6	Re-printing and supply of 298,074 copies of 7 titles standard VI Teachers' Guides	417,051,198
7	Re-printing and supply of 298,074 copies of 7 titles standard VII Teachers' Guides	542,196,558
8	Transport and distributions of textbooks and teachers guides to all districts in Tanzania Mainland.	2,394,493,887
9	Re-printing and supply 2,787,740 copies of primary schools textbooks for standard I - V. Contract No. PA/070/20202021/G/08	3,850,801,079
10	Re-printing and supply of Brail and Large print materials for standard I - V. Contract No. PA/070/2020/2021/G/08	1,767,565,000
11	Supply of studio equipment's. Contract No. PA/070/2020/2021/G/07	456,777,639
12	Re-printing and supply of 63,284 copies of large print textbooks for standard I - V. Contract No. PA/070/20202021/G/08.	154,887,571

TANZANIA INSTITUTE OF EDUCATION (TIE)

No.	Descriptions	30.06.2021
13	Transport and distributions of standard I - V textbooks, Brail and large print textbooks to all districts in Tanzania Mainland.	TZS
14	Printing and supply of Secondary school textbooks	946,305,549
15	Construction of warehouse for receiving and storing the printed textbooks before distributing to all districts. PA/070/2020/2021/G/07	12,182,386,900 560,000,000
16	Typesetting of COBET textbooks	
17	Printing of certificates for standard VII school leavers	8,832,400
18	Development of Secondary school textbooks	729,483,972
Total		1,102,848,613
		45,269,883,147

31 CONSOLIDATED FIGURES

It is the 4th time for the Institute to consolidate figures after acquiring a control and has rights to variable benefits from its involvement with Mzumbe Books Projects and eight presses. The Institute has the ability to affect the nature or amount of those benefits through its power over Mzumbe Books Project and the other printing presses.

32 COMPARATIVE FIGURES

Prior year's figures have been regrouped whenever considered necessary in order to make them comparable with current year's figures.