



THE UNITED REPUBLIC OF TANZANIA



NATIONAL AUDIT OFFICE

TANZANIA INSTITUTE OF EDUCATION (TIE)

REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR ENDED  
30 JUNE 2023

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March 2024

AR/PAD/TIE/2022/23



**THE UNITED REPUBLIC OF TANZANIA**

**NATIONAL AUDIT OFFICE**



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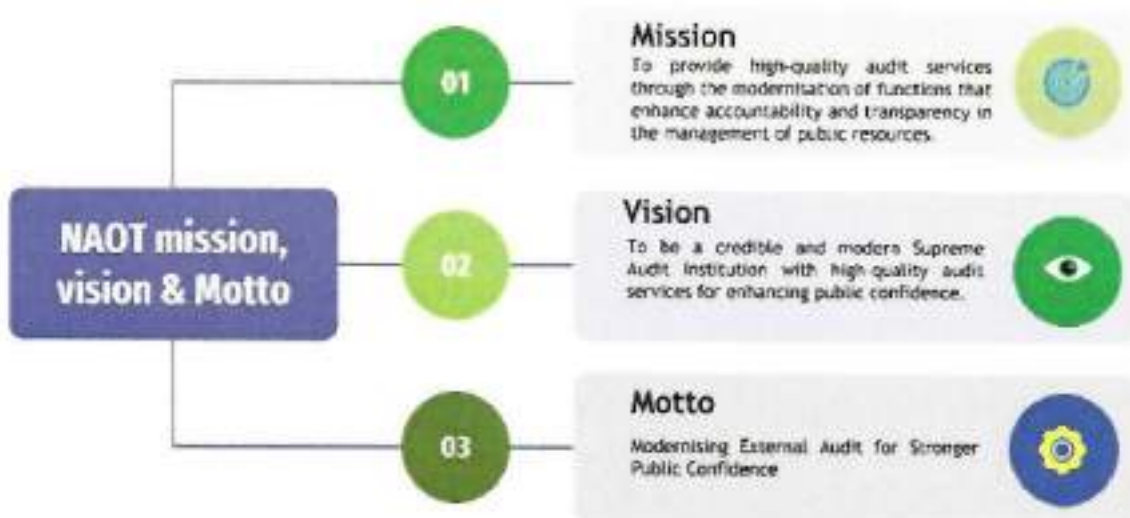
March 2024

AR/PAD/TIE/2022/23

## About the National Audit Office

### Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418 [R.E 2021].



#### Independence and objectivity

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

#### Teamwork Spirit

We value and work together with internal and external stakeholders.

#### Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



#### Professional competence

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

#### Integrity

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

#### Creativity and Innovation

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

© 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.

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## Abbreviations

ARC	Audit and Risk Committee
BOT	Bank of Tanzania
CAG	Controller and Auditor General
CDC	Center for Disease Control
FIFO	First in First Out
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
PHD	Doctor of Philosophy
PPE	Property, Plant and Equipment
PPR	Public Procurement Regulations, 2013 (amended 2016)
TESP	Teachers Educational Support Program
THTU	Tanzania Higher Learning Institutions Trade Union
TIE	Tanzania Institute of Education
TZS	Tanzanian Shillings
UK	United Kingdom
UNESCO	United Nations Education, Science and Cultural Organization.
UNICEF	United Nations Children Fund



## **1.0 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.

### **1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS**

#### **Unqualified Opinion**

I have audited the financial statements of Tanzania Institute of Education (TIE), which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Institute of Education (TIE) as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

#### **Basis for Opinion**

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

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

#### **Key Audit Matters**

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

### **Other Information**

Management is responsible for the other information. The other information comprises the Report by those charged with Governance, Statement of Director General, Statement of Governing Council Responsibilities, and Declaration by the Head of Finance and but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

My opinion on the financial statements does not cover the other information, and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional 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; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [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, Cap 410 [R.E 2022] 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.

## **1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS**

### **1.2.1 Compliance with the Public Procurement laws**

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

I performed a compliance audit on the procurement of works, goods, and services in the Tanzania Institute of Education (TIE) for the financial year 2022/23 as per the Public Procurement laws.

#### **Conclusion**

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

**Contracts signed by suppliers beyond the established timeframe of 14 days after acceptance TZS 745.10 million**

From the review of 20 sampled procurement processing files and the associated contracts documents out of 32 files I noted that there was delays in contract agreement beyond the period recommended after issuing the acceptance letter by the tenderers. The contract was signed beyond the time limit from the date when the suppliers signed and submitted to letter of acceptance to the date when the contract was signed. This is contrary to Regulation 233 (1) & (4) of the Public Procurement Regulations, 2013 as amended by Regulation 75 of the Public Procurement (amendment) Regulations, 2016.

**Planned Procurements not executed as per approved annual procurement plan and budget estimates TZS 12.92 billion**

Review of TIE revised Annual Procurement Plan for the year 2022/23 noted that, TIE management prepared the Annual Procurement Plan and intended to implement the total of 53 procurements of goods, works, and non-consultancy services as per the revised APP amounted to TZS 67,036,188,680.34. However, up to the time of audit 30 October 2023 management achieved to implement 39 tenders amounted to TZS 54,120,476,680.34 equivalent to 81% and failed to implement 14 tenders amounted to TZS 12,915,712,000 equivalent 19% of the total planned procurement during the year 2022/23 contrary to Regulation 69 (3) of the Public Procurement Regulations, 2013 (amended 2016).

### 1.2.2 Compliance with the Budget Act and other Budget Guidelines

#### Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Institute of Education (TIE) for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

#### Conclusion

Based on the audit work performed, I state that, Budget formulation and execution of Tanzania Institute of Education (TIE) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

  
Charles E. Kichere  
Controller and Auditor General,  
Dodoma, United Republic of Tanzania.  
March 2024



**2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2023**

**2.1 INTRODUCTION**

The Governing Council Members are pleased to present the financial statements for the year ended 30 June 2023, which disclose the state of affairs of Tanzania Institute of Education.

**2.2 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.

**2.3 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 fulfil the National Development Vision 2025, Millennium Development Goals and the National Strategy for Growth and Reduction of Poverty.

**2.4 OBJECTIVES OF THE INSTITUTE**

The following are the main objectives of TIE:

- a) Quality of curricula and curriculum-supporting materials in Tanzanian schools Improved;
- b) Competencies in curricula development and implementation improved;
- c) The 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 HIV and AIDS infection was 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 2022/23:

- A. Quality of curricula and curriculum supporting materials improved
  - (i) Collecting stakeholders' opinions on the improvements of curriculum for Pre-primary, Primary, Secondary and Teacher education levels;
  - (ii) Preparing 16 curricula and 118 syllabi for Pre-primary, Primary, Secondary and Teacher Education levels in both Kiswahili and English languages;
  - (iii) Disseminating curricula and syllabi for pre-primary, primary, secondary and teachers' education levels to different stakeholders;
  - (iv) Developing 46 titles for secondary school textbooks, Form 1-6;
  - (v) Developing 37 titles for Pre-primary and Primary English Medium Teachers' Guides;
  - (vi) Developing 13 titles of Braille Textbooks for Forms 1-4;
  - (vii) Translating 12 titles of Storybooks for Pre-primary English medium;
  - (viii) Conducting the First National Award named 'Tuzo ya Taifa ya Mwalimu Nyerere ya Uandishi Bunifu;
  - (ix) Evaluating 267 references and supplementary books from private publishers;
  - (x) Re-printing and distribution 12,681,647 Standard VI and VII textbooks and Braille textbooks and large prints; and
  - (xi) Printing and distributing a total of 4,443,586 standard VII textbooks and 2,178 braille textbooks.



- (xii) The institute printed and distributed 2,535,564 copies of supplementary pre-primary Education storybooks, 3,885,000 copies of supplementary Standard I and II storybooks, 4,181,226 copies of Standard I and II core textbooks, 1,687,140 copies of core textbooks for Standard III, IV, and V, and 17,104 copies of textbooks for students with visual impairments (low vision) in Standard III, IV, and V. Additionally, printed 640 copies of Braille core textbooks and 904 copies textbooks for visually impaired (blind) pre-primary children. These books will enhance teaching and learning for students with and without special needs.
  - (xiii) Printed and distributed 525,000 copies of secondary education essential textbooks for Mathematics, Agriculture, English Baseline Orientation course, Biology, Chemistry, Bookkeeping, Civics, English, Food and Human Nutrition, French, Geography, History, Information and Computer Studies, Kiswahili, Economics, Music, Physics, Textiles, and Theatre Arts, for Form 1-6 students, with the aim of enhancing teaching and learning at this level of education.
  - (xiv) Printing and distributing a total of 2,682,800 Science and Mathematics textbooks for Secondary Education Form 1-4 through SEQUIP.
- B. Competencies in curricula development and implementation improved;
- (i) Preparing 12 CPD modules for Teachers continuous Professional Development TCPD/MEWAKA;
  - (ii) Conducting the first National Teaching Skills Competition for Pre-Primary and Primary school teachers teaching Arithmetic and Mathematics, aiming at strengthening teachers; skills in the teaching and learning process;
  - (iii) Preparing CPD modules on job teachers' training for Special Education (Learning is Visual) on new curriculum and enabling teaching environment; and
  - (iv) Conducting training for implementation of competence-based curriculum to a total number of 5000 primary and secondary school teachers in Pwani, Shinyanga, Dar es Salaam, Mbeya, Dodoma, and Tanga regions (based on requests from regional education leaders).
  - (v) Provided training on how to create digital content and use ICT (Information and Communication Technology) in distance learning (e-learning) for 40 curriculum developers, 20 secondary school teachers, and 20 primary school teachers
- C. The capacity of TIE to deliver its core functions strengthened
- (i) Developing TIE Online Library and Learning Management System (LMS) for electronic document dissemination.
  - (ii) It has prepared 58 electronic contents for Primary Education and 154 for First and Second Grades in the form of cartoons (animation-based lessons) in Kiswahili and English language for developing Reading, Writing, and Numeracy skills for Primary Education children.

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- D. Collaboration and networking with the national, regional and international educational stakeholders strengthened
- (i) Record television and radio lessons for Primary and Secondary schools;
  - (ii) Visiting Malawi to strengthen relationship on the Kiswahili language; and
  - (iii) Through the "e-Learning Improvement Cooperation (KLIC) project," equipment in the form of ICT devices (Desktop computers, laptops, tablets, electronic teaching boards, projectors, speakers, cameras, and headphones) has been provided to one primary school and one secondary school with the aim of enhancing these schools to become exemplary in the use of ICT in teaching and learning.
  - (iv) Conducting an online technical workshop and a community of practice in developing and implementing competency-based education and curricula in the basic education system for eighteen Sub-Sahara African nations.
  - (v) VISITING China Shanghai Edutech institute to learn the use of Education Technology Specifically Smart blackboard and AI Smart classrooms. The benefits of the visit include TIE getting a donation of equipment for one model class of AI Smart classrooms
  - (vi) Has implemented the establishment and awarding of the Mwalimu Nyerere National Award for Creative Writing with the aim of identifying, developing, and promoting creative writing talents in the country and promoting reading in the country. This award involves a novel and poetry writing competition. The total number of manuscripts received is 283 in the division of 193 poems, 85 novels, and five other fields.
- E. Care and Supportive Services Improved and HIV and AIDS infection reduced
- (i) Awareness to TIE staff on HIV/AIDS and prevention; and
  - (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
- G. Research activities, Knowledge Exchange, and Consultancy
- (i) The institute in collaboration with Educational Technology-Hub (EdTech), conducted a research project titled 'The Impact of a Tech-Supported, School-Based Teacher Continuous Professional Development (TCPD) Model on Learning Outcomes in Tanzania. The study aimed to assess how the integration of technology into teacher professional

development programs, specifically within a school-based context, influences learning outcomes in Tanzania.

- (ii) The Institution, in collaboration with the Western Norway University of Applied Science, conducted a research project called 'Learning is Virtual-(LiV).' This project aimed to identify challenges related to vision impairment among students in Early Childhood and Primary Education in order to provide appropriate interventions.
- (iii) The institution, in collaboration with RISE, conducted research aimed at analysing the integration, scope, and sequence of 21st-century skills in the Basic Education Curriculum in Tanzania.
- (iv) Two research studies, "The Use of Laboratories in the Competence-Based Teaching Approaches of Physics in Community Secondary Schools" and "How is Competence-Based Curriculum Reflected in the National Examinations? A Case Study of Standard IV National Exams In Tanzanian Primary Schools," were conducted to identify challenges in the implementation of the Competence-Based Curriculum.

## **2.5 ENVIRONMENT, SOCIAL AND GOVERNANCE ISSUES (ESG)**

### **2.5.1 ENVIRONMENT CONTROL PROGRAMME**

The Institute has been implementing the National Environment Policy whose salient features among others include preservation of air pollution which constitute our life support systems. Waste water and solid waste are systematically managed and disposed-off accordingly.

#### **i) SOCIAL RESPONSIBILITY**

The Institute has also been responsive to providing inclusive education at all levels from pre-primary, primary, secondary education and teachers colleges. It is providing training to private institutions including teachers' colleges and secondary schools and other stakeholders. We also support donation of learning material to private schools and grant to students attending higher education at different levels.

The entity has been providing equal opportunities representative of the wider communities in which we operate. We have been committed to treating all people equally and nurturing great talent, regardless of gender. This culture is something that we are incredibly proud of, and we believe that it is this supportive environment that has helped us to recruit and retain our exceptional team. We promote diversity within our working places and beyond. Currently we have an average number of 196 employees who served during the year, 111 males and 85 females.

The Institute have seven disabled employees and have been attending training and various conferences outside the office for development and promotion of the disabled people. It

remains the entity's policy to accept disabled persons for employment for those vacancies that they are able to fill.

**ii) GOVERNANCE**

The entity has a code of ethics' which all staff are required to abide. We believe in adopting the best practices in Governance. Management and employees are committed to upholding the core values of transparency, integrity, honesty and accountability, which are fundamental to the attainment of good governance and excellent performance in any entity.

We remain conscious of Environmental, Social and Governance issues and have identified better ways of measuring what we have been doing.

**2.5.2 ENTITY OPERATING MODEL**

TIE is a public institution under the Ministry of Education, Science and Technology charged with the following principal activities:

- 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.

**2.5.3 RELATIONSHIP WITH STAKEHOLDERS**

The Institute has established and maintains good relationships with both internal and external stakeholders including suppliers of goods and services, pupils, students, teachers, parents and other educational partners who provide support initiatives.

Further, the Institute has established a working relationship with parent ministry, various regulatory authorities and educational institutions such as the Ministry of Education, Science, and Technology (MoEST), President's Office Regional Administration and Local Government Administration (PO RALG), University of Dar es Salaam, National Council for Technical Education (NACTE), Dar es Salam Institute of Technology (DIT), National Board of Accountants



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and Auditors (NBAA), Public Procurement Regulatory Authority (PPRA) and Tanzania Revenue Authority (TRA).

### 2.5.4 DEVELOPMENT PROJECTS IMPLEMENTED, THOSE ONGOING AND EXPECTED FUTURE DEVELOPMENT PROJECTS

The Institute has been implementing various development projects as follows:

S/N	Name of Project	Descriptions	Status
i	LANES II	The project supported the development and printing of primary and COBET* textbooks (Pre-primary and Standard I-VII and out of school children and distribution to schools). During the implementation of this project various reading materials for primary schools' pupils and teachers' guides were printed and distributed to schools.	Ongoing
ii	TESP - CIDA CANADA	Supported In-service teacher training, quality assurers training programs and rehabilitation of teachers' colleges. Under this project various activities were carried out including capacity development of teachers, district quality assurers and education supervisors. The aim of this training was to improve supervision, assessment and teaching methods.	Ongoing
iii	UNICEF Tanzania	Supported the development of Training Guides and Training 866 secondary and primary school teachers in Mbeya and Songwe regions, and supporting the enhancement of on line Library. The support was successful in which upgrading and running of online library was enhanced and trained to teachers in 13 regions.	Ongoing
iv	UNESCO Tanzania	The project was for improving the learning environment, through building skills for respectful and non-violence relationship. To date, prevention on how to report and build skills to pupils in primary schools in Tanzania.	Ongoing
v	SLOAM Project	Support for producing Braille textbooks for form 1-6 blind secondary school students in Tanzania	Ongoing
vi	SEQUIP	Develop training modules, facilitators guides and conduct training to 20,000 science and mathematics teachers in Tanzania Mainland	expected

### 2.5.5 CAPITAL STRUCTURE AND TREASURY POLICIES

The capital structure of the Institute is financed by equity which is comprised of capital grants from the Government and accumulated surplus with a total amount of TZS 44,281,875,352.00.

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### 2.6 MEMBERSHIP OF THE GOVERNING COUNCIL

Members of the Governing Council who served the Institute during the financial year 2022/23 were as follows:

No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
1	Prof. Maulid Walad Mwatawala	54	Chairperson	Tanzanian	16 Dec 2021	PhD in Agriculture, Sokolne University	College of Agriculture, Sokolne University of Agriculture -
2	Dr. Ali Makame Ussi	46	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 Shaidi Swai	71	Member	Tanzanian	16 Dec 2021	PhD in Biomedical Materials Science in Biomaterials in Dentistry, University of London, Queen Mary & Westfield College	The Nelson Mandela African Institution of Science and Technology - Centre Leader CREATES-FNS
4	Prof. Joel Samson Mtebe	48	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	46	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 Michael Kulaya	50	Member	Tanzanian	16 Dec 2021	Postgraduate Diploma in Education with Specialism in	Equitable Inclusion in Education Consultancy in London, UK -

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No	Name	Age	Position	Nationality	Date of appointment	Qualifications	Others
						Mathematics and ICT - Nottingham Trent University, UK	Senior International Education Consultant
8	Mr. Jumanne Rajab Mtambalike	36	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	55	Member	Tanzanian	16 Dec 2021	Master of Business Administration - USA	Institute of African Leadership for Sustainable Development - Chief Executive Officer
10	Mr. Stanslaus Wilfred Mpenbe	49	Member	Tanzanian	16 Dec 2021	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Energy - Principal Internal Auditor I
11	Mr. Ephraim Andrew Simbeye	47	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	38	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

## 2.7 PRINCIPAL ACTIVITIES

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

- 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;
- 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.

## 2.8 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) 8 curricula for pre-primary, primary, secondary and teacher education developed and approved;
- (b) 115 syllabi for pre-primary, primary, secondary and teacher education subjects developed and approved;
- (c) A total of 35 textbooks for technical education Form 1 - 4 developed and approved;
- (d) Developed 64 textbooks of secondary subjects (science, art, business studies and agriculture) for form 1 to 6;
- (e) Developed 24 teachers' guides for pre-primary and primary standard III - VI for English medium schools;
- (f) Translated 12 story books from Swahili to English for pre-primary subjects;
- (g) Converted 12 pre-primary textbooks (6 of Swahili and 6 of English) and 5 textbooks of secondary Form 1 - 4 into braille and large print format;
- (h) Received and evaluated 285 manuscripts from private publishers includes 152 literature and 133 other publications. Out of it, 80 manuscripts were approved by Commissioner for Education;
- (i) Coordinated Mwalimu Nyerere National Award for creative writing of Novel and Poem supplementary books involving 283 received manuscripts (out of it 85 were novels and 193 were poems). Three (3) winners awarded certificates and token;
- (j) Printed and distributed a total of 2,535,564 story books for pre-primary, 3,885,000 copies of story books for STD I-II, 4,181,226 copies of textbooks STD I and II, 1,687,140 copies of textbooks for STD III, IV and V and 17,104 copies of large print for STD III, IV and V. Also printed 640 copies Braille and 904 of large print for pre-primary;
- (k) Printed 525,000 textbooks (Mathematics, Agriculture, English Baseline Orientation course, Biology, Chemistry, Bookkeeping, Civics, English, Food and Human Nutrition, French, Geography, History, Information and Computer Studies, Kiswahili, Economics, Music, Physics, Textiles and Theatre Arts) for Form 1-6;
- (l) 12 modules of Mpango wa Mafunzo Endelevu Kazini wa Walimu (MEWAKA) for pre-primary and primary teachers developed and approved;
- (m) Through Learning Management System (LMS) trained 21,180 primary and secondary schools teachers in 73 councils of 23 regions on life skills, connect with respect, reproductive health and gender;



- (n) Through Korea e-Learning Improvement Cooperation (KLIC) project two (2) schools (Kimbiji - Secondary and Tegeta A - primary) supported ICT facilities (computers, laptops, tablets, electronic tables, Projectors, speakers, Camera and headphones);
- (o) A total of 4 curriculum coordinators facilitated to attend Master's degree and PhD and 9 attended short course and seminars;

## 2.9 FUTURE PLANS/ WAY FORWARD

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

- a) Develop Mathematics and Science subject's textbooks for secondary schools Form 1 - 4 by June, 2024;
- b) Print and distribute two million copies of textbooks (Mathematics and Science subjects) for secondary schools Form 1 - 4 by June, 2024;
- c) Develop curriculum support materials for teacher education by June, 2024;
- d) Developing 18 e-content for standard III and IV by June 2024;
- e) Developing 34 e-content for secondary schools by June, 2024;
- f) Design 48 teachers guide for pre-primary, primary and secondary subjects by June, 2024;
- g) Prepare guidelines for preparation of teaching and learning resources/materials/tools for learners with special learning needs by June, 2024;
- h) Facilitate creative writing of Novel and Poem supplementary books for Mwalimu Nyerere National Award by June, 2024;
- i) Develop 52 titles of textbooks for form I and V by June, 2024;
- j) Develop 52 titles of teachers' guide for form I and V by June, 2024;
- k) Facilitate printing of curriculum material for pre-primary, primary and secondary schools by June, 2024;
- l) Develop Quality Assurance Framework for implementation on regular basis by June, 2024;
- m) Facilitate capacity building to 90 professional conferences or seminar, short course and postgraduate studies by June, 2024;
- n) Facilitate construction of TIE's warehouse for storing textbooks and publications by June, 2024;
- o) Facilitate HRs on review and implement TIE Succession Plan by June 2024;
- p) Prepare Annual accounts and progressive reports by June 2024;
- q) Prepare annual budget of 2024/25 in respect of recurrent and development expenditure by June 2024;
- r) Facilitate the development of TIE Act, staff Regulation, TIE regulation and Evaluation by June, 2024
- s) Re-Designing of TIE Website Interface by June, 2024; and
- t) Participate in various exhibitions such Annual scientific week, Sabasaba exhibitions, Nanenane etc. by June, 2024.

**2.10 SUMMARY OF FINANCIAL PERFORMANCE DURING THE YEAR 2022/23**

Total receipts for the year 2022/23 amounted to TZS 38,925,510,485.00. The comparison between total receipts and the budget is as shown below

Source of fund	Budget TZS	Receipts TZS	Over/(Under) TZS
Subvention from Other Government Entities	107,206,844,231	30,650,280,496	(76,556,563,735)
Revenue from Exchange Transactions	10,981,632,376	8,125,385,489	(2,856,246,887)
Other Revenue	28,000,000	149,844,500	121,844,500
<b>Total</b>	<b>118,216,476,607</b>	<b>38,925,510,485</b>	<b>(79,290,966,122)</b>

Source: TIE Financial Statements

Out of TZS 38,925,510,485 received, TZS 354,002,063 was received as other charges (OC) and TZS 4,403,234,848 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.

**2.11 EXPENDITURE**

During the year 2022/23 the Institute spent a total of TZS 40,509,108,049.00 to run its operations.

**2.12 SIGNIFICANT CHANGES**

During the year ended 30 June 2023 the Institute exercises 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, Tujilimishe Printing Press - Songea and Elimu ni Bahari Printing Press - Tabora. These printing units were handed over from the Ministry of Education, Science and Technology (MoEST) in 2019. These Printing Presses have semi-autonomous status under the MoEST, through Tanzania Institute of Education.

**2.13 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.

## TANZANIA INSTITUTE OF EDUCATION (TIE)

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.

During the year the Audit and Risk Management Committee conducted one extra ordinary meeting to receive and deliberate of Financial Statement 2021/22 submitted to CAG and four ordinary meetings and deliberate on the following:

- (i) Discuss and approve the audit annual work plan and budget for 2022/23;
- (ii) Quarterly and annual audit reports 2022/23.
- (iii) Review Risk Management implementation plan; and
- (iv) Review of financial report of 2021/22

The Committee is composed of the following members who serve from 16 December 2021;

No	Name	Position	Qualification	Others
1	Mr. Stanslaus Wilfred Mpermbe	Chairperson	Master of Business Administration (Executive MBA - ESAMI)	Ministry of Energy - Principal Internal Auditor I
2	Ms. Felista Steven 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 2023/24,
- (ii) Receive the annual reports for 2021/22, and
- (iii) Receive and deliberate of the quarterly and annually financial reports for 2022/23.

## TANZANIA INSTITUTE OF EDUCATION (TIE)

The committee is comprised of the following members:

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 Rajab 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 Michael Kulaya	Member	Postgraduate Diploma in Education with Specialisation 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 2023/24.
- Received and deliberated on the annual report for 2021/22 and quarterly reports of respective periods for year 2022/23.

The Committee was comprised of the following members:

No.	Name	Position	Qualification	Others
1	Prof. Joel Samson 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	The Nelson Mandela African Institution of Science and Technology - Centre Leader CREATES-FNS

## TANZANIA INSTITUTE OF EDUCATION (TIE)

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 Michael Kulaya	Member	Postgraduate Diploma in Education with Specialisation 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:

- Approved the work plan and budget for the Financial Year 2023/24; and
- Received and deliberated on the annual report for 2021/22 and quarterly reports for 2022/23.

The Committee is comprised of the following members:

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	Stanislaus Wilfred Mpembe	Member	Master of Business Administration (Executive MBA - ESAM)	Ministry of Energy - Principal Internal Auditor I

Source: TIE Governing Council file

## 2.14 BOARD MEETINGS

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

No.	Name	Designation	Nationality	No. of meetings 2022/23
1	Prof. Maulid Walad Mwatawala	Chairman	Tanzanian	4



## TANZANIA INSTITUTE OF EDUCATION (TIE)

2	Dr. Ali Makame Ussi	Member	Tanzanian	3
3	Prof. Hilda Shahidi Swai	Member	Tanzanian	3
4	Prof. Joel Samson Mtebe	Member	Tanzanian	4
5	Mr. Meshack Joram Anyingisye	Member	Tanzanian	1
6	Ms. Felister Emmanuel Shuli	Member	Tanzanian	1
7	Mr. Henry Michael Kulaya	Member	Tanzanian	4
8	Mr. Jumanne Rajab Mtambalike	Member	Tanzanian	3
9	Mr. Kadari Lincoln Singo	Member	Tanzanian	2
10	Mr. Stanlaus Wilfred Mpenbe	Member	Tanzanian	4
11	Mr. Ephraim Andrew Simbeye	Member	Tanzanian	4
12	Ms. Felista Steven Lelo	Member	Tanzanian	4

Source: TIE Governing Council file

During the year, the Council:

- (i) Discussed and approved the Institute's budget for financial year 2023/24;
- (ii) Received the annual reports for 2021/22;
- (iii) Received and deliberated of the quarterly reports for 2022/23 and annually financial reports for 2021/22; and
- (iv) Reviewed and approved deliberations of Council committees.

### 2.15 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.

### 2.16 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 during the year; contribution from these partners was substantial compared to other revenue streams. The Institute believes that good relationship with these partners will continue in the next financial year.

**2.17 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; and
- Indulge into public private partnership practice as an alternative source of financing its operational activities;

**2.18 EMPLOYEES WELFARE**

**i) 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.

**ii) 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.

**iii) 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.

**iv) 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.

**v) Free Morning Tea Served at TIE Canteen**

During the financial year 2022/23 the Institute continued to offer free breakfast to all employees at TIE canteen.

**vi) 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.

**vii) 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.

**viii) 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 196 employees, out of which 85 (43%) were female and 111 (57%) were male.

## 2.19 SOLVENCY

The Institute depends on subvention from Government. Out of the total recurrent expenditure budget of TZS 5,303,894,698 where TZS 4,757,236,911 which forms 90% 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 the Government subvention and development partners. During the year, the Institute received TZS 27,398,811,380 which is (35%) of the amount budgeted for development project.

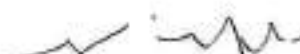
The Institute has reasonable expectation that, the Government through the Ministry of Finance and Planning will continue to fund various projects and recurrent expenditures. The Institute's statement of financial position as at 30 June 2023 is set out in these financial statements. The Institute confirms 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.

## 2.20 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 (R.E.2021).



Prof. Maulid Walad Mwatawala  
Chairperson



Mr. Stanslaus Wilfred Mpembe  
Member

DATE 15.03.2024

**3.0 STATEMENT OF DIRECTOR GENERAL ON THE FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 30 JUNE 2023**

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 2023.

I accept responsibility for the integrity of the Financial Statements, the information it contains, and its compliance with the Public Finance Act. No. 6 of 2001 as revised in 2004 and instructions issued by the Treasury in respect of the year under review.



Dr. Aneth A. Komba  
Director General

15.03.2024

Date



#### 4.0 STATEMENT OF GOVERNING COUNCIL RESPONSIBILITIES ON THE FINANCIAL STATEMENTS

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.



Prof. Maulid Walad Mwatawala  
Chairperson



Mr. Stanslaus Wilfred Mpembe  
Member

DATE 15.03.2024

**5.0 DECLARATION OF THE HEAD OF FINANCE/ACCOUNTING**

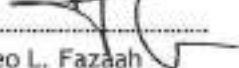
The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible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

It is the duty of a Professional Accountant to assist the 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 2023 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: 15th March, 2024.

## 6.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

## STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		2022/23	2021/22
	Notes	TZS	TZS
<b>Assets</b>			
Current assets			
Cash and cash equivalents	6	21,864,460,344	23,411,822,463
Trade receivables	7	739,505,058	810,083,928
Inventories	8	<u>7,855,030,015</u>	<u>4,597,795,088</u>
		<b>30,458,995,417</b>	<b>28,819,701,479</b>
Non-Current Assets			
Property, plant and equipment	9	<u>38,789,501,274</u>	<u>39,850,608,338</u>
<b>Total Assets</b>		<b><u>69,248,496,691</u></b>	<b><u>68,670,309,817</u></b>
<b>Liabilities</b>			
Current Liabilities			
Payables and Accruals	11	371,916,759	602,195,502
Provisions	12	2,694,008,792	2,694,008,792
Advanced received and Deferred income	13	21,864,460,345	23,370,228,140
Deposits	14	<u>36,235,443</u>	-
<b>Total Current Liabilities</b>		<b><u>24,966,621,339</u></b>	<b><u>26,666,432,434</u></b>
<b>Total Liabilities</b>		<b><u>24,966,621,339</u></b>	<b><u>26,666,432,434</u></b>
<b>Net Asset</b>		<b><u>44,281,875,352</u></b>	<b><u>42,003,877,383</u></b>
<b>Equity and Liabilities</b>			
Capital contributed by:			
Taxpayers/share capital		3,553,277,160	3,553,277,160
Accumulated surplus/deficit		<u>40,728,598,192</u>	<u>38,450,600,223</u>
<b>Total Net Assets/Equity</b>		<b><u>44,281,875,352</u></b>	<b><u>42,003,877,383</u></b>

  
 Prof. Maulid Walad Mwatawala  
 Chairperson

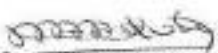
  
 Mr. Stanslaus Wilfred Mpembe  
 Member


DATE 15.03.2024

TANZANIA INSTITUTE OF EDUCATION (TIE)

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22
	Notes	TZS	TZS
<b>Revenue</b>			
Revenue from exchange transactions	15	8,125,385,489	9,396,908,954
Other revenue	16	149,844,500	195,102,000
Subvention from other government entities	17	<u>32,156,048,292</u>	<u>62,039,511,235</u>
		<b>40,431,278,281</b>	<b>71,631,522,189</b>
<b>Expenses</b>			
Wages, salaries and employees' benefits	18	7,699,935,825	5,355,459,325
Use of goods and services	19	28,344,290,795	55,919,579,101
Maintenance expenses	20	362,529,172	293,535,038
Depreciation of PPE	21	1,191,464,067	868,511,486
Loss on exchange rate	22	4,262,522	-
Provision for impairment	23	-	1,500,000,000
Other Expenses	24	513,447,931	480,389,779
Other transfers	25	<u>37,350,000</u>	<u>33,300,000</u>
Total Expenses		<b><u>38,153,280,312</u></b>	<b><u>64,450,774,729</u></b>
Surplus for the year		<b><u>2,277,997,969</u></b>	<b><u>7,180,747,460</u></b>


  
 Prof. Maulid Walad Mwatawala  
 Chairperson


  
 Mr. Stanslaus Wilfred Mpembe  
 Member

DATE 15.03.2024

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22
	Notes	TZS	TZS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Receipts</b>			
Subvention from Government	27.1	30,650,280,497	33,052,766,155
Revenue from Exchange Transactions	27.2	8,125,385,489	9,396,908,954
Other Revenue	27.3	149,844,500	195,102,000
Increase in Deposit	27.4	<u>36,235,443</u>	-
<b>Total Receipt</b>		<b><u>38,961,745,929</u></b>	<b><u>42,644,777,109</u></b>
<b>Payment</b>			
Wages, Salaries and Employee Benefits	27.5	7,672,856,948	5,238,375,364
Use of Goods and Services	27.6	31,792,566,994	57,921,743,336
Other Transfers	25	37,350,000	33,300,000
Other Expenses	24	513,447,931	480,389,779
Maintenance Expenses	20	<u>362,529,172</u>	<u>293,535,038</u>
<b>Total Payments</b>		<b><u>40,378,751,045</u></b>	<b><u>63,967,343,517</u></b>
<b>Net Cash Flow from Operating Activities</b>		<b>(1,417,005,116)</b>	<b>(21,322,566,408)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Investing Activities</b>			
Acquisition of Property, Plant and Equipment	27.8	<u>(130,357,003)</u>	<u>(695,194,406)</u>
<b>Net Cash Flow from Investing Activities</b>		<b><u>(130,357,003)</u></b>	<b><u>(695,194,406)</u></b>
<b>Net decrease in Cash and Cash Equivalents</b>		<b>(1,547,362,119)</b>	<b>(22,017,760,814)</b>
<b>Cash and Cash Equivalents at the Beginning of the Period</b>		<b><u>23,411,822,463</u></b>	<b><u>45,429,583,277</u></b>
<b>Cash and Cash Equivalents at the End of the Period</b>		<b><u>21,864,460,344</u></b>	<b><u>23,411,822,463</u></b>

  
 Prof. Maulid Walad Mwatawala  
 Chairperson

  
 Mr. Stanlaus Wilfred Mpembe  
 Member


DATE 15.03.2024

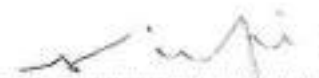


TANZANIA INSTITUTE OF EDUCATION (TIE)

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2023

	Capital Fund TZS	Accumulated surplus TZS	Total TZS
Balance at 1 July 2021	3,553,277,160	31,269,852,763	34,823,129,923
Surplus for the year	-	<u>7,180,747,460</u>	<u>7,180,747,460</u>
Balance at 30 June 2022	<u>3,553,277,160</u>	<u>38,450,600,223</u>	<u>42,003,877,383</u>
Balance at 1 July 2022	3,553,277,160	38,450,600,223	42,003,877,383
Surplus for the year	-	<u>2,277,997,969</u>	<u>2,277,997,969</u>
Balance at 30 June 2023	<u>3,553,277,160</u>	<u>40,728,598,192</u>	<u>44,281,875,352</u>

  
 Prof. Maulid Walad Mwatawala  
 Chairperson

  
 Mr. Stanslaus Wilfred Mpembe  
 Member

DATE 15.03.2024

TANZANIA INSTITUTE OF EDUCATION (TIE)

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

Details	Original and Final Budget Amounts 2022/23	Reallocation/ Adjustment	Final Budget (B)	Actual Amount on Comparable Basis (A)	Performance Difference
	TZS	TZS	TZS	TZS	TZS
<b>RECEIPTS</b>					
Subvention from Other Government Entities	107,289,244,231	(82,400,000)	107,206,844,231	30,650,280,496	(76,556,563,735)
Revenue from Exchange Transactions	10,981,632,376	-	10,981,632,376	8,125,385,489	(2,856,246,887)
Other Revenue	28,000,000	-	28,000,000	149,844,500	121,844,500
Increase in Deposit	-	-	-	36,235,443	36,235,443
<b>Total Receipts</b>	<b>118,298,876,607</b>	<b>(82,400,000)</b>	<b>118,216,476,607</b>	<b>38,961,745,928</b>	<b>(79,254,730,679)</b>
<b>PAYMENTS</b>					
Wages, Salaries and Employee Benefits	9,953,529,110	862,447,436	10,815,976,546	7,672,856,946	3,143,119,600
Use of Goods and Services	99,721,794,250	(1,124,082,436)	98,597,711,814	31,792,566,997	66,805,144,817
Other Transfers	57,350,000	-	57,350,000	37,350,000	20,000,000
Other Expenses	6,013,045,000	271,775,000	6,284,820,000	513,447,931	5,771,372,069
Maintenance Expenses	1,641,508,106	(259,040,000)	1,382,468,106	362,529,172	1,019,938,934
Acquisition of Property, Plant and Equipment	911,650,141	46,500,000	958,150,141	130,357,003	827,793,138
<b>Total expenses</b>	<b>118,298,876,607</b>	<b>(202,400,000)</b>	<b>118,096,476,607</b>	<b>40,509,108,049</b>	<b>77,587,368,558</b>
<b>Net Receipts/ Payments</b>	<b>-</b>	<b>120,000,000</b>	<b>120,000,000</b>	<b>(1,547,362,121)</b>	<b>1,667,362,121</b>

*(Signature)*

Prof. Maulid Walad Mwatawala  
Chairperson

*(Signature)*  
Mr. Stanislaus Wilfred Mipembe  
Member

DATE 15-03-2024

Controller and Auditor General

AK/PAD/TIE/2022/23

### EXPLANATION OF MATERIAL VARIANCES EMANATING FROM STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FINANCIAL YEAR 2022/23

1. **Government Grants** - The shortage of TZS 76,556,563,735.00 was due to delay on receipt of funds for printing and distribution of Primary and Secondary Schools textbooks under SEQUIP and EP4R projects.
2. **Internal Generated Funds** - The shortage of TZS 2,856,246,887.00 was due to decrease of sales of TIE publications (textbooks and other curriculum supporting materials) where by the customers fear the textbooks will be going to change after released of a new curriculum for pre-primary, primary, secondary and teacher's education.
3. **Salaries and Staff Benefits** - The saving of TZS 3,143,119,600.00 was due to delayed on receipt of fund budgeted to cover payment of staff allowance whose participated-on development of secondary school textbooks and training of teachers.
4. **Payments in respect of goods and services** - The saving of TZS 66,805,144,817.00, was due to overlapping of the printing contracts which were supposed to be settled after completion of deliveries and there was a delay on receipt of funds for printing and distribution of Primary and Secondary Schools textbooks under SEQUIP and EP4R projects.

### RECONCILIATION OF BUDGET AND FINANCIAL STATEMENTS AMOUNTS

Details	Amounts reported on budget comparative 2022/23	Amount recognized in Financial Statements	Amount deferred for future accounting periods
<b>Revenue</b>	<b>TZS</b>	<b>TZS</b>	<b>TZS</b>
Subvention from Other Government Entities	30,650,280,496	32,156,048,292	(1,505,767,795)
Revenue from Exchange Transactions	8,125,385,489	8,125,385,489	-
Other Revenue	149,844,500	149,844,500	-
Increase in Deposit	36,235,443	-	36,235,443
<b>Total revenue</b>	<b>38,961,745,928</b>	<b>40,431,278,281</b>	<b>(1,469,532,353)</b>
<b>Expenses</b>			
Wages, Salaries and Employee Benefits	7,672,856,946	7,699,935,825	(27,078,879)
Use of Goods and Services	31,792,566,997	28,344,290,795	3,448,276,202
Other Transfers	37,350,000	37,350,000	-
Other Expenses	513,447,931	513,447,931	-
Maintenance Expenses	362,529,172	362,529,172	-
Acquisition of Property, Plant and Equipment	130,357,003	-	130,357,003
<b>Total expenses</b>	<b>40,509,108,049</b>	<b>36,957,553,723</b>	<b>3,551,554,326</b>

TANZANIA INSTITUTE OF EDUCATION (TIE)

RECONCILIATION OF NET CASH FLOW FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)  
FOR THE PERIOD ENDED 30 JUNE 2023

	2022/23 TZS	2021/22 TZS
Surplus/ Deficit for the Period	2,277,997,969	7,180,747,460
Add/ (Less) Non-Cash Item		
Depreciation of Property, Plant and Equipment	1,191,464,067	868,511,486
Non-Monetary Revenue - Current	-	(7,109,397,600)
Add/ (Less) Change in Working Capital		
Deferred Income	(1,505,767,795)	(21,899,655,007)
Deposit	36,235,443	-
Inventories	(3,257,234,927)	(358,941,838)
Receivables	70,578,870	197,774,940
Payables and Accruals	(230,278,743)	(201,605,849)
Net Cash Flow from Operating Activities	(1,417,005,116)	(21,322,566,408)

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**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

**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 01 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.

## **TANZANIA INSTITUTE OF EDUCATION (TIE)**

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 modelling 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 modelling. 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.

## TANZANIA INSTITUTE OF EDUCATION (TIE)

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.

**(h) 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.

**(i) 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.

**(j) 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.

**(k) 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.

**(l) 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

## **TANZANIA INSTITUTE OF EDUCATION (TIE)**

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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 accrual 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.

#### **(m) 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

## **TANZANIA INSTITUTE OF EDUCATION (TIE)**

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.

### **1) 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 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.



## TANZANIA INSTITUTE OF EDUCATION (TIE)

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

	2022/23 TZS	2021/22 TZS
Cash and cash equivalent	21,864,460,344	23,411,822,463
Trade receivables	706,213,437	776,792,307
Other receivables	33,291,621	33,291,621
	<u>22,603,965,402</u>	<u>24,221,906,391</u>

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

### Cash and cash equivalents

The Institute held cash and cash equivalents of TZS 21,864,460,344.00 at 30 June 2023 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 Institute will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Institute'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 Institute'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 Institute'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:

	Contractual Cash Flows TZS	Less than 1 year TZS	Between 1-2 years TZS
Trade and other payables 30 June, 2023	<u>371,916,760</u>	<u>112,000,00</u>	<u>259,916,760</u>
Trade and other payables 30 June, 2022	<u>602,195,502</u>	<u>521,666,067</u>	<u>80,529,435</u>



## TANZANIA INSTITUTE OF EDUCATION (TIE)

### 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 Institute 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 Institute 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 Institute's exposure to currency risks are shown below:

	2022/23 EURO	2021/22 EURO
Cash and cash equivalents	6,140.34	6,513.22
Trade and other payables	-	-
<b>Net exposure</b>	<b>6,140.34</b>	<b>6,513.22</b>

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

	2022/23 EURO	2021/22 EURO
Average Rate	2,738.44	2,571.93

### 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.

**TANZANIA INSTITUTE OF EDUCATION (TIE)**

**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**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
General Account NO. 2221100009	-	152,153,363
Revenue Collection Account (NMB) NO:2221100007	-	251,270,418
CRDB (Staff RF)	-	19,055,831
CRDB-CDC Account no 2J1013986400	237,855	16,458,335
NICHE Project Account No1950013986400	16,816,795	16,997,672
Revenue Coll. Account (CRDB) No.150013986401	78,318,000	29,775,000
Nzume Book Project CRDB	-	95,309
Kisumu Printing Press	-	12,353
NuruYetu Printing Press	-	357,912
Press A Printing Press	-	369,994
Expenditure Account (NMB) 22210030798	7,288,124,832	-
Revenue & Collection Account (9925261181) - BOT	14,480,962,862	22,925,276,276
<b>Total</b>	<b>21,864,460,344</b>	<b>23,411,822,463</b>

**7. TRADE, OTHER RECEIVABLES & PRE-PAYMENT**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Staff Loans	9,461,851	9,461,851
Treasury Staff Deductions (Hazina)	23,829,770	23,829,770
Trade Receivables	706,213,437	776,792,307
<b>Total</b>	<b>739,505,058</b>	<b>810,083,928</b>

**8. INVENTORIES**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Books and Teaching Materials	7,855,030,015	4,533,206,926
Consumables	-	50,718,394
Raw Materials	-	13,869,768
<b>Total</b>	<b>7,855,030,015</b>	<b>4,597,795,088</b>

TANZANIA INSTITUTE OF EDUCATION (TIE)

9. PROPERTY, PLANT AND EQUIPMENT

	Land	Buildings	Office Equipment and Furniture	Computer Equipment's	Motor vehicles	Plant & Machinery	Library Books & Publications	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
<b>Cost</b>								
01 July 2022	28,485,581,530	3,336,877,492	1,826,189,978	981,178,798	1,763,636,194	7,921,817,380	57,356,933	44,372,638,305
Additions			37,582,678	92,774,325				130,357,003
30 June 2023	28,485,581,530	3,336,877,492	1,863,772,656	1,073,953,123	1,763,636,194	7,921,817,380	57,356,933	44,502,995,308
<b>Accumulated depreciation</b>								
01 July 2022		909,835,490	921,020,521	563,977,507	1,421,508,996	648,704,554	56,982,899	4,522,029,967
Charge for the year		62,030,802	293,611,363	186,774,270	105,810,026	542,863,573	374,033	1,191,464,067
30 JUNE 2023		971,866,292	1,214,631,884	750,751,777	1,527,319,022	1,191,568,127	57,356,932	5,713,494,034
<b>Net Book Value</b>								
30 JUNE 2023	28,485,581,530	2,365,011,200	649,140,772	323,201,345	236,317,172	6,730,249,254	1	38,789,501,274
30 JUNE 2022	28,485,581,530	2,427,042,002	905,169,457	417,201,291	342,127,198	7,273,112,826	374,034	39,850,608,338

**10. CAPITAL FUND**

Capital fund of TZS 3,553,277,160.00 represent capital grants from the Government and other donors and press centres transferred from MoEST to the Institute along with their respective managements.

	2022/23 TZS	2021/22 TZS
01/07/2022	3,553,277,160	3,553,277,160
Addition for the year	-	-
30/06/2023	<u>3,553,277,160</u>	<u>3,553,277,160</u>

**11. SUNDRY PAYABLES AND ACCRUALS**

Audit fee accrual	112,000,000	112,000,000
Trade creditors	232,837,882	375,107,707
Other Creditors	4,835,364	-
WADU	-	3,720,000
TIE CREDIT UNION	22,243,513	22,865,559
Accrued Expenditure	-	88,502,236
Total	<u>371,916,759</u>	<u>602,195,502</u>

**12. PROVISIONS**

Provision for Impairment of Receivables	627,940,808	627,940,808
Provision for Impairment Books and Teaching Materials	2,066,067,984	2,066,067,984
Total Provision for Impairment	<u>2,694,008,792</u>	<u>2,694,008,792</u>

**MOVEMENT OF IMPAREMENT**

Receivables		
Opening Balance	(627,940,808)	(571,528,808)
Current Year Provision	-	(56,412,000)
Total Provision for Impairment	<u>(627,940,808)</u>	<u>(627,940,808)</u>

Inventories		
Opening Balance	(2,066,067,984)	(566,067,984)
Current Year Provision	-	(1,500,000,000)
Total Provision for Impairment	<u>(2,066,067,984)</u>	<u>(2,066,067,984)</u>

**13. ADVANCE RECEIVED AND DEFERRED INCOME**

	2022/23 TZS	2021/22 TZS
Development Subvention	1,300,462,329	5,316,881,622
LANES Project fund for development & printing text books	1,220,563,658	16,718,452,405
TESP	-	1,297,361,473
UNICEF	-	37,532,640
EP4R	10,574,997,978	-
SEQUIP	8,768,436,380	-
<b>Total</b>	<b>21,864,460,345</b>	<b>23,370,228,140</b>

Below is the statement which shows a reconciliation of deferred income account up to 30 June 2023:

**SUBVENTIONS FROM GOVERNMENT ENTITIES**

Balance at the beginning of the year	23,332,695,500	45,269,883,147
Subvention received during the year	19,278,446,922	32,513,730,108
Amount utilized during the year	(20,746,682,077)	(54,450,917,755)
<b>(a) Deferred amount as at year end</b>	<b>21,864,460,345</b>	<b>23,332,695,500</b>

**GRANTS, TRANSFERS AND SUBSIDIES FROM PRIVATE ENTITIES**

Balance at the beginning of the year	37,532,640	-
Grants received during the year	379,319,000	479,195,901
Amount utilized/incurred during the year	(416,851,640)	(441,663,261)
<b>(b) Deferred amount as at the year end</b>	<b>-</b>	<b>37,532,640</b>

**Grand Total (a) + (b)**

<b>21,864,460,345</b>	<b>23,370,228,140</b>
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**14. DEPOSITS**

Deposit General	1,819,840	-
Unapplied Deposit Account	34,415,603	-
<b>Total</b>	<b>36,235,443</b>	<b>-</b>

**15. REVENUE FROM EXCHANGE TRANSACTION**

Printing and Publications	224,277,819	758,924,730
Seminar Room	-	900,000
Sales of books	7,901,107,670	8,637,084,224
<b>Total</b>	<b>8,125,385,489</b>	<b>9,396,908,954</b>

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## 16. OTHER REVENUE

	2022/23	2021/22
	TZS	TZS
Staff House Rental	24,000,000	8,412,000
Fund for Evaluation of Books & Learning Materials	125,778,500	186,690,000
Other Income	66,000	-
<b>Total</b>	<b>149,844,500</b>	<b>195,102,000</b>

## 17. SUBVENTION FROM OTHER GOVERNMENT ENTITIES

Funded Project Income	17.1	19,278,446,921	31,887,622,545
Government Grants	17.2	12,877,601,371	23,042,491,110
Grant - Non-Monetary Revenue	17.3	-	7,109,397,600
<b>Total</b>		<b>32,156,048,292</b>	<b>62,039,511,255</b>

### 17.1 FUNDED PROJECT INCOME

UNESCO	302,801,190	44,100,000
UNICEF	61,900,000	380,109,560
LANES Project	15,497,888,747	22,440,113,126
TESP	-	1,615,200,495
SEQUIP Project	3,385,337,262	-
COVID 19 Recovery	-	7,390,645,644
NICHE	-	17,453,700
Learning is Visual Project	30,519,722	-
<b>Total</b>	<b>19,278,446,921</b>	<b>31,887,622,525</b>

### 17.2 GOVERNMENT GRANTS

Salaries	4,403,234,848	4,185,324,300
Development	8,120,364,460	18,460,607,122
Other charges	354,002,063	396,559,688
<b>Total</b>	<b>12,877,601,371</b>	<b>23,042,491,110</b>

### 17.3 REVENUE GRANT - NON-MONETARY

	2022/23	2021/22
	TZS	TZS
Grants for printing machine received from MOEST	-	6,933,113,600
Grants for Computer and equipment's	-	167,284,000
Grants for Laptop computer received from Digital Pipeline UK	-	9,000,000
<b>Total</b>	<b>-</b>	<b>7,109,397,600</b>



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## 18. WAGES, SALARIES AND EMPLOYEE BENEFITS

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Casual Labourers	212,526,940	145,874,890
Civil Servants	4,403,234,848	4,262,081,000
Court Attire Allowance	1,000,000	-
Electricity	51,225,462	35,940,000
Extra Duty	355,660,000	318,050,624
Facilitation Allowance	238,990,000	-
Food and Refreshments	914,291,776	-
Furniture	-	34,000,000
Honoraria	17,000,000	-
House Allowance	93,600,000	96,000,000
Leaver Travel	49,904,819	-
Moving Expenses	37,832,250	35,667,300
Non-Civil Servant Contracts	127,823,600	97,463,200
Other Allowance	-	27,607,000
Outfit Allowance	3,900,000	-
Professional Allowance	155,204,140	-
PSSSF	-	30,572,090
Responsibility Allowance	34,500,000	34,500,000
Sitting Allowance	355,290,400	187,358,221
Special Allowance	581,505,000	-
Subsistence Allowance	4,200,000	-
Telephone	50,360,000	38,585,000
Water Allowance	11,480,000	11,760,000
Water and Waste Disposal	406,590	-
<b>Total</b>	<b>7,699,935,825</b>	<b>5,355,459,325</b>

## 19. USE OF GOODS AND SERVICES

Accommodation	660,000	-
Advertising and Publication	94,662,595	-
Air Travel Tickets	277,123,147	-
Computer Software	22,696,400	-
Computer Supplies and Accessories	16,347,000	672,326,059
Conference Facilities	265,516,685	488,666,029
Court Martial and Legal Services	0	1,000,000
Diesel	805,950,458	1,441,461,600
Educational Radio and TV broadcasting programming	11,800,000	-
Electricity	95,651,700	82,934,058
Entertainment	32,321,400	-
Exhibitions, Festivals and Celebrations	6,730,840	-
Food and Refreshments	364,815,681	1,245,492,557
Fumigation	1,149,863	-
Gifts and Prizes	52,040,000	-
Ground Transport (Bus, Train, Water)	5,508,000	-
Ground Transport (Bus, Railway, Taxi, etc)	508,167,926	307,613,790
Internet and Email Connections	122,549,010	27,349,485

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Lodging/Accommodation	26,550,000	-
Lubricants	425,000	-
Mobile Charges	500,000	-
Newspapers and Magazines	6,256,900	-
Office Consumables	215,216,269	-
Outsourcing Costs - Security	289,717,600	271,998,000
Per Diem - Domestic	6,568,722,511	8,837,629,901
Per Diem - Foreign	126,435,896	-
Petrol	7,260,000	-
Posts and Telegraphs	1,336,900	-
Printing and Photocopying Costs	15,358,377,646	42,320,423,006
Printing Materials	2,771,678,187	-
Publicity	35,681,350	-
Rent - Office Accommodation	36,835,971	44,928,558
Research and Dissertation	6,740,000	-
Software License Fees	25,984,819	34,491,525
Special Food (diet food)	4,800,000	-
Subscription Fees	19,417,025	13,035,000
Training Allowances	43,309,500	49,561,760
Tuition Fees	20,367,090	-
Uniforms	11,370,000	-
Upkeep of Grounds and Amenities	61,260,012	66,813,560
Water Charges	14,927,414	13,854,213
Wire, Wireless, Telephone, Telex Services and Facsimile	7,430,000	-
<b>Total</b>	<b>28,344,290,795</b>	<b>55,919,579,101</b>

## 20. MAINTENANCE EXPENSES

Air Conditioners	9,193,000	-
Cement, Bricks and Building Materials	74,455,548	87,524,642
Computers, Printers, Scanners and Other Related Equipment	17,617,218	69,441,352
Electrical and Other Cabling Materials	5,607,000	-
Fire Protection Equipment	4,850,800	-
Mechanical, Electrical and Electronic Spare Parts	34,730,650	39,994,957
Motor Vehicles and Water Craft	211,082,956	96,574,087
Outsource Maintenance Contract Services	360,000	-
Paint and Weather Protection Coatings	1,380,000	-
Photocopiers	3,252,000	-
<b>Total</b>	<b>362,529,172</b>	<b>293,535,038</b>

## 21. DEPRECIATION OF PPE

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Library Books	374,033	11,471,383
Depreciation of Hardware Servers and Equipment including Desktop, Laptops, UPS	186,774,270	220,162,960
Depreciation of Motor Vehicles	105,810,026	179,917,168
Depreciation of Office Buildings and Structures	62,030,802	62,030,803

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Depreciation of Furniture and Fittings	293,611,363	328,771,725
Depreciation of Plant and Machinery	542,863,573	66,157,447
<b>Total</b>	<b>1,191,464,067</b>	<b>868,511,486</b>

**22. LOSS ON EXCHANGE RATE**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Foreign Exchange Differences (Losses)	4,262,522	-
<b>Total</b>	<b>4,262,522</b>	<b>-</b>

**23. PROVISION FOR IMPAIRMENT OF ASSETS**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Obsolete Inventories	-	1,500,000,000
<b>Total</b>	<b>-</b>	<b>1,500,000,000</b>

**24. OTHER EXPENSES**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Vehicles Insurance	17,167,340	-
Audit Fee	112,000,000	112,000,000
Audit Supervision expenses	44,556,800	25,100,000
Bad and Doubtful Expenses	-	56,412,000
Bank Charges and Commissions	11,902,120	32,380,229
Burial Expenses	9,363,000	48,319,500
Consultancy Fees	100,830,480	-
Director's Fee	35,500,000	-
Facilitation Fees	4,000,000	-
Freight Forwarding and Clearing Charges	77,826,150	81,881,981
Insurance Expenses	46,839,869	11,151,000
Other Payments	-	29,437,000
Sundry Expenses	53,462,172	83,708,069
<b>Total</b>	<b>513,447,931</b>	<b>480,389,779</b>

**25. OTHER TRANSFERS**

	2022/23	2021/22
	<u>TZS</u>	<u>TZS</u>
Contribution (Disbursement Transfer)	37,350,000	33,300,000
<b>Total</b>	<b>37,350,000</b>	<b>33,300,000</b>

**26. COST OF GOODS/STATIONERY USED:-**

	<u>BOOKS</u>	<u>STATIONERY</u>	<u>TOTAL</u>
	<u>TZS</u>	<u>TZS</u>	<u>TZS</u>
Opening Stock	4,533,206,926	64,588,162	4,583,925,320
Purchases	18,680,200,735	150,628,107	18,830,828,842
<b>Cost of Goods Available</b>	<b>23,213,407,661</b>	<b>215,216,269</b>	<b>23,428,623,930</b>

**TANZANIA INSTITUTE OF EDUCATION (TIE)**

<u>Less Closing Stock</u>	(7,855,030,015)	-	(7,855,030,015)
	<u>15,358,377,646</u>	<u>215,216,269</u>	<u>15,573,593,915</u>

Cost of Goods Sold (Note 19)

**FOR THE YEAR 2021/22**

	<u>BOOKS</u> <u>TZS</u>	<u>STATIONERY</u> <u>TZS</u>	<u>TOTAL</u> <u>TZS</u>
<u>Opening Stock</u>	2,714,610,269	159,615,127	2,874,225,396
<u>Purchases</u>	5,483,359,733	546,727,004	6,030,086,737
<u>Cost of Goods Available</u>	<u>8,197,970,002</u>	<u>706,342,131</u>	<u>8,904,312,133</u>
<u>Less Closing Stock</u>	(4,533,206,926)	(64,588,162)	(4,597,795,088)
	<u>3,664,763,076</u>	<u>641,753,969</u>	<u>4,306,517,045</u>

Cost of Goods Sold (Note 19)

**27. NOTES TO STATEMENT OF CASH FLOWS**

**27.1 SUBVENTION FROM GOVERNMENT**

	<u>2022/23</u> <u>TZS</u>	<u>2021/22</u> <u>TZS</u>
Salaries subvention	4,403,234,848	4,185,324,300
Development funds	8,120,364,460	18,460,607,122
Other charges	354,002,063	396,559,668
Development Foreign	19,278,446,921	31,887,622,545
Revenue Grant - Non monetary	-	7,109,397,600
Sub-total	<u>32,156,048,292</u>	<u>62,039,511,235</u>
Prior year deferred	(23,370,228,140)	(45,247,575,620)
Amount deferred	21,864,460,345	23,370,228,140
Revenue Grant - Non monetary	-	(7,109,397,600)
Sub-total	<u>(1,505,767,795)</u>	<u>(28,986,745,080)</u>
Total	<u>30,650,280,497</u>	<u>33,052,766,155</u>

**27.2 REVENUE FROM EXCHANGE TRANSACTION**

Printing and Publications	224,277,819	758,924,730
Receipt from Conference Facilities	-	900,000
Receipt from Sales of Publications	7,901,107,670	8,637,084,224
Total	<u>8,125,385,489</u>	<u>9,396,908,954</u>

**27.3 OTHER REVENUE**

	<u>2022/23</u> <u>TZS</u>	<u>2021/22</u> <u>TZS</u>
Staff House Rental	24,000,000	8,412,000
Fund for Evaluation of Books & Learning Materials	125,778,500	186,690,000
Other Income	66,000	-
Total	<u>149,844,500</u>	<u>195,102,000</u>

## 27.4 DEPOSIT

	2022/23 TZS	2021/22 TZS
Deposit General	1,819,840	-
Unapplied Deposit Account	34,415,603	-
<b>Total</b>	<b>36,235,443</b>	<b>-</b>

## 27.5 SALARIES WAGES AND STAFF BENEFITS

	2022/23 TZS	2021/22 TZS
Wages, salary & benefits	7,699,935,825	5,355,459,325
Liabilities not paid (note 11)	(27,078,877)	(117,083,961)
<b>Total</b>	<b>7,672,856,948</b>	<b>5,238,375,364</b>

## 27.6 USE OF GOODS AND SERVICES

	2022/23 TZS	2021/22 TZS
Use of Goods and Services	28,344,290,795	55,919,579,101
<b>Sub-total</b>	<b>28,344,290,795</b>	<b>55,919,579,101</b>
Prior year liabilities	535,879,154	-
Unpaid liabilities	(344,837,882)	(2,959,630,853)
<b>Sub-total</b>	<b>191,041,272</b>	<b>(2,959,630,853)</b>
<b>Add/(Less): Prior year prepayment amortized to expenses</b>		
Closing inventory balance (Note 23)	7,855,030,015	4,533,206,926
Prior year inventory balance (Note 23)	(4,533,206,926)	-
<b>Sub-total</b>	<b>3,321,823,089</b>	<b>4,533,206,926</b>
Closing Consumables Balance (Note 23)	-	64,588,162
Prior Year Consumables Balance (Note 23)	(64,588,162)	-
	<b>(64,588,162)</b>	<b>64,588,162</b>
<b>Total</b>	<b>31,792,566,994</b>	<b>57,921,743,336</b>

## 27.7 AUDIT FEE PAID

	2022/23 TZS	2021/22 TZS
Audit fees for the year	112,000,000	112,000,000
Prior year accrued liabilities	112,000,000	112,000,000
<b>Sub-total</b>	<b>224,000,000</b>	<b>224,000,000</b>
Unpaid liabilities at year end	(112,000,000)	(112,000,000)
<b>Amount Paid</b>	<b>112,000,000</b>	<b>112,000,000</b>

## 27.8 PREPAYMENT &amp; ACQUISITION OF PPE

	2022/23 TZS	2021/22 TZS
Assets acquired	130,357,003	8,072,251,601
Less: Asset received but payment made in advance	-	(267,659,595)
Less: Printing Machine received as grant (Note 17.3)	-	(6,933,113,600)
Less: Computer received as grant (Note 17.3)	-	(176,284,000)
Total	130,357,003	695,194,406

## 28. LIST OF TRANSACTIONS/BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 JUNE, 2023

S/N	Goods/Services received	Name of entity received goods/services	Amount paid	Payables balance
1	Electricity utility	TANESCO	105,977,663	
2	Water	DAWASCO	13,736,506	
3	Security Service	SUMA JKT	270,588,000	
4	Internet Services	TTCL	68,596,743	
5	Fuel consumption for motor vehicles & generator	GPSA	220,000,000	
6	Clearing and forwarding charges	GPSA	1,981,791	
8	Transportation of Textbooks and other learning materials to all Tanzania Mainland districts	JWTZ	273,550,202	
9	Service and maintenance of motor vehicles	TEMESA	50,218,284	
10	Hiring of conference and seminar rooms	Tanzania Library Service Board	8,450,000	
11	Hiring of conference and seminar rooms	ADEM	4,150,000	
12	Hiring of conference	Institute of Adult Education	25,300,000	
13	Hiring of conference	Morogoro Secondary School	19,600,000	
14	Hiring of conference	Morogoro Teachers College	72,150,000	
15	Hiring of conference	UMWEMA - SUMA JKT	13,612,000	
16	Insurance cover for motor vehicles	NIC	88,570,399	
17	Advertisement and publications	TBC	31,880,000	
18	Training on awareness of updates and implementation of Public Procurements Acts and its regulations	PPRA	9,950,000	



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S/N	Goods/Services received	Name of entity received goods/services	Amount paid	Payables balance
19	Office rent at Mwanza	NHC	17,635,971	
20	Training fee	Tanzania Public Service College	3,220,000	
21	Fee for participating on Sabasaba international trade fair exhibition	Tanzania Trade Development Authority	3,280,840	
22	Laboratory testing the quality of paper used on printed textbooks	Tanzania Bureau of Standards	2189,000	
<b>Total</b>			<b>1,285,056,999</b>	

**29. GOING CONCERN**

The Institute net profit is TZS 2,277,997,969.00 for the year ended 30 June 2023. As at reporting date, the Institute's current assets exceeded current liabilities by TZS 5,492,374,077.00. These conditions indicate that the entity is capable of honouring all maturing obligations in the near future.

The Institute's 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 Institute.

In this respect, the 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.

**30. 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.

**31. PRIOR YEAR'S FIGURES**

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

**32. 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.

**33. 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.

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

	<u>2022/23</u>	<u>2021/22</u>
	<u>TZS</u>	<u>TZS</u>
Governing Council Allowances	72,532,999	167,275,000

Transactions which were carried out with key management personnel during the year ended 30<sup>th</sup> June, 2023, are disclosed as required by IPSAS 20 below: -

### Related Party Disclosure

	<u>2022/23</u>	<u>2021/22</u>
	<u>TZS</u>	<u>TZS</u>
Salaries and Wages	432,714,000	432,714,000
Other Benefits	216,000,000	216,000,000
Total	<u>648,714,000</u>	<u>648,714,000</u>

## 34. COMMITMENTS

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

No.	Descriptions	30.06.2023
		TZS
1	Printing and distribution of secondary school textbooks for form 1-4 for Science and Mathematics subject	7,012,787,320
2	Develop, Printing and distribution of Braille and Large print secondary school textbooks for form 1-4 for Science and Mathematics subject	1,632,775,366
3	Printing and distribution of textbooks for standard 1V-VI	10,574,997,978
4	Construction of TIE Godown for store of educational materials prepared by TIE.	670,742,340
5	Purchase of Printing Machine for Mzumbe Book Project	540,000,000
6	Review of Curriculum for Pre-Primary, Primary, Secondary and Teachers College	89,719,989
7	Distribution of Textbooks and supplementary textbook	1,243,437,352
Total		<u>21,764,460,345</u>

## 35. CONSOLIDATED FIGURES

In the Financial Year 2021/2022 it was a 5<sup>th</sup> time and an end for the Institute to consolidate figures after acquiring a control and has rights to variable benefits from involvement with eight printing presses. From 1<sup>st</sup> July, 2022 TIE started using a Government Accounting System named MUSE on which the mode of accounting operations for printing presses changed. All accounting functions, procurement and data of printing presses are managed and processed at TIE head

office with strict control and limited access to financial information. Due to this changes the financial figures reported as a single entity.

### 36. COMPARATIVE FIGURES

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

### 37. Fully depreciated asset which are still in use

During the Financial Year 2022/2023 TIE has some assets which are full depreciated but still in use and the process of analysing them for disposal will take place in the Financial Year 2023/2024.

Asset code	Description	Historical Cost (TZS)
FA000000016	Morogoro Press Building	65,616,525
FA000000017	Press B Building	65,616,525
FA000000018	Tabora Press Building	104,104,350
TR070002663	STANDBY GENERATOR	52,000,000
No code	Stock of Books	57,356,933
<b>Total</b>		<b>344,694,333</b>