

# REPORT OF THE CONTROLLER AND AUDITOR GENERAL



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



TANZANIA TOURIST BOARD

## 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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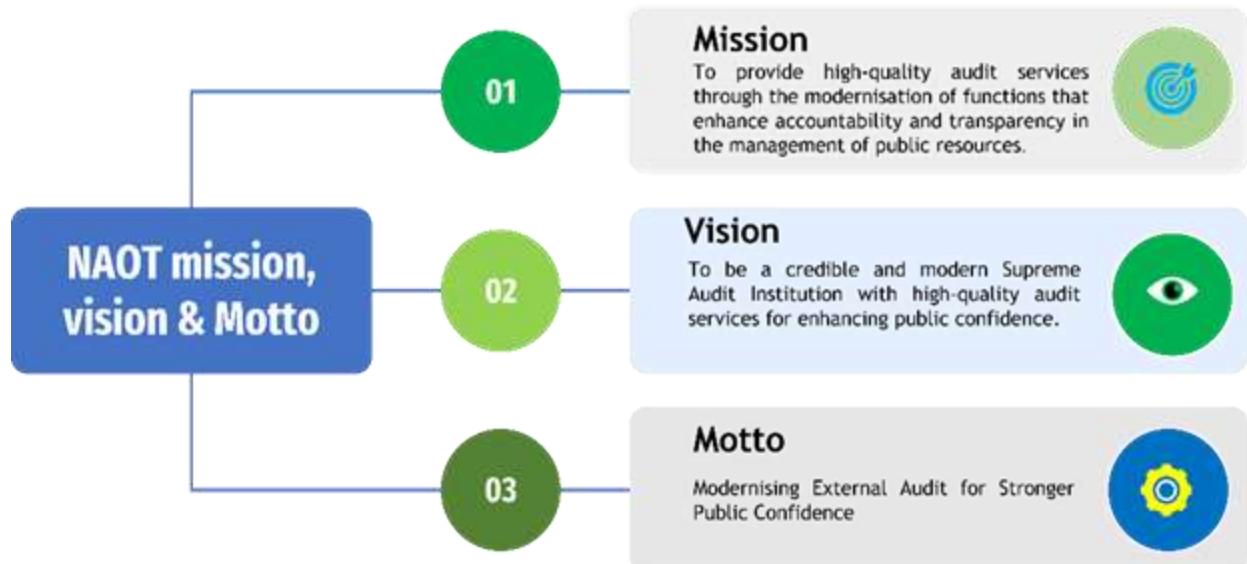
March 2024

AR/PA/TTB/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 Tourist Board 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

COVID 19	Corona Virus Disease of 2019
CSR	Corporate Social Responsibilities
GDP	Gross Domestic Product
GFS	Government Finance Statistics
GPSA	Government Procurement Services Agency
HIV	Human immunodeficiency virus
HQ	Head Quarter
IESBA	International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
LLB	Legum Baccalaureus meaning Bachelor of Laws
MBA	Masters of Business Administration
MICE	Meetings, Incentives, Conference and Events
MUSE	Mfumo wa Ulipaji Serikalini
NCD	Non-communicable Disease
NSSF	National Social Security Fund
PhD	Philosophiae Doctor meaning Doctor of Philosophy
PPP	Private Public Partnerships
PSSSF	Public Service Social Security Fund
RTD	Retired
TANePS	Tanzania National Electronic Procurement System
TTB	Tanzania Tourist Board
TTC	Tanzania Tourist Corporation
TUICO	Tanzania Union of Industrial and Commercial Workers
U.A.E	United Arab Emirates
UNWTO	United Nations World Tourism Organization
UVCCM	Umoja wa Vijana wa Chama Cha Mapinduzi

## 1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman of the Board,  
Tanzania Tourist Board,  
P.O. Box 2483  
Dar es Salaam.

### 1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

#### **Unqualified Opinion**

I have audited the financial statements of Tanzania Tourist Board, 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 Tourist Board 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 Tourist Board 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 Director’s Report, statement of Management responsibility, Declaration by the Head of Finance and but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor’s report.

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [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 procurement of works, goods and services in the Tanzania Tourist Board for the financial year 2022/23 as per the Public Procurement laws.

#### **Conclusion**

Based on the audit work performed, I state that procurement of goods, works and services of Tanzania Tourist Board is generally in compliance with the requirements of the Public Procurement laws in Tanzania.

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

#### **Subject matter: Budget formulation and execution**

I performed a compliance audit on budget formulation and execution in the Tanzania Tourist Board 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 Tourist Board 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

Pursuant to the Tanzania Financial Reporting Standard (TFRS) No. 1 “Report by Those Charged with Governance”, the Board would like to present this report and financial statements for the financial year ended 30 June 2023. Presentation of the financial statements is in accordance with the provisions of the Public Audit Act, Cap 418 (R.E. 2021) and Public Finance Act No.6 of 2001 (revised 2004).

### 2.2 INCORPORATION

TTB is a government parastatal organization which was legally established by Tanzania Tourist Board Act, CAP 364 R.E. 2002 as amended by Act No. 18 of 1992. TTB was formed after the disbandment of the Tanzania Tourist Corporation (TTC). The Board is mandated with promotion and development of “all the aspects of tourism” industry in Tanzania. The Board is under the supervision and control of the Board of Directors.

### 2.3 MISSION, VISION AND CORE VALUES

#### (i) Vision statement

Tourism becomes number one contributing sector to the GDP by year 2025.

#### (ii) Mission statement

To promote sustainable tourism domestically and internationally through innovative and dynamic awareness creation in order to contribute significantly to the socio-economic development of Tanzania.

#### (iii) Core values

The Board's core values include: -

- **Transparency:** TTB staff shall exercise openness, impartiality, accuracy and promptness in sharing the information with all the stakeholders;
- **Accountability and Responsibility:** TTB employees shall be accountable and responsible for their actions, exercise diligence to duty and optimum use of resources.
- **Competence, Discipline and Team Spirit:** TTB employees shall demonstrate high level of commitment, by working together, collaborating and coordinating in discharging their duties, while striving to achieve the highest standard of work efficiently and actively seek for opportunities to improve those standards through competence and skills training;

## 2.3 MISSION, VISION AND CORE VALUES (CONTINUED)

- **Innovativeness:** Whenever possible TTB employees are expected to be innovative and embrace modern technology so as to be able to adapt to the fast changing environment in undertaking their duties.
- **Quality Customer Service:** TTB staff shall demonstrate high level of respect, impartiality, courtesy, timeliness in the course of discharging their duties so that customers will leave TTB with better experience than expected at all time.
- **Productive partnerships, socio responsibilities and recognition of employees:** All TTB staffs are expected to seek for better partnerships with both public and private sector while preferring socially responsible ones at the same time embrace the notion of recognizing hard working employees.

## 2.4 KEY RESULT AREA (KRA) OF STRATEGIC PLAN

The Tanzania Tourist Board strategic plan has nine Key Result Areas (KRAs), Six Strategic objectives with 52 targets to be achieved in the five (2021/2022-2025/26) years of the plan.

**Table 1: The strategic objectives and number of targets to be addressed during implementation period are as shown.**

S/N	Strategic Objectives	Number of Targets
1	A. Intervention and Prevention of HIV/AIDS and Non-Communicable Diseases Programmes at work place strengthened	2
2	B. Internalization of the National Anti - Corruption Strategy Enhanced	3
3	C. Tourism Product Development, Diversification and Marketing Strengthened	17
4	D. Quality and Standards of Tourism Operations Enhanced	7
5	E. Engagement of Tourism Stakeholders" Improved	5
6	F. Institutional Capacity to Deliver Services Strengthened	18
	<b>TOTAL</b>	<b>52</b>

## 2.5 PRINCIPAL ACTIVITIES OF TANZANIA TOURIST BOARD

The Board's principal activities are:

- To promote and develop all aspects of tourist industry in Tanzania through effective marketing and promotion of tourism domestically and internationally; and
- To adopt all such measures as it may consider necessary to advertise and publicize Tanzania as a popular tourist destination;
- To encourage by such measures as it may deem fit for the development of such amenities in Tanzania as it may enhance the attractiveness of Tanzania to tourists;

## 2.5 PRINCIPAL ACTIVITIES OF TANZANIA TOURIST BOARD (CONTINUED)

## TANZANIA TOURIST BOARD

- To undertake research, experiments and operations as may appear to be necessary to improve the basis of the tourist industry;
- To foster an understanding within Tanzania of the importance and economic benefits of the tourist industry;
- To make all such inquiries and collect all such information as it may deem necessary for the purpose of carrying out its functions.
- To improve co-ordination within the tourism industry and improve tourist products and services.

### 2.6 BOARD OF DIRECTORS

The last appointment of Board of Directors ended on 23<sup>rd</sup> April 2022. Thereafter, TTB was put under oversight of the Permanent Secretary Ministry of Natural Resources and Tourism for twelve months. The oversight under the Permanent Secretary also lapsed on 23 April 2023 prior appointed of the new Board of Directors. After the end of Financial Year 2023, the TTB Board of Directors was announced on 5 August, 2023 by the Minister for Natural Resources and Tourism following appointment of Chairman of the Board by the President of the United Republic of Tanzania Dr. Samia Hassan Suluhu. The Board now comprises of seven Directors including the Chairman. The Board Members are as follows:

**Table 2:List of TTB Board of Directors**

S / N	Name	Position	Date appointed	Age	Qualification/Discipline	Nationality
1	H.E Amb. (Rtd) Dr. Ramadhani K. Dau	Chairman	05.08.2023	66	Lecturer at the Faculty of Commerce & Management, Associate Dean (Academics, Doctorate Degree in Business Administration	Tanzanian
2	Ms Jacqueline Lohay Woiso	Member	05.08.2023	49	Advanced Diploma in Business Administration and Master of Business Administration	Tanzanian
3	Mr. Tindi Yusufu Mndolwa	Member	05.08.2023	51	Postgraduate Diploma in Management of Foreign Services-Centre for Foreign Relations, Master's in Diplomacy and BA, Political Science (International Relations)	Tanzanian
4	Mr. Said Abeid Kamugisha	Member	05.08.2023	64	Certificate in Legal Practice and LLB (Hons)	Tanzanian
5	Mr. Omar Suleiman Mohamed	Member	05.08.2023	44	BA (Hons) Travel & Tourism, Pathway to Advance Studies (Incorporating the level 2 National Progression Diploma)	Tanzanian

**TANZANIA TOURIST BOARD**

S / N	Name	Position	Date appointed	Age	Qualification/Discipline	Nationality
6	Ms. Mozzah Salim Mauly	Member	05.08.2023	48	Diploma in Tourism and Management - Utalii Collage, International Business Relation - Online Course - Robert Kennedy College Zurich and Degree in Business and Management - Portsmouth London	Tanzanian
7	Dr. Thereza Israel Mugobi	Member	05.08.2023	41	PhD in Tourism, Master's degree in International Tourism and a BA in tourism Management	Tanzanian
8	Mr. Damas Joseph Mfugale*	Secretary	05.08.2023	51	MBA - International Hospitality and Tourism Management, Higher Diploma in Hotel Catering and Tourism Management, Certificate in Hospitality Planning and Development	Tanzanian
9	Mr. Ephraim B. Mafuru**	Secretary	15.03.2023	52	MA. Business Administration	Tanzanian

\* Mr. Damas Joseph Mfugale ceased to be Board Secretary from 15 March 2024 after a new Managing Director Mr. Ephraim B. Mafuru was appointed.

\*\* Mr. Ephraim B. Mafuru assumed the role of Managing Director of the Board and the Board of Directors Secretary from 15 March 2024.

During the year, there were no meetings conducted by the Board because the appointment was done post Balance Sheet date '*event after the reporting period*'. All the Directors are Non-Executive Directors and none of them has an interest in TTB. Among the issues need adoption by the Board in their meetings are;

- Quarterly Reports of the Board (Third and Fourth Quarter 2022/23);
- Reviewed staff Regulations, Financial Regulations, and Strategic Plans
- Adopting draft financial statements for the year 2022/23;
- Adopting the Procurement Plan for 2022/23;
- Review of tourism activities for the year; and
- Approved of the TTB Budget for the financial year 2022/23

## **2.7 THE BOARD COMMITTEES**

As at the time of submission of the Draft Financial Statement to the CAG as per Accounting Circular No. 03 Of 2022/23 with reference No. EG.03/102/09/198 of 01 June 2023 there were no committee formed. In this case, the Audit Committee to review the Draft Financial Statement 2022/23 were not performed. Eventually, the Internal Audit were consulted and review the same for assurance to the Board Chairman prior signing the Draft Financial Statements for submission

The Board Committees comprise a Chairman and at least two Members. Except for the Chairman of the Audit Committee, the other Committee chairmen will serve for one year on a rotational basis. Moreover, clause 12.2 of the Charter stipulates that there shall be established, among others, two important committees which are the Good Governance and Risk Committee and the Audit Committee. Clause 12.2 continues to stipulate that the Board of Directors may establish other committees like Finance and Human Resource Committee, Marketing Investment and Communication Committee. The Board of Directors' Committees were formed in December 2023 after full formation of the Board and were as follows:

### **2.7.1 Audit, Risk and Compliance Committee**

<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Gender</b>	<b>Nationality</b>
1	Mr. Said Abeid Kamugisha	Chairman	Male	Tanzanian
2	Mr. Tindi Yusufu Mndolwa	Member	Male	Tanzanian
3	Ms Jacqueline Lohay Woiso	Member	Female	Tanzanian

### **2.7.2 Budget, Investment and Finance Committee**

<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Gender</b>	<b>Nationality</b>
1	Mr. Omar Suleiman Mohamed	Chairman	Male	Tanzanian
2	Ms Mozzah Salim Mauly	Member	Female	Tanzanian
3	Ms Jacqueline Lohay Woiso	Member	Female	Tanzanian

### **2.7.3 Marketing, Promotion and Communication Committee**

<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Gender</b>	<b>Nationality</b>
1	Dr. Thereza Israel Mugobi	Chairperson	Female	Tanzanian
2	Ms Mozzah Salim Mauly	Member	Female	Tanzanian
3	Mr. Omar Suleiman Mohamed	Member	Male	Tanzanian

### **2.7.4 Human Resource and Good Governance Committee**

<b>S/N</b>	<b>Name</b>	<b>Position</b>	<b>Gender</b>	<b>Nationality</b>

## TANZANIA TOURIST BOARD

1	Mr. Tindi Yusufu Mndolwa	Chairman	Male	Tanzanian
2	Dr. Thereza Israel Mugobi	Member	Female	Tanzanian
3	Mr. Said Abeid Kamugisha	Member	Male	Tanzanian

### 2.8 MANAGEMENT OF TANZANIA TOURIST BOARD

The overall management of the Board is vested in the Board of Directors, while day to day operations are executed by the Management team headed by the Director General. TTB is led by the Director General who is the Accounting Officer. He is assisted by two Directors, one being Director of Corporate Services and the other being the Director of Marketing. Under this setup, 5 Units Report direct to the Directors office ie. Public Relations, Legal, Internal Audit, Procurement, and Information Communication Technology. Units under Corporate services are Human Resources, Planning and Finance and Accounts. Those which are under Marketing Directorate are Marketing Section and Convention and Events. The Management team of the Board for the year under review includes the following:

**Table 3:The Management team of the TTB for the year under review**

S/N	Directorate/Department/Unit	Name	Title
1	Director General	Damas Joseph Mfugale	Director General (up to 15 March 2024)
2	Director General	Ephraim B. Mafuru	Director General (from 15 March 2024)
3	Directorate of Corporate Services	Amos Langaal Nnko	Director of Corporate Services

**Table 4:The Management team of the TTB for the year under review (continued)**

S/N	Directorate/Department/Unit	Name	Title
5	Finance and Accounting Section	Mweha Hamisi Mbajo	Ag. Finance and Accounting Manager
6	Planning , Monitoring and Evaluation Unit	Colleta Nchimbi	Ag. Planning , Monitoring and Evaluation Manager
7	Legal Services Unit	Kapwete John Mboya	Legal Services Manager
8	Internal Audit Unit	Stephen Kobero Mpeka	Internal audit Manager
9	Human Resources and Administration Section	Angela Peter Tirumanywa	Human Resources and Administration Manager
10	Information and Communication Technology Unit	Rossan Reuben Mduma	Information and Communication Technology (ICT) Unit
11	Public Relations and Communication Unit	Robert Mgendi Masunya	Ag Public Relations and Communications Manager
12	Procurement Management Unit	Shose Minja	Procurement Management Manager

The departments and Units of the TTB have the main functions as described herein:

**Table 5:The departments and Units of the TTB functions**

S/N	Department	Function
1	Public Relations Unit	To create and maintain the positive image of TTB.
2	Legal Services Unit	It is responsible for providing legal services to the Board.
3	Internal Audit Unit	It is responsible for ascertaining compliance on adherence to the internal control systems, financials and operations that established TTB to carry out its business economically and in an orderly manner.
4	Information and Communication Technology (ICT) Unit	To maintain and manage information systems and electronic business of the Board.
5	Procurement Management Unit	To ensure efficiency and effectiveness support to the Board's operations through proper assets and contract management, availability of adequate storage facilities and timely acquisition of goods and services in line with public procurement legislations, government circulars and consideration of principle of TTB.
6	Human Resources and Administration	It performs all functions pertaining to human resources and administration and other logistical issues.
7	Planning and Investment	Formulation of sound planning policies and guidelines, the development of project proposals and programs, and the coordination of preparations of strategic plans and budgets. Further, monitoring of the implementation of the Board's projects.
8	Finance and Accounting	Responsible for all accounts and finance issues in accordance with the International Accounting Standards (IAS) and other regulatory frameworks.

## **2.9 OVERVIEW OF FINANCIAL STATEMENTS**

The Financial statements present, financial position, financial performance, changes in net asset/equity, cash flows statements, Statement of comparison of Budget and actual amounts and Notes to the financial statements of the TTB (Vote TR44) as at 30 June 2023.

### **2.9.1 FINANCIAL POSITION**

Financial Position comprises; Cash and cash equivalent, receivables, inventories, Property Plant and Equipment, payables, Recurrent deferred Income, deposits and Net asset/Equity.

#### **i. Cash and Cash equivalent**

This decrease of Cash and cash equivalent was due to reduction in funds received from Government for development expenditure activities which was planned during the year under review. As at closure of the financial year 2022/23, TTB (Vote TR44) remained with cash and cash equivalent amounting to TZS 901.9 million while in 2021/22 cash and cash equivalents stood at TZS 2,650.7 million a decrease of 66%.

**ii. Property, Plant and equipment**

The total Carrying Amount for PPE as at 30 June 2023 is TZS 16.7 billion as compared to TZS 15.8 billion reported in the financial year ended 30 June 2022. The increase was caused by new assets procured during the year. Detailed movement is shown in the PPE Movement schedule on Note 9 of this report.

**iii. Payables**

In the financial year ended 30 June 2023 Tanzania Tourist Board had payables relating to supplies of goods and services received from various suppliers, utilities and staff claims amounting to TZS 1.659 billion making a decrease of 0.15% as compared to TZS 1.661 billion reported in the financial year 2021/22. The decrease was caused by settled claims against employees and suppliers.

**iv. Liquidity**

The Board had current liability of TZS 2.60 billion compared to TZS 2.49 billion in the previous year, which is an increase of TZS 0.11 billion in current liabilities equivalent to 4.53%. On the other hand, current assets decreased from TZS 8.36 billion in 2021/22 to TZS 1.72 billion this year mainly due to decrease in prepayments and cash equivalent at the year-end which is equivalent to 79.47%. The cars received from GPSA were reported in the year 2022/23. Cash decreased due to planned utilization.

**2.9.2 FINANCIAL PERFORMANCE**

Final budget for the year under review was TZS 13.9 billion compared to TZS 20.6 billion approved in the financial year ending 30 June 2022. This is a decrease of TZS 6.7 billion which is equivalent to 48.2%.

The final budget comprised of TZS 1,677.73 billion for personnel emoluments, TZS 11.77 billion for other charges and TZS. 0.44 Own Source. Total expenditure for the year under review was TZS 10.91 billion which is equal to 76.13% of the final budget. Total income (cash) received during the year ending 30 Jun 2023 amounted to TZS 8.96 billion which equals to 64.88% of the approved budget.

**i. Revenue**

Total revenue received for the FY 2022/23 was TZS 8.88 billion compared to TZS 16.10 billion during the FY 2021/22. There is a decrease of TZS 7.22 billion which is equivalent to 44.86%. This is due to decrease in Government Grants.

- **Government subvention and grant:** The Board received funds from the central government to cover for staff related benefits as well as financing day to day activities (Other Charges) and financing various projects. During this FY TTB received TZS 7.75 billion compared to TZS. 15.25 billion received previous year. The main cause was failure to receive development fund.
- **Revenue from Exchange Transactions:** During the year revenues from exchange transactions increased from TZS 289.60 million in 2021/22 to TZS 292.45 this year. This is due to increase in rental income from government quarters.

**ii. Other revenues:**

Total other revenue during the year amounted to TZS. 839.53 million compared TZS. 555.89 million received in prior year. The noted increase was due to increase in participation fees for exhibitions and events conducted by the Board during the year and on TZS 112.76 million receipts for COVID 19 support from stakeholders.

**iii. Expenses**

Total expenditure for the period under review was TZS 10.91 billion compared with TZS 8.8 billion in 2021/22 an increase of TZS 2.07 billion equivalent to 23.44%. Nature and performance of Board's expenses was as follows: -

- **Use of goods and service:** - These comprise of all marketing related expenses and Administrations. During the year, there was an increase in supplies and consumable expenses from TZS 6.27 billion year 2021/22 to TZS 6.64 billion this financial year. An increase of TZS 0.37 billion was mainly due to Marketing activities carried out during the year.
- **Depreciation expense:** - During the year ended 30 June 2023 total of TZS 677.17 million was charged to the financial performance being depreciation for furniture and fittings, Generator, Computer and photocopiers and building during the year. In 2021/22, TZS 247.6 million was charged to financial performance. The increase is due to addition of asset as narrated in note 9.

**iv. Surplus or deficit**

During this financial year the TTB recorded a deficit of TZS 6.03 billion compared to a surplus of TZS 7.23 billion in previous year. While funds to procure vehicles under COVID 19 support were received and recognized as grant income in prior year leading to increase in surplus, the vehicles were released to institutions during the year and a corresponding expense recognized in the current year, hence increase in deficit during the year under review.

**2.9.3 CASH FLOWS.**

During the year ended 30 June 2023, the Board generated negative cash flow from its operating amounting to TZS 1.59 billion compared to cash inflow of TZS 4.15 billion in prior year. The

## TANZANIA TOURIST BOARD

Board also experienced a decrease in cash and cash equivalent amounting to TZS 1.75 billion compared to an increase of TZS 2.01 billion in prior year.

### 2.10 OVERALL BUDGET PERFORMANCE DURING THE YEAR ENDED 30 JUNE 2023

For the Board to perform its functions it has to prepare its plan and budget on annual basis as any other government institution does. In the financial year ended 30 June 2023, Tanzania Tourist Board received total of TZS 9,009,070,572 which is equivalent to 64.88% of total approved budget, of which TZS 7,572,474,795 was received from Central Government through exchequer system and the balance from own and other source. As at 30 June 2023 total of TZS 9,009,070,572 equivalent to 100 % of funds received was utilized of which TZS 50,487,000 equivalent to 0.56% of the total funds utilized was transferred to TTB branches and TZS 8,958,583,571 equivalent to 99.44% was spent at TTB HQ. General budget performance report is shown in the Table 6.

**Table 6: General Budgetary Performance Report for the financial year 2022/23**

	RECURRENT		DEV	OS	TOTAL
	PE	OC			
<b>APPROVED BUDGETS</b>					
	TZS	TZS	TZS	TZS	TZS
Tanzania Tourist Board	1,677,734,561	11,768,634,340	-	439,891,520	13,886,260,421
<b>Total approved budget</b>	<b>1,677,734,561</b>	<b>11,768,634,340</b>	<b>-</b>	<b>439,891,520</b>	<b>13,886,260,421</b>
<b>RECEIPTS</b>					
Exchequer Issues received	1,677,734,561	5,894,740,234	-	-	7,572,474,795
Own Sources	-	-	-	907,303,493	907,303,493
Other receipts (other contributors)	-	-	529,292,284	-	529,292,284
<b>Total receipts</b>	<b>1,677,734,561</b>	<b>5,894,740,234</b>	<b>529,292,284</b>	<b>907,303,493</b>	<b>9,009,070,572</b>
<b>Receipts Vs Budget</b>	<b>100%</b>	<b>50%</b>	<b>-</b>	<b>206%</b>	<b>65%</b>
<b>ALLOCATIONS</b>					
Tanzania Tourist Board-HQ	1,677,734,561	5,844,253,234	-	1,436,595,776.50	8,958,583,571
Transferred to branch	-	50,487,000			50,487,000
<b>Total allocations</b>	<b>1,677,734,561</b>	<b>5,894,740,234</b>	<b>-</b>	<b>1,436,595,776.50</b>	<b>9,009,070,571.50</b>

**Table 7: General Budgetary Performance Report for the financial year 2022/23  
(continued)**

EXPENDITURE					
Tanzania Tourist Board-HQ	1,677,734,561	7,407,118,533	-	1,436,595,776.50	10,521,448,870.50
Transferred to branch	-	50,487,000	-	-	50,487,000
<b>Total Expenditure</b>	<b>1,677,734,561</b>	<b>7,457,605,533</b>	<b>-</b>	<b>1,436,595,776.50</b>	<b>10,571,935,878</b>
FUNDS BALANCES					
Tanzania Tourist Board-HQ	-	-	-	-	1,562,865,308
Transferred to Branch	-	-	-	-	-
Fund Balance	-	1,562,865,308	-	-	1,562,865,308

Source: *Tanzania Tourist Board - Budget performance Report 2022/23*

## 2.11 CHALLENGES/CONSTRAINTS

- ii. Shortage of staff at the Tanzania Tourist Board;
- iii. Shortage of working tools, to the TTB; and
- iv. Foreign currencies fluctuations which affect International tourism promotion.
- v. Insufficient fund to accomplish set goals.
- vi. Operational bottlenecks eg. Visas, Infrastructures, customs etc

## 2.12 FUTURE OUTLOOK/ WAY FORWARD

With consideration in budget ceiling, Tanzania Tourist Board plans to do the following: -

- Create conducive working environment to attract staff, recruit more skilled staff and provide training to existing human resource;
- Identification and prioritizing markets depending on financial capability identify new sources of revenue and involvement of various stakeholders in Implementation of planned activities through Public Private Partnership (PPP); and
- TTB has allocated budget to facilitate the promotion of new tourism product for Meetings, Incentives, Conference and Events (MICE), to enhance engagement of tourism stakeholders, improvement and development of tourism marketing by participating in local and International tourism exhibitions. To meet the requirement of the Law, TTB Office has prepared a draft of annual report that reflects the actual situation regarding financial position and performance of the TTB for the year ending 30 June 2023.

## 2.13 KEY PERFORMANCE INDICATORS DURING THE YEAR 2022/23

Key Performance Indicators measure the nature and scope of efficiency and effectiveness of The Board operations. The Key Performance Indicators are as per Corporate Strategic Plan on reporting service performance information that assists users of the financial statements to assess the Board service efficiency and effectiveness. The implementation of the Strategic Plan is evaluated on a quarterly basis, based on Key Performance Indicators and its report is compiled on a semi-annual and annual basis. The assessment of the performance includes both financial and non-financial aspects.

For the period of 12 months (four quarters), the Board implemented a number of activities as per its Strategic Plan 2021/22 - 2025/26 objectives by using TTB 2022/23 budget. The Board's KPIs and achievements for the period under review are as given in the table below:

**Table 8: Key performance indicators during the year 2022/23**

Objective strategic	Strategies	Targets/Planned Outcomes	Annual Targets	Achievements (Actual Progress)
HIV/AIDS and non-communicable diseases to employees reduced and supportive services improved	Implement programs to fight the spread of HIV/AIDS and non-Communicable diseases at workplace and surrounding community.	HIV/AIDS awareness seminars conducted by June 2026	To conduct one awareness seminars to staff on HIV/AIDS by June 2023.	<ul style="list-style-type: none"> <li>i. One (1) HIV/AIDS and NCD seminar was conducted to 63 staff.</li> <li>ii. Protection gear (Sanitizers, facemask) to combat Covid- 19 pandemic were supplied.</li> <li>iii. Male and female condoms were purchased.</li> </ul>
Tourism services improved	Diversifying existing tourism products.	International tourism promotional events increased from 20 to 200 by June 2026	To facilitate maintenance of tourism facilities and enhance tourism standards by June 2023	<ul style="list-style-type: none"> <li>i. Launching of The Royal Tour Film during UNWTO meeting in Cape Verde.</li> <li>ii. TTB Organized and coordinated participation in the Dubai Expo2020.</li> <li>iii. 9 Fam trips conducted for Travel agents and media in Mafia, Nyerere National Parks, Pugu Forest, Ngorongoro and Serengeti, Materuni Falls, Manyara National Park as well as Mkomazi National Parks,</li> <li>iv. Courtesy Call conducted for 19 new appointed ambassadors</li> <li>v. Branded Kikwete Halls in Dar es Salaam State House.</li> <li>vi. 12 Virtual meeting conducted with our ambassadors in foreign countries.</li> <li>vii. Conducted virtual meeting with key stakeholders from South Africa, Brazil, Sweden, Canada, Japan, Qatar, U.A.E, Czech Republic, USA, Namibia Tourism Board, and</li> </ul>

**TANZANIA TOURIST BOARD**

Objective strategic	Strategies	Targets/Planned Outcomes	Annual Targets	Achievements (Actual Progress)
				<p>Thailand Tourism Agency Authority.</p> <p>viii. Preparation for 6th Edition of Swahili International Tourism Expo 2022</p> <p>ix. Destination Tanzania was promoted in China.</p>
National Anti-Corruption Strategy implementation enhanced and sustained.	Training to all TTB staff on the National Anti-corruption strategy.	Training on Anti-Corruption Strategy conducted by June 2026.	To train 63 staff on the National Anti-corruption strategy by June 2023.	<p>i. One (1) ethical meeting was conducted to 63 staff .</p>
		Domestic tourism promotional events increased from 20 to 200 by June 2026	Domestic tourism promotional events increased from 20 to 200 by June 2023	<p>i. Launching of the the Tanzania Royal Tour film in America, at the national level in Arusha and Zanzibar and at the Regional level in Dodoma and Mwanza.</p> <p>ii.Organised and participated in eight (8) domestic festivals. These are Majimaji Serebuka, Chato Tourism and Investment, Dodoma Wine, Bagamoyo, Mwalimu Nyerere @100, Kijiji Soko, Senene, Burigi - Chato and Maji maji Worriors.</p> <p>ii. Three (3) exhibitions were attended i.e Geita Mining exhibition, Great lakes International Tourism Expo East Africa Regional Tourism Expo 2021.</p> <p>iii. Participated in the Anglican women see off to the Ngorongoro conservation area and welcoming of three (3) Hon. Retired ambassadors of France.</p> <p>iv. One (1) staff attended Rwanda Tourism Week in Kigali</p>

**TANZANIA TOURIST BOARD**

Objective strategic	Strategies	Targets/Planned Outcomes	Annual Targets	Achievements (Actual Progress)
				<p>v. Four (4) staff participated in Kabadi International Tournament sports in Dar es Salaam.</p> <p>vi. International women's day was celebrated in three (3) different regions.</p> <p>vii. Organized the participation of MNRT Institutions in Regional Nile Day at Mlimani City Dar es salaam</p> <p>viii. Participation in the Miss Tanzania contestant at Mlimani City Dar es Salaam.</p>
		<p>MICE events attracted to Tanzania increased from 327 to 700 annually by June 2026</p>	<p>MICE events attracted to Tanzania increased from 327 to 700 annually by June 2023</p>	<p>(i) From 19-23 January 2023 TTB HQ organized and participated in FITUR exhibition in Madrid Spain together with other MNRT institutions such as TANAPA, NCAA, TAWA and TFS.</p> <p>(ii) Facilitation of Three (3) staff for twenty days each to conduct MICE venue inventory in seven regions</p> <p>(iii) Facilitation the preparation of 1st East Africa Tourist EXPO EARTE by 2022</p> <p>(iv) Facilitation of 20 staff to attend Training for introduction to MICE from 17<sup>th</sup> - 20<sup>th</sup> October 2022</p> <p>(v) One(1) staff attended UNWTO Annual Convention held in Madrid - Spain 28<sup>th</sup> Nov - 4<sup>th</sup> Dec, 2022</p> <p>(vi) Two (2) staff Participated in the First East African Regional Tourism Expo held in Arusha from 8<sup>th</sup> - 16<sup>th</sup> October 2022</p> <p>(vii) One (1) staff participated in IMEX meeting held in Germany from 31<sup>st</sup> May - 2<sup>nd</sup> June 2023</p>

**TANZANIA TOURIST BOARD**

Objective strategic	Strategies	Targets/Planned Outcomes	Annual Targets	Achievements (Actual Progress)
				<p>(viii) One staff participated in Kigali For Rwanda Tourism week basically for gaining MICE experience and knowledge</p> <p>(ix) Preparation of MICE guidebook</p>
Corporate Governance Improved	Engaged social media marketing platforms in different source markets increased from four (4) to twelve (12) by JUNE 2026 .	<p>Engaged social media marketing platforms in different source markets increased from four (4) to twelve (12) by June, 2023</p> <p>Stakeholders' engagement plan developed and operation by June 2023</p> <p>Public awareness campaigns increased from five (5) to twenty (20) by June 2023</p>	<p>To Enhance media relations by 2023</p>	<p>i. Conducted media buy for two (2) for social networking by June 2023.</p> <p>iii. Developed Social media Contents.</p> <p>(i) to facilitated three days FAM trip for special group (Deaf) (CSR)</p> <p>i. Enhanced use of online platforms in marketing</p> <p>ii. Seven (7) Press conferences were conducted. These are; singing MOU with Azam Media, UVCCM, Israel, Royal Tour, EARTE, Twende Butiama.</p> <p>iii. Facilitated FAM Trip for Jimy lyke,</p> <p>iv. Adverts Special Campaigns (77 &amp; WTA),</p> <p>v. Facilitated one (1) PR staff to attend reception for Israel for Tourist Group at KIA.</p> <p>vi. Produced Generic Banner, advert for UNWTO meeting in Spain, Royal Tour, and Vote for Tanzania Attractions &amp; Hotels</p> <p>vii. Attended live programs TV/Radios; Mega FM, TBC</p>

**TANZANIA TOURIST BOARD**

Objective strategic	Strategies	Targets/Planned Outcomes	Annual Targets	Achievements (Actual Progress)
				FM, Star TV, Magic FM, Clouds FM, and Capital TV.
Financial resources mobilization and management enhanced	Strengthen mechanisms for financial and operational resources mobilization; Enhance monitoring and evaluation Enhance monitoring and evaluation Improve financial management systems Improve financial management systems	Annual budgets and reports prepared annually by June 2026; Accounting financial management reporting strengthened by June 2023	To prepare mid-year review and budget reallocation by June 2023	The mid-year review and budget reallocation was completed in December 2022. Expenditure Verification for TTB zonal offices (Mwanza, Arusha and Iringa) was carried out, Preparation of Annual Financial Statement for financial year 2022/2023 was performed, NBAA seminars for CPE hours were attended, Response to Internal and External (CAG) audit queries was done, Review of Financial Regulation was done. Settlement of Audit Fee for the respective financial year was done.
		PPRA standards adherence increased from 72% to 100%	To carry out tender Pre-bidding, Opening, Evaluation, Negotiation and Post qualification by June 2023	Pre-bid meeting, opening, evaluation, negotiation and post qualification of various tenders (works, goods& services) were conducted successfully.
			To conduct training on procurement aspects to 10 Management team and 7 tender board members by June 2023	Ten (10) members of Management and seven (7) Tender Board members were trained on Public Procurement Compliance
		Adherence to procurement legislatives increased from 72% to 100% by June 2026;	To conduct training on procurement aspects to 5 other staff by June 2023	Four (3) members drawn from procurement unit were trained on Tanzania National Electronic Procurement System (TANePS).
			To undertake one (1) perpetual	One (1) perpetual stocktaking was conducted successfully.

Objective strategic	Strategies	Targets/Planned Outcomes	Annual Targets	Achievements (Actual Progress)
			stocktaking by June 2023	

## 2.14 RESPONSIBLE BEHAVIOUR TOWARDS STAKEHOLDERS

The Board believes that the stakeholders are what make the Board's existence. Several measures have been taken to institute a responsible behaviour towards a wide range of stakeholders. Actions being taken in implementing responsible behaviour towards stakeholders include but not limited to inviting them to participate in various tourism shows and facilitating stakeholders' meetings and conferences.

## 2.15 RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors accepts final responsibility for the risk Management and internal control systems of the Board. It is the task of Management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Board's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviors towards all stakeholders.

### Risk and Internal Control Assessment

The Board has an Internal Audit Function which reports administratively to the Director General and functionally to the Board Audit Committee.

### Safeguarding of Board's Assets

The Directors are responsible for safeguarding the assets of the Board and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Board. No incidences of fraud or loss of assets of the Board were encountered during the year under review.

### Compliance with Laws and Regulations

The principal functions and operations of the Board are governed by the Tanzania Tourist Board (Amendment) Act No.18 of 1992. The Directors confirm that the activities and operations of the Board were conducted in accordance with the Act, and the Directors are not aware of non-compliance to other applicable laws and regulations that would have material impact to the Board.

### Reliability of Accounting Records

The Board has employed sufficient and competent staff in the Finance Department to ensure reasonable accountability and professionalism. The Board of Directors is confident that proper books of accounts have been maintained and the financial statements are compliant with International Public Sector Accounting Standards (IPSASs).

## **2.16 GENDER PARITY**

The Board is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion and disability which does not impair ability to discharge duties. As at 30 June 2023 the Board had a total of 57 employees out of which 31 were females and 26 were males.

## **2.17 POLITICAL DONATIONS**

The Board did not make any political donations during the year ended 30 June 2023.

## **2.18 CORPORATE SOCIAL RESPONSIBILITY**

The Board actively participates in various social activities in the society. However during the year under review the Board didn't manage to contribute to the society due to the financial constraints.

## **2.19 EMPLOYEES' WELFARE**

### **Management and Employees Relation**

During the year under review, there was good co-operation between Management and employees who were represented by Tanzania Union of Industrial and Commercial Workers (TUICO). Working relationship between TUICO and the Board is good. In addition, employees are free to provide their views, suggestions, comments or report grievances to the Management through their heads of departments, sectional heads or TUICO representatives.

### **Training Programme**

During the period under review, the Board sponsored several employees to attend profession courses with the view to enhance employees' skills and knowledge and, thereby increasing their efficiency in discharging their duties and responsibilities. The Board spent a total of TZS 28.9 million in training during the year under review.

### **Medical Facilities**

All members of staff, their spouses, children up to the age of 18 years and school going children were availed medical insurance. Currently these services are provided by National Health Insurance Fund whereby both the employee and employer contribute 3% of gross salary to NHIF.

### **Employees' Pension**

The Board operates a defined contribution plan through a pension scheme to which both the employer and employee contribute to the Public Service Social Security Fund (PSSSF).

Employer's portion of social security contributions is 15% and employee is 5% deducted from monthly gross salary. Deductions are made at source and paid directly to the respective fund by the Ministry of Finance and Planning.

#### **Persons with disabilities**

The Board gives equal opportunities to disabled persons for the vacancies they are able to fill. The Board compensates employees who become disabled while in service with the Board as per the Workmen's Compensation Act.

#### **2.19 EMPLOYEES' WELFARE (CONTINUED)**

##### **HIV/AIDS Policy**

The Board has a policy on HIV/AIDS. Amongst its provisions is non-discrimination on people living with HIV/AIDS. People living with HIV/AIDS can be recruited to fill vacancies that may fall due provided they are qualified. Staff participated in seminars on HIV/AIDS in order to increase awareness.

#### **2.20 AUDITORS**

The Controller and Auditor General is the statutory Auditor of the Tanzania Tourist Board (TTB) by the virtue of article 143 (5) of the Constitution of the United Republic of Tanzania as amplified under Sections 5, 9, 12 and 32 of the Public Audit Act No. 11 of 2008. However, according to section 33 of the same Act, the Controller and Auditor General has the mandate to authorise any eligible Auditor to carry out the audit of public entities on his behalf. In this regards therefore, CAG has appointed M/s BDO East Africa to audit the TTB Financial Statements for one term of three years from 2022/23 to 2024/25.

#### **BY THE ORDER OF THE BOARD**

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H.E Amb. (Rtd) Dr. Ramadhani  
K. Dau

**Chairman of the Board**

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Ephraim B. Mafuru

**Director General**

Date: \_\_\_\_\_

**3.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE  
FOR THE YEAR ENDED 30 JUNE 2023**

These financial statements have been prepared by the Management of the Tanzania Tourist Board in compliance with the provisions of Sect 25(4) of the Public Finance Act. No 6 of 2001 (Revised 2004). The financial statements as required by the said Act are presented in a manner consistent with the International Public Sector Accounting Standards (IPSAS) accruals.

It is the Board's responsibility to cause and keep proper books of account and at the end of each financial year to produce financial statements which reflect a true and fair view of the state of affairs and the results of operations of the Board.

The Board confirms that suitable policies have been used and applied consistently and reasonably, and prudent judgments and estimates have been made in the preparation of the Board's financial statements for the year ended 30 June 2023.

The Board further confirms that applicable Accounting Standards have been followed and that the financial statements have been prepared on a going-concern basis. The Board has reasonable expectations that the Tanzania Tourist Board has adequate resources to continue with its operations for the foreseeable future.

The Board accepts responsibility for the integrity of the financial statements, the information they contain and their compliance with the Public Finance Act No. 6 of 2001 (revised 2004) and instructions issued by Treasury in respect of the year under review.

**BY THE ORDER OF THE BOARD**

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H.E Amb. (Rtd) Dr.  
Ramadhani K. Dau

**Chairman of the Board**

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Ephraim B. Mafuru

**Director General**

**Date:** \_\_\_\_\_

#### 4.0 DECLARATION BY HEAD OF FINANCE OF TANZANIA TOURIST BOARD FOR THE YEAR ENDED 30 JUNE 2023

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 Director of finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility of the preparation of financial statements rests with the Board of Directors as declared under the Directors' Responsibility statements on page.

**I CPA Mweha Hamisi** being the Acting Head of Finance and Accounting of Tanzania Tourist Board 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 Tourist Board as on that date and that they have been prepared based on properly maintained financial records.

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Signed by: **CPA Mweha Hamis**

Position: Acting Finance Manager

NBAA Membership No: GA11754

Date: .....

**5.0 FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 30 JUNE 2023**

		2023 TZS	2022 TZS
<b>ASSETS</b>			
<b>Current Asset</b>			
Cash and Cash Equivalents	4	901,865,996	2,650,723,748
Inventories	5	1,080,797	108,786,440
Prepayments	6	461,997,378	5,362,440,061
Receivables	7	351,391,406	238,554,476
<b>Total Current Asset</b>		<b>1,716,335,577</b>	<b>8,360,504,725</b>
<b>Non-Current Asset</b>			
Intangible Assets	8	546,644,397	546,644,397
Property, Plant and Equipment	9	16,683,375,361	15,842,852,651
Work In Progress	10	96,205,993	81,511,000
<b>Total Non-Current Asset</b>		<b>17,326,225,751</b>	<b>16,471,008,048</b>
<b>TOTAL ASSETS</b>		<b>19,042,561,328</b>	<b>24,831,512,773</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Deferred Income (Revenue)	11	664,340,452	571,761,369
Deposits	12	224,565,901	201,942,999
Employee Benefits	13	34,272,602	34,272,602
Payables and Accruals	14	1,659,076,426	1,661,540,168
Provisions	15	20,111,000	20,111,000
<b>Total Current Liabilities</b>		<b>2,602,366,381</b>	<b>2,489,628,138</b>
<b>Non-Current Liabilities</b>			
Deferred Income (Capital)	16	1,963,559,815	1,837,513,415
<b>Total Non-Current Liabilities</b>		<b>1,963,559,815</b>	<b>1,837,513,415</b>
<b>TOTAL LIABILITIES</b>		<b>4,565,926,196</b>	<b>4,327,141,553</b>
<b>Net Assets</b>		<b>14,476,635,132</b>	<b>20,504,371,220</b>
<b>NET ASSETS/EQUITY</b>			
<b>Capital Contributed by:</b>			
Taxpayers/Share Capital		323,880,000	323,880,000
Accumulated Surpluses / Deficits		14,152,755,132	20,180,491,220
<b>TOTAL NET ASSETS/EQUITY</b>		<b>14,476,635,132</b>	<b>20,504,371,220</b>

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H.E Amb. (Rtd) Dr.  
Ramadhani K. Dau  
Chairman of the Board

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Ephraim B. Mafuru  
Director General

Date: \_\_\_\_\_

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 TZS	2022 TZS
<b>REVENUE</b>			
Revenue from Non-Exchequer Transactions	17	7,746,040,809	15,254,470,968
Other revenue	18	839,530,239	555,894,896
Revenue from exchange transactions	19	292,446,035	289,602,296
<b>Total revenue</b>		<b>8,878,017,083</b>	<b>16,099,968,160</b>
<b>EXPENSES AND TRANSFERS</b>			
Expenses			
Depreciation of property, plant and equipment	20	(677,174,736)	(247,606,180)
Maintenance expenses	21	(511,688,891)	(163,604,794)
Other expenses	22	(126,080,382)	(783,568,713)
Use of goods and service	23	(6,637,005,105)	(6,265,222,442)
Wages, salaries and employee benefits	24	(2,959,076,243)	(1,379,163,092)
<b>Total expenses</b>		<b>(10,911,025,357)</b>	<b>(8,839,165,221)</b>
Transfer			
Grants, subsidies and other transfer payments	25	(3,994,727,814)	(28,116,578)
<b>Total expenses and transfers</b>		<b>(14,905,753,171)</b>	<b>(8,867,281,799)</b>
<b>(Deficit)/surplus</b>		<b>(6,027,736,088)</b>	<b>7,232,686,361</b>

H.E Amb. (Rtd) Dr.  
Ramadhani K. Dau

Chairman of the Board

Ephraim B. Mafuru

Director General

Date: \_\_\_\_\_

**TANZANIA TOURIST BOARD**

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

	<b>Tax payer's Fund TZS</b>	<b>Accumulated. surplus</b>	<b>Total TZS</b>
Opening Balance as at 01 Jul 2022	323,880,000	20,180,491,219	20,504,371,219
Deficit for the Year	-	(6,027,736,088)	(6,027,736,088)
<b>Closing Balance as at 30 Jun 2023</b>	<b>323,880,000</b>	<b>14,152,755,131</b>	<b>14,476,635,131</b>
Opening Balance as at 01 Jul 2021	323,880,000	12,947,804,858	13,271,684,858
Surplus for the Year	-	7,232,686,361	7,232,686,361
<b>Closing Balance as at 30 Jun 2022</b>	<b>323,880,000</b>	<b>20,180,491,219</b>	<b>20,504,371,219</b>

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H.E Amb. (Rtd) Dr.  
Ramadhani K. Dau  
**Chairman of the Board**

Ephraim B. Mafuru  
**Director General**

Date: \_\_\_\_\_

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	2023 TZS	2022 TZS
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>RECEIPTS</b>			
Receipts from government and its entities	29	7,581,742,844	15,599,321,920
Grants received	30	382,923,448	1,837,513,415
Receipts from exchange transactions	31	1,019,139,344	760,761,051
Deposits received	32	22,622,902	197,775,699
<b>Total receipts</b>		<b>9,006,428,538</b>	<b>18,395,372,085</b>
<b>PAYMENTS</b>			
Wages, salaries and employee benefits	33	(2,959,076,243)	(1,379,163,092)
Use of goods and service	34	(7,631,963,608)	(12,852,727,530)
Grants/subsidies and other transfer payments	35	(10,000,000)	(10,000,000)
<b>Total payments for operating activities</b>		<b>(10,601,039,851)</b>	<b>(14,241,890,622)</b>
<b>Net cash flows from operating activities</b>		<b>(1,594,611,313)</b>	<b>4,153,481,463</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
<b>Investing activities</b>			
Payment for work in progress	10	(14,694,993)	(20,000,000)
Payment for acquisition of property plant and equipment	36	(139,551,446)	(1,575,043,000)
Acquisition of intangibles	8	-	(546,644,397)
<b>Total payments for investing activities</b>		<b>(154,246,439)</b>	<b>(2,141,687,397)</b>
(Decrease)/increase in cash and cash equivalents		(1,748,857,752)	2,011,794,066
Cash and cash equivalent at beginning of year		2,650,723,748	638,929,682
Cash and cash equivalent at end of year		<b>901,865,996</b>	<b>2,650,723,748</b>

H.E Amb. (Rtd) Dr.  
Ramadhani K. Dau

Chairman of the Board

Ephraim B. Mafuru

Director General

Date: \_\_\_\_\_

**TANZANIA TOURIST BOARD**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE PERIOD ENDED 30 JUNE 2023**

Details	Original budget	Reallocations/	Final budget	Actual amount	Difference	Remarks
	TZS	adjustments	(B)	Basis (A)	Final budget & Actual (A-B)	
<b>RECEIPTS</b>						
Subvention from other government entities	13,396,368,901	50,000,000	13,446,368,901	7,581,742,844	(5,864,626,057)	A
Revenue grants	-	-	-	382,923,448	382,923,448	B
Revenue from exchange transactions	200,000,000	-	200,000,000	-	(200,000,000)	C
Other revenue	239,891,520	-	239,891,520	1,019,139,344	779,247,824	D
Increase in deposit	-	-	-	22,622,901	22,622,901	E
<b>Total receipts</b>	<b>13,836,260,421</b>	<b>50,000,000</b>	<b>13,886,260,421</b>	<b>9,006,428,538</b>	<b>(4,879,831,883)</b>	
<b>PAYMENTS</b>						
Wages, salaries and employee benefits	3,034,060,561	120,580,620	3,154,641,181	2,959,076,243	195,564,938	G
Use of goods and service	8,316,080,377	338,011,998	8,654,092,375	6,559,355,074	2,094,737,301	H
Subsidies	2,400,000	211,000,000	213,400,000	149,551,447	63,848,553	I
Other transfers	15,000,000	-	15,000,000	295,287,814	(280,287,814)	J
Other expenses	666,677,256	-191,996,998	474,680,258	126,080,382	348,599,876	K
Maintenance expenses	1,188,191,520	-74,095,620	1,114,095,900	511,688,891	602,407,009	L
Payment for work in progress	-	-	-	14,694,993	(14,694,993)	M
Acquisition of property, plant and equipment	1,196,205,593	-353,500,000	842,705,593	139,551,447	703,154,146	N
<b>Total payment</b>	<b>14,418,615,307</b>	<b>50,000,000</b>	<b>14,468,615,307</b>	<b>10,755,286,291</b>	<b>3,713,329,016</b>	
<b>Net receipts/payments</b>	<b>(582,354,886)</b>	<b>-</b>	<b>(582,354,886)</b>	<b>(1,748,857,753)</b>	<b>(1,166,502,867)</b>	

H.E Amb. (Rtd) Dr. Ramadhani K. Dau

Ephraim B. Mafuru

**Chairman of the Board**

**Director General**

Date: \_\_\_\_\_

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

### 1. GENERAL INFORMATION

Tanzania Tourist Board was established by the Tanzania Tourist Board (Amendment) Act No.18 of 1992 and came into operation as a legal entity on 1 June 1993; vide Government Notice No.138 of 1993.

Prior to the commencement of the Board, Tanzania Tourist Corporation was in existence and was dissolved by the Public Corporations (Cessation of Tanzania Tourist Corporation and transfer of its Assets and Liabilities Order) 1993 vide Government Notice No.137 published in the Government Gazette on 28 May 1993. The assets and liabilities of the defunct Tanzania Tourist Corporation were transferred to Tanzania Tourist Board (TTB) vide Government Notice No.138 of 1993 Section 5(a), published in the Government Gazette on 28 May 1993.

Tanzania Tourist Board Head Office is located in Dar es Salaam, and operates Zonal offices in Arusha and Mwanza.

The address of its registered office is:

Utalii House,  
Laibon Street No.36 Oysterbay,  
P.O. Box 2485,  
Dar es Salaam.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied effectively during the annual period beginning 1 July 2015 (IPSAS 33).

#### a) Basis of preparation

The financial statements of Tanzania Tourist Board have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) accruals. The financial statements have been prepared under the historical cost convention except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (TZS), in their full figures except for PPE schedule (Note No. 9) rounded to the nearest thousands.

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 Organization'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 disclosed in note 3.

Budget is prepared on Cash basis

### **Changes in accounting policy and disclosures**

As first-time adopter, the Board has taken advantages of the exemptions stated in paragraph 36 to 62 of IPSAS 33 which allows first time adopter not making an explicit and unreserved statement of compliance with other IPSASs because it adopted one or more of the transitional exemptions in this IPSAS (Transition IPSAS financial statements).

#### **b) Property, Plant and Equipment**

Land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. 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 is 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 Organization and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the statement of financial performance during the financial period in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are adjusted to the opening balance of accumulated surpluses or deficit for the period.

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:

Description	Useful life
Buildings	50 years
Motor vehicles	5 years
Office furniture, fittings and equipment	5 years
Residential furniture, fittings and equipment	5 years
Computers, Printers and Photocopiers	4 years
Generator	15 years

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.

#### **c) Intangible assets**

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Costs of acquiring software that is regarded as

an integral part of some identifiable hardware are recognized as part of the cost of the hardware.

Other costs associated with developing or maintaining computer software programs are recognized as an expense as incurred. Computer software development costs recognized as assets are amortized over their estimated useful life of 6- 20 years.

**d) Impairment of assets**

TTB assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, TTB makes an estimate of the asset's recoverable amount. 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.

**e) Revenue recognition**

Government subvention and grants

Government subventions are accounted for on cash basis. Grants received by the Board from the Government or other donors for meeting operating costs are credited to the statement of financial performance over the period necessary to match the grant on systematic basis to the costs that it is intended to pay off.

Capital grant

Capital Grants received from the Government or other donors in form of property, plant and equipment or funds, whose primary condition is that the Board should purchase, construct or otherwise acquire long term assets, are deferred to capital grants account and the grant is deducted in arriving at the carrying amount of the asset. The grant is recognized as income over the life of a depreciable asset by way of fixed rate method.

Other sources

Income from other sources is recognized on accrual basis of accounting only when it is probable that the economic benefits associated with the transaction will flow to the Board. These are:-

Rental income

Rent income is received from letting of the Board's properties located in Dar es Salaam and Arusha.

Other revenue

Other revenue comprises of miscellaneous incomes received by the Board for a particular financial year. None was received during the year.

Tourism fair participation fees

These are fees charged from tourism companies who participate in tourism fairs in which the Board represented.

f) Foreign currency translation

*i) Functional currency*

The financial statements are presented in Tanzania Shillings, which is the Tanzania Tourist Board's functional and presentation currency.

*ii) Transactions and balances*

Foreign currency transactions are translated into Tanzanian Shillings at the exchange rate prevailing at the dates of the transactions. Monetary assets and liabilities at the balance sheet date, which are expressed in foreign currencies, are translated into Tanzania Shillings at the rates ruling at reporting date. The resulting differences from translation are recognized in the income statement in the year in which they arise.

g) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments that are readily convertible to a known amount of cash with maturity periods of three months or less from the date of acquisition and are subject to an insignificant risk of changes in value. Cash and cash equivalents are stated in the Statement of Financial Position at face value. For the purposes of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held with financial institutions. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position.

h) Employees Benefits

*i) Retirement benefits*

TTB has a defined contribution plan scheme for its employees with National Social Security Fund (NSSF) and Public Service Social Security Fund (PSSSF). A defined contribution plan is a pension plan under which TTB and employee contribute a total of 20% of employees' salaries to the funds on a monthly basis. TTB has no legal or constructive obligation to pay further contributions if the funds do not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

*ii) 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.

**3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

# TANZANIA TOURIST BOARD

## i) Critical accounting estimates and assumptions

### Property, plant and equipment

Critical estimates are made by the Directors in determining depreciation rates for property, plant and equipment. The rates used are set out in Note 2 (b) above.

## ii) Critical judgments in applying the entity's accounting policies

In the process of applying the entity's accounting policies, Management has made judgments in determining whether assets were impaired or not.

## 4. CASH AND CASH EQUIVALENTS

	2023 TZS	2022 TZS
BOT own source collection account	4,369,154	30,000
Cash in hand	51,438	-
Own source development expenditure	30,000,000	-
Deposit general cash account	86,280,875	114,022,885
Development expenditure cash account	272,415,236	1,639,428,684
Imprest cash account	22,075,186	-
Own source collection account - CRDB	425,260	100,000
Own source collection account CRDB - USD	-	173,326,625
Own source recurrent expenditure	14,761,541	158,155,513
Recurrent expenditure cash account	17,414,352	491,479,851
Unapplied cash account	57,541,611	13,761,099
USD bot collection account	232,752	60,419,091
USD commercial collection account	232,752	-
Cash in transit	396,065,839	-
	<b>901,865,996</b>	<b>2,650,723,748</b>

## 5. INVENTORIES

Consumables	-	99,190,485
Fuel	1,080,797	9,595,955
	<b>1,080,797</b>	<b>108,786,440</b>

## 6. PREPAYMENTS

Advance for Work in Progress	43,566,681	43,566,508
Prepayments	418,430,697	5,318,873,553
	<b>461,997,378</b>	<b>5,362,440,061</b>

## 7. RECEIVABLES

Imprest Receivable	-	45,816,708
Receivables from exchange transactions	351,391,406	192,737,768
	<b>351,391,406</b>	<b>238,554,476</b>

## 8. INTANGIBLE ASSETS

Application software systems and licenses	546,644,397	546,644,397
Intangible asset relates to the Digital Command Centre which was built in 2022 but is yet to be commissioned as at the date of this report to lack of manpower to operate the same.		

## TANZANIA TOURIST BOARD

### 9. PROPERTY AND EQUIPMENT

Particulars	Land TZS	Buildings TZS	Motor Vehicle TZS	Generator TZS	Office furniture & Fittings TZS	Computers, Printers & Photocopiers TZS	Total TZS
<b>COST</b>							
<u>Cost/ Valuation</u>							
At 1 July 2022	13,537,500,000	2,651,435,575	53,176,000	92,363,828	396,859,000	530,248,515	17,261,582,918
Additions			1,378,146,000		62,409,426	77,142,020	1,517,697,446
<b>At 30 June 2023</b>	<b>13,537,500,000</b>	<b>2,651,435,575</b>	<b>1,431,322,000</b>	<b>92,363,828</b>	<b>459,268,426</b>	<b>607,390,535</b>	<b>18,779,280,364</b>
<b>DEPRECIATION</b>							
At 1 July 2022	-	767,205,575	51,402,158	538,789	368,816,474	230,767,271	1,418,730,267
Depreciation charge for the year	-	110,315,575	403,961,767	6,465,468	46,219,274	110,212,652	677,174,736
<b>At 30 June 2023</b>	<b>-</b>	<b>877,521,150</b>	<b>455,363,925</b>	<b>7,004,257</b>	<b>415,035,748</b>	<b>340,979,923</b>	<b>2,095,905,003</b>
<b>COST</b>							
<u>Cost/ Valuation</u>							
At 1 July 2021	13,002,000,000	2,119,000,000	53,176,000	-	324,865,000	187,499,000	15,686,540,000
Additions	535,500,000	532,435,575		92,363,828	71,994,000	342,749,515	1,575,042,918
<b>At 30 June 2023</b>	<b>13,537,500,000</b>	<b>2,651,435,575</b>	<b>53,176,000</b>	<b>92,363,828</b>	<b>396,859,000</b>	<b>530,248,515</b>	<b>17,261,582,918</b>
<b>DEPRECIATION</b>							
At 1 July 2021	-	656,890,000	51,402,158	-	295,507,110	167,324,800	1,171,124,068
Depreciation charge for the year	-	110,315,575		538,789	73,309,364	63,442,471	247,606,199
<b>At 30 June 2023</b>	<b>-</b>	<b>767,205,575</b>	<b>51,402,158</b>	<b>538,789</b>	<b>368,816,474</b>	<b>230,767,271</b>	<b>1,418,730,267</b>
<b>Net book value</b>							
<b>At 30 June 2023</b>	<b>13,537,500,000</b>	<b>1,773,914,425</b>	<b>975,958,075</b>	<b>85,359,571</b>	<b>44,232,678</b>	<b>266,410,612</b>	<b>16,683,375,361</b>
<b>At 30 June 2022</b>	<b>13,537,500,000</b>	<b>1,884,230,000</b>	<b>1,773,842</b>	<b>91,825,039</b>	<b>28,042,526</b>	<b>299,481,244</b>	<b>15,842,852,651</b>

None of TTB's property and equipment has been pledged as security for liabilities.

TANZANIA TOURIST BOARD

	2023 TZS	2022 TZS
<b>10. WORK IN PROGRESS</b>		
At beginning of year	81,511,000	61,511,000
Additions for year	14,694,993	20,000,000
At end of year	<u>96,205,993</u>	<u>81,511,000</u>
<b>11. DEFERRED INCOME- REVENUE</b>		
Deferred grant income at beginning of year	571,761,369	226,910,418
Grant received during year	92,579,152	344,850,951
At end of year	<u>664,340,452</u>	<u>571,761,369</u>
<b>12. DEPOSITS</b>		
Deposit general	160,469,410	188,211,420
Unapplied deposit account	64,096,491	13,731,579
	<u>224,565,901</u>	<u>201,942,999</u>
<b>13. EMPLOYEE BENEFITS</b>		
Employees benefits	<u>34,272,602</u>	<u>34,272,602</u>
<b>14. PAYABLES AND ACCRUALS</b>		
Other accounts payables	2,232,629	2,231,798
Staff claims	166,120,447	165,795,617
Supplies of goods and services	1,472,604,264	1,486,855,014
Withholding tax	18,119,086	6,657,739
	<u>1,659,076,426</u>	<u>1,661,540,168</u>
<b>15. PROVISIONS</b>		
Untaken leave	<u>20,111,000</u>	<u>20,111,000</u>
	<u>20,111,000</u>	<u>20,111,000</u>
<b>16. DEFERRED INCOME - CAPITAL</b>		
Deferred grant income at beginning of year	1,963,559,815	-
Grant received during year	382,923,448	1,837,513,415
Grant released during year	(256,877,048)	-
At end of year	<u>1,963,559,815</u>	<u>1,837,513,415</u>

**TANZANIA TOURIST BOARD**

	<b>2023</b> <b>TZS</b>	<b>2022</b> <b>TZS</b>
<b>17. REVENUE FROM NON-EXCHEQUER TRANSACTIONS</b>		
Development grants	30,000,000	-
Government grant development foreign	256,877,048	7,015,504,706
Government grants other charges	5,692,462,066	7,152,378,209
Government grants personal emolument	1,766,701,695	18,652,478
Non-monetary revenue - current	-	1,067,935,575
	<b><u>7,746,040,809</u></b>	<b><u>15,254,470,968</u></b>
<b>18. OTHER REVENUE</b>		
Miscellaneous receipts	112,760,004	-
Receipt from miscellaneous fees	726,770,235	555,894,896
	<b><u>839,530,239</u></b>	<b><u>555,894,896</u></b>
<b>19. REVENUE FROM EXCHANGE TRANSACTIONS</b>		
Receipts from government quarters	-	214,008,587
Rental income	292,446,035	75,593,709
	<b><u>292,446,035</u></b>	<b><u>289,602,296</u></b>
<b>20. DEPRECIATION OF PROPERTY AND EQUIPMENT</b>		
Computers and photocopiers	110,212,652	63,442,471
Depreciation - furniture & fittings	46,219,274	65,521,364
Depreciation - motor vehicles	403,961,767	-
Depreciation - office buildings	110,315,575	110,315,575
Depreciation furniture and fittings - residential	-	7,787,981
Generators	6,465,468	538,789
	<b><u>677,174,736</u></b>	<b><u>247,606,180</u></b>
<b>21. MAINTENANCE EXPENSES</b>		
Air conditioners	3,000,000	-
Cement, bricks and building materials	248,860,640	167,000
Cement, bricks and construction materials	180,593,130	70,000,000
Computers, printers, scanners, and other computer related equipment	11,347,260	19,020,500
Cleaning supplies	290,000	
Direct labour (contracted or casual hire)	-	23,955,623
Electrical and other cabling materials	320,000	-
Electrical and telephone cable installations	4,108,600	2,275,500
Fire protection equipment	470,000	655,000
Motor vehicles and water craft	3,610,698	11,090,776
Outsource maintenance contract services	24,706,083	29,967,495
Repair and maintenance of furniture	-	1,114,000
Tv sets and radios	34,382,480	-
Tyres and batteries	-	5,358,900
	<b><u>511,688,891</u></b>	<b><u>163,604,794</u></b>
	<b>2023</b> <b>TZS</b>	<b>2022</b> <b>TZS</b>
<b>22. OTHER EXPENSES</b>		

## TANZANIA TOURIST BOARD

Audit fees	38,000,000	38,000,000
Burial expenses	3,300,000	1,800,000
Consultancy fees	31,814,500	690,805,689
Director's fee	3,583,000	32,250,000
Freight forwarding and clearing charges	8,066,865	4,731,925
Honorariums (expert opinion)	-	3,000,000
Sundry Expenses	4,691,500	-
Office Miscellaneous	36,624,517	12,981,099
	<b><u>126,080,382</u></b>	<b><u>783,568,713</u></b>

### 23. USE OF GOODS AND SERVICE

Accommodation	103,064,652	103,063,704
Advertising and publication	625,508,093	707,306,143
Air travel tickets	526,553,912	588,607,813
Computer supplies and accessories	35,761,327	32,388,823
Conference facilities	931,762,362	552,286,076
Consumable medical supplies	7,250,000	1,800,000
Diesel	185,190,391	140,551,484
Electricity	74,123,989	47,262,338
Entertainment	-	4,800,000
Exhibition, festivals and celebrations	535,786,426	260,859,440
Food and refreshments	118,801,943	201,443,398
Gifts and prizes	18,734,743	24,400,000
Ground transport (bus, train, water)	53,080,670	5,617,000
Ground travel (bus, railway taxi, etc)	258,374,738	473,422,316
Health insurance	7,126,108	20,020,985
Internet and email connections	103,745,390	88,503,816
Land rent expenses	5,000,000	13,679,200
Mobile charges	15,370,000	24,444,000
Newspapers and magazines	6,647,600	6,637,200
Office consumables	18,600,500	56,909,760
Outsourcing costs	63,017,384	53,763,735
Per diem - domestic	1,315,736,722	1,486,552,720
Per diem - foreign	514,965,366	613,208,761
Posts and telegraphs	1,312,700	1,780,000
Printing and photocopy paper	18,785,346	17,355,070
Printing and photocopying costs	-	21,739,805
Printing material	9,076,900	21,060,508
Publicity	435,432,548	303,069,380
Rent - housing	-	52,320,329
Rent - office accommodation	35,187,247	31,328,588
Rent of private vehicles	17,893,360	18,500,000

**TANZANIA TOURIST BOARD**

	<b>2023</b> <b>TZS</b>	<b>2022</b> <b>TZS</b>
<b>23. USE OF GOODS AND SERVICE (CONTINUED)</b>		
Rent of vehicles and crafts	4,332,610	10,680,000
Sewage charges	2,371,152	4,355,000
Special foods (diet food)	5,987,000	1,282,000
Subscription fees	422,853,050	65,502,863
Telephone charges (land lines)	300,000	6,453,190
Tuition fees	28,886,841	67,275,400
Uniforms and ceremonial dresses	67,147,036	123,222,391
Visa application fees	7,024,584	7,978,023
Water charges	6,432,733	1,041,183
Loss on exchange	48,566,637	-
Water transport	817,000	2,750,000
Other expenses	396,045	-
	<b>6,637,005,105</b>	<b>6,265,222,442</b>
<b>24. WAGES, SALARIES AND EMPLOYEE BENEFITS</b>		
Casual Labour	4,993,000	70,000
Casual Labourers	2,333,000	4,500,000
Civil Servants	1,766,701,695	23,505,673
Court Attire Allowance	3,000,000	2,000,000
Direct Labour (contracted or casual hire)	3,000,000	-
Electricity Allowance	-	14,385,000
Extra-Duty	492,670,000	482,775,000
Food and Refreshment	124,480,266	151,746,273
Furniture	-	10,077,200
Honoraria	97,290,000	178,630,000
Housing Allowance	29,370,000	-
Internship Allowance	14,280,000	10,850,000
Leave Travel	25,424,000	24,455,700
Moving Expenses	31,505,650	16,577,853
Passages Allowances	116,033,032	111,556,091
Professional Allowances	-	2,000,000
Sitting Allowance	214,180,000	309,342,621
Telephone	33,815,600	-
Top up Allowance	-	36,641,681
Transport Allowance	-	50,000
	<b>2,959,076,243</b>	<b>1,379,163,092</b>

	2023 TZS	2022 TZS
<b>25. GRANTS, SUBSIDIES AND OTHER TRANSFER PAYMENTS</b>		
Contribution to Consolidated Fund	10,000,000	10,000,000
Dar es Salaam Water Supply Authority (DAWASA)	1,449,942	11,196,148
Revenue Transfer	295,287,814	-
Transfer of Assets to other Institutions - Non-Monetary	3,521,900,638	-
National Insurance Corporation	166,089,420	-
Subscription to Other International Organizations	-	6,920,430
	<b><u>3,994,727,814</u></b>	<b><u>28,116,578</u></b>

## 26. CONTINGENT LIABILITIES

The Board had only one contingent liability as at 30 June 2023 as hereunder;

IPSAS 19.18 defines a contingent liability as:

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, or
- (b) A present obligation that arises from past events but is not recognized because:
  - i. It is not probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, or
  - ii. The amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities give rise to material effect on the financial resources in the event that the pending case is ruled out in favour of the plaintiff. In this case, TTB has one legal case referred as Civil Case No. 11 of 2018 with claim of USD 435,285 (Equiv. to TZS 1,008,990,630). The case is between Benita Cassar Torreggiani Inc (Plaintiff) Vs. TTB (1st. Defendant) and Attorney General (2nd Defendant). However, the ruling of the main case was delivered on 07 February 2020 in favour of Defendant, but plaintiff was aggrieved with the decision and hence lodged a notice of appeal to the Court of Appeal. The final outcome of the appeal is not certain, now this case is reported as contingent liability.

## 27. COMPARATIVE FIGURES

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

## 28. EXPLANATIONS ON STATEMENT OF COMPARISON OF BUDGET AND ACTUAL

### Subvention from Government (A)

This is OC Funds disbursed including dummy PE

### Revenue Grants (B)

This is amortized revenue from grants where negative sign is due to changes made in the MUSE in terms of GFS Codes

**Revenue from Exchange Transactions (C)**

This is stakeholders' contributions

**Other Revenue (D)**

This is Miscellaneous Income

**Increase in Deposits (E)**

This is the changes in deposits

**Fees, Fines, Penalties and Forfeits (F)**

This is exchanging transactions where negative sign is due to changes of GFS Codes

**Maintenance Expenses (L)**

Some of the repair works was not done.

**Other Expenses (K)**

Some of the expenses was not met due to late disbursement of funds.

**Supplies and Consumables Used (H)**

Substantial procurement was in progress pending completion.

**Wages, Salaries and Employee Benefits (G)**

Some of the activities was not done as intended like Casual labourer's, and staff debts due to insufficient funds.

**Acquisition of Property, Plant and Equipment (N)**

Major procurement was in progress.

TANZANIA TOURIST BOARD

NOTES - CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2023

		2023 TZS	2022 TZS
<b>29. RECEIPTS FROM GOVERNMENT AND ITS ENTITIES</b>	Notes		
Revenue from Non-exchange transactions	17	7,746,040,809	15,254,470,968
Revenue grant received	10	92,579,152	344,850,951
Release of deferred capital grant	16	(256,877,048)	-
Total subvention from government and its entities		7,581,742,913	15,599,321,920
<b>Receipt</b>		<b>5,866,668,657</b>	<b>16,401,151,600</b>
<b>30. GRANTS RECEIVED</b>			
Capital grant received		<b>382,923,448</b>	<b>1,837,513,415</b>
<b>31. RECEIPTS FROM EXCHANGE TRANSACTIONS</b>			
Opening receivables	7	238,554,476	153,818,335
Income from exchange	18 &19	1,131,976,274	845,497,192
Closing receivable	7	(351,391,406)	(238,554,476)
<b>Total receipts from exchange transactions</b>		<b>1,019,139,344</b>	<b>760,761,051</b>
<b>32. OTHER RECEIPTS</b>			
Deposits received	12	<b>22,622,902</b>	<b>197,775,699</b>
<b>33. PAYMENT TO STAFF</b>			
Wages, salaries and employee benefits	24	<b>2,959,076,243</b>	<b>1,379,163,092</b>
<b>34. USE OF GOODS AND SERVICE</b>		2023 TZS	2022 TZS
Opening payables and accruals		1,661,540,168	1,845,206,002
Maintenance expenses	21	511,688,891	163,604,974
Other expenses	22	126,080,382	783,568,713
Supplies of goods and services	23	6,637,005,105	6,265,222,442
Grants, subsidies and other transfers	25	3,994,727,814	28,116,578
Inventory expensed		(107,705,643)	-
Advance payment for assets		-	5,347,873,380
Expenditure released from prepayment	25	(3,521,900,638)	-
Inventories purchased		-	90,676,440

## TANZANIA TOURIST BOARD

Transfer to Treasury Registrar	25	(10,000,000)	(10,000,000)
Closing inventories	14	(1,659,076,426)	(1,661,540,999)
Prepayment written off	23	(396,045)	-
<b>Payments</b>		<b><u>7,631,963,608</u></b>	<b><u>12,852,727,530</u></b>

### **35. OTHER TRANSFERS**

Contribution to Consolidated Fund	<u>10,000,000</u>	<u>10,000,000</u>
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### **36. PAYMENT FOR ACQUISITION OF PROPERTY**

#### **PLANT AND EQUIPMENT**

Additions for property, plant and equipment	9	1,517,697,446	1,845,206,002
Additions transferred from prepayment	21	(1,378,146,000)	163,604,974
<b>Payment during the year</b>		<b><u>139,551,446</u></b>	<b><u>12,852,727,530</u></b>

### **37. RELATED PARTY TRANSACTIONS**

A number of transactions are entered into with related parties in the normal course of business. These include directors' fees, gratuity, salaries to key Management personnel and other services. Key Management include the Director General, Directors, Managers and Principal officers

The recorded gratuity relates to payments that is payable to directors of the Board upon completing their tenure as members.

#### **Emoluments**

##### **Directors' remunerations**

Details	2023 TZS	2022 TZS
Directors' fees	32,250,000	10,750,000
Directors' expenses	72,876,960	31,971,300
	<b><u>105,126,960</u></b>	<b><u>42,721,300</u></b>

Compensation to Key Management personnel	2023 TZS	2022 TZS
Details		
Directors' fees	467,394,000	279,438,000
Other Management allowances	74,400,000	120,600,000
	<b><u>541,794,000</u></b>	<b><u>400,038,000</u></b>

##### **Transactions with other government entities**

No.	Entity	Nature of Transaction	Amount (TZS)
1	TANESCO	Purchase of Electricity	32,347,724
2	TTCL	Internet Services	78,463,059
3	DAWASA	Payment of water Bills	6,823,309
4	GPSA	Purchase of Motor vehicles and Fules	145,595,000
5	NIC	Payment of Insurance premium	188,177,937

## TANZANIA TOURIST BOARD

6	PPRA	Subscription fess	12,500,000
7	TEMESA	Motor Vehicle services	10,875,028
8	TAWIRI/Arusha	Transfer of Vehicles	148,175,472
9	PASIANSI	Transfer of Vehicles	148,175,472
	Chuo Cha uhifadhi Maliasili kwa		
10	jamii CBCTC ( Sekamaganga)	Transfer of Vehicles	160,415,666
11	BTI - TABORA	Transfer of Vehicles	160,415,666
12	MNRT	Transfer of Vehicles	162,934,584
13	MNRT	Transfer of Vehicles	162,934,584
14	NMRT	Transfer of Vehicles	162,934,584
15	NMRT	Transfer of Vehicles	162,934,584
16	PASIANSI	Transfer of Vehicles	162,934,584
17	NMRT	Transfer of Vehicles	162,934,584
18	NMRT	Transfer of Vehicles	162,934,584
19	NMRT	Transfer of Vehicles	160,415,666
20	CAWA/MWEKA	Transfer of Vehicles	160,415,666
21	TAWIRI	Transfer of Vehicles	160,415,666
22	NMT	Transfer of Vehicles	160,415,666
23	NCT	Transfer of Vehicles	160,415,666
24	FOREST TRAINING INSTITUTE (FT)	Transfer of Vehicles	160,415,666
25	MWEKA/CAWA	Transfer of Vehicles	160,415,666
26	FITI	Transfer of Vehicles	160,415,666
27	TAFORI	Transfer of Vehicles	160,415,666
28	TFS	Transfer of Vehicles	160,415,666
29	TAWIRI	Transfer of Vehicles	160,415,666
	<b>Total</b>		<b>3,997,078,739</b>

### 37. RELATED PARTY TRANSACTIONS (CONTINUED)

#### Balances with government entities

No.	Entity	Descriptions	Amount (TZS)
1	TANAPA	Rental Charges	123,618,580
	<b>Total</b>		<b>123,618,580</b>

### 45. GOING CONCERN

The financial statements have been prepared on going concern basis which assumes that the Board will continue in operational existence for the foreseeable future.

### 46. EVENTS AFTER REPORTING

There are no material events, adjusting or non-adjusting, that have occurred after the reporting period and thus requiring adjustments or disclosure in the financial statements.