



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



TANZANIA BROADCASTING CORPORATION

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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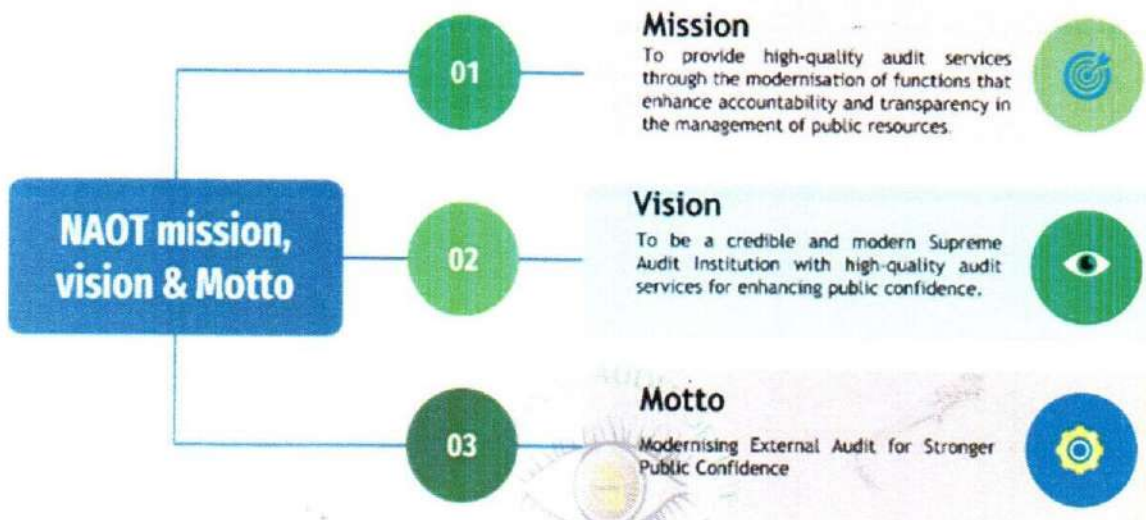
March 2024

AR/PA/TBC/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.

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ABBREVIATIONS

AR	Audit Report
BBC	British Broadcasting Corporation.
CAG	Controller and Auditor General
CBO	Community Based Organizations
CCTV	China Central Television
EPOCA	Electronic and Postal Communications Act
ICT	Information and Communications Technology
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
MDAs	Ministries, Departments and Agencies
NGO	NonGovernmental Organizations
OB VAN	Outside Broadcasting Van
PA	Public Authority
PAC	Public Accounts Committee
PPA	Public Procurement Act
PPR	Public Procurement Regulations
PPRA	Public Procurement Regulatory Authority
R.E	Revised Edition
TANAPA	Tanzania National Parks
TBC	Tanzania Broadcasting Corporation
TCRA	Tanzania Communication Regulatory Authority
TZS	Tanzania Shillings
UCSAF	Universal Communication Service Access Fund
UK	United Kingdom
VAT	Value Added Tax

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson,
Board of Directors,
Tanzania Broadcasting Corporation (TBC),
P.O. Box 9191,
Dar es Salaam.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Broadcasting Corporation (TBC), which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, the 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 Broadcasting Corporation 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 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 TBC in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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

Other Information

Management is responsible for the other information. The other information comprises the Report by Those Charged with Governance and Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Further, Section 48(3) of the Public Procurement Act, Cap 410 [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 Broadcasting Corporation for the financial year ended 30 June 2023 as per the Public Procurement laws.

Conclusion

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

Non-Commencement of Contract Due to Delay in Advance Payment

I noted delays in the commencement of the 3 contracts, PA/084/2022-23/HQ/W/01, PA/084/2022-23/HQ/W/03 and PA/084/2022-23/HQ/G/27 LOT 3, due to delays in advance payments amounting to TZS 358,682,668.7 million.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

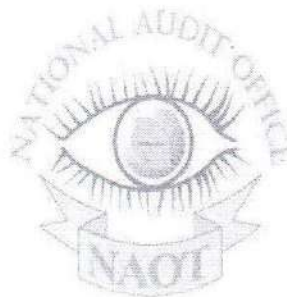
Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Broadcasting Corporation for the financial year ended 30 June 2023 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 Broadcasting Corporation 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 2022

2.1 INTRODUCTION

The Directors present their report and the financial statements for the financial year ended 30 June 2023 which; disclose the state of affairs of Tanzania Broadcasting Corporation ("TBC" or "the Corporation").

The financial statements for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the Directors as indicated on the statement of financial Position.

2.2 INCORPORATION

Tanzania Broadcasting Corporation (TBC) is a Public Corporation established under the Public Corporation Act of 1992 CAP 257 and Tanzania Broadcasting Corporation Establishment Order of 2007 as per Government Notice No. 186 of 2007. Tanzania Broadcasting Corporation took over both Radio and Television public broadcasting activities from Tanzania Broadcasting Services upon revocation of the Taasisi ya Utangazaji Tanzania -TUT (Tanzania Broadcasting Services) Establishment Order of 2002.

2.3 VISION

To become prominently African, reliable and trustworthy Public Service Broadcaster on the continent".

2.4 CORPORATION'S MISSION

To inform, inspire and empower our audiences through interesting trustworthy, culturally relevant and quality programmes.

Core Values

In achieving its vision and fulfilling its mission, TBC will adhere to the following core values in order to achieve its Vision and fulfil its Mission:

- Creativity
- Integrity
- Professionalism
- Team-Work
- Respect to Diversity

2.5 PRINCIPAL ACTIVITIES

The principal activities of the Corporation as per establishment are to:

- 2.5.1 To provide public educational programmes on such issues like development, health, social welfare and children's programmes through Radio and Television;
- 2.5.2 To hold, construct, acquire and install equipment and apparatus for the transmission and reception of the broadcast signals in the United Republic of Tanzania (URT) and use the same for the purpose ancillary or related to functions of Tanzania Broadcasting Corporation;
- 2.5.3 To develop and extend internal and external broadcasting services in any manner, means and method, which may, from time to time, be agreed by Tanzania Broadcasting Corporation and the relevant licensing authority;
- 2.5.4 To perform broadcasting services in any part of the world for and on behalf of any department of the Government of URT and, in particular, to provide, erect equipment and install or supervise the provision, erection, equipping and installation of technologies and to manage or supervise the working or management of such stations.

2.6 COMPOSITION OF THE BOARD OF DIRECTORS

The Chairman of the Board is appointed by the President of the United Republic of Tanzania, for a term of three years. The appointment of the rest of the Board members is done after every three years by the Minister for Information, Communications and Information Technology as stipulated in the Establishment Order. The current Chairman of the Board of Directors was appointed on 5 August 2022. The rest of the Board members appointed in September 2022. The tenure of the Board is three years hence the Board will serve up to August 2025.

The Directors of the Corporation appointed are listed below:

Name	Position	Age (years)	Qualifications	Area of Experience
Stephen N. Kagaigai	Chairperson	60	Master of Law (LL.M) -University of Dar es Salaam Bachelor of Law (LL.B) -University of Dar es Salaam	Legal Practice Corporate Governance Cabinet Secretariat Public affairs governance
Tuma Daniel Abdallah	Vice Chairperson	59	MA - International Relations - UK; PGD International Relations and Diplomacy - CFR-TZ; Diploma in Journalism - Tanzania School of Journalism;	Highly qualified in the media industry. Possesses vast knowledge of the 4 operating realities of the Government, public and private institutions, Diplomatic Community, International organizations, multinational business as well as NonGovernmental organizations.

Name	Position	Age (years)	Qualifications	Area of Experience
			Diploma in Languages- Institute of Kiswahili and Foreign Languages - Zanzibar	
Dr. Cosmas Edward Mwaisobwa	Director	52	Doctor of Philosophy in Mass Communication - St. Augustine University of Tanzania Master of Arts in Mass Communication - St. Augustine University of Tanzania MSc in Community Economic Development - Southern New Hampshire University, USA Bachelor of Library and Information Science.	Corporate Communications, Marketing and Brand Management, Qualitative Research, Corporate Governance and Quality control assurance in communication.
Dr. Hildebrand E Shayo	Director	56	PhD in Institutional and Resource Economics, South Bank University, UK Master of Development Studies-University of Dar es Salaam, Tanzania BA (Hons) in Economics and Finance, University of Dar es Salaam, Tanzania	Strategist and data analysis, Investigator, Senior Lecturer, Investment and Asset Management, Consultancies/Research Reports /Analysis and Publications
Innocent Primus Michael Mungu	Director	57	MA Communications Management, London Metropolitan University	Strategic communication and media reputation management, Programme management, Networking skills, and international

Name	Position	Age (years)	Qualifications	Area of Experience
			Public Relations & Customer Care, Eastern & Southern Africa Management Institute Diploma in Journalism - Tanzania School of Journalism.	relationships. Crisis communication management, planning and organizing teams, results-based management, drafting and execution of communications strategies, media campaigns both in traditional and social media.
Justina Mashiba	Tumaini Director	48	Master in International Business Economics and Management - Brussels Belgium; Post Graduate Diploma in Leadership by - UONGOZI INSTITUTE; Bachelor of Laws Degree (LL.B) - University of Dar es Salaam	A knowledgeable, qualified and experienced lawyer with outstanding record in making legal determinations, advising the organisation, implementing corporate structure, procedures and documentation.
Mwanjaa Said Lyezia	Director	47	Associate Certified Public Accountant (ACPA) - NBAA Tanzania; Master of Science in Accounting and Finance - Mzumbe University; Bachelor of Commerce - University of Dar es Salaam; Diploma in International Public Accounting Standards (IPSAs) - NBAA Tanzania; Certified Information System Auditor (CISA) - Information System	Preparation of Financial Statements in accordance with both National and International Accounting Standards, Accounting Policy and Control, Budgeting and planning, Safeguarding of Assets, Accounting Software Systems, Financial Data Analysis.

Name	Position	Age (years)	Qualifications	Area of Experience
			Audit and Control Association (ISACA)	
Amina Saleh Mollel (Has been removed in Oktober, 2023 by virtue of her new appointment.)	Director	48	Post Graduate Diploma on Management and Foreign Relations - Centre for Foreign Relations (Kusasini); Honorary Degree for Recognition for Being very acting on Community engagement particularly for people with disability - African Graduate University; Bachelor of Arts in Journalism - Tumaini University; Certificate of Journalism - University of Dar Es Salaam (Institute of Journalism and Mass Communication)	Expert in Media industry. Community engagement, management and foreign relations, Tourism and Journalistic Reporting, Documentary production, TV/Radio production and News Anchor,
Dr. Ayub Rioba Chacha	Secretary to the Board	55	PhD in Mas Comm - University of Tampere; Licentiate in Mas Comm- University of Tampere; MA in Journalism - University of Wales (Cardiff); BA Mas Comm degree - Makerere University Kampala	• Print Journalism • Broadcast journalism • Online/digital journalism • Strategic communication governance • Corporate governance and reforms • Lecturer in: - Newswriting - Broadcasting - Journalism ethics • Current affairs analyst Pan Africanist

2.7 BOARD EXPENSES

The Board expenses during the year was as TZS 141,293,000 as disclosed under Note 35 to the Financial Statements. (2021/2022 TZS Nil) TBC Board operated without Board for over three years, therefore there was no Board prior appointment of the existing Board.

2.8 CORPORATE GOVERNANCE

a) Code of Corporate Practice and Conduct

Tanzania Broadcasting Corporation is committed to the principles of effective corporate governance and the Board is of the opinion that the Corporation currently complies with principles of good Corporate Governance.

b) The Board of Directors

The Board of Tanzania Broadcasting Corporation appointed in September 2022 consists of chairperson and seven Directors. Apart from the Secretary to the Board who is the Director General; none of the Directors hold executive positions in the Corporation. The Board takes overall responsibility for the Corporation, including responsibility for managing key risk areas, considering and monitoring investment decisions, significant financial matters and reviewing the performance of management against budgets and business plans. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative for compliance with sound corporate governance principles.

The Board is chaired by a director who has no executive functions. The Board is confident that its members have the knowledge, talent and experience to lead the Corporation. The non-executive directors are independent of management and exercise their independent judgment. With their depth of experience, they add value to Board deliberations.

The Board is required to meet at least four times a year and oversee the management of the business.

In the Financial Year that ended 30 June 2023, TBC's Board of Directors convened four ordinary meetings and two extra ordinary meeting. Key issues discussed were:

(i) Finding permanent source of income for TBC to improve its liquidity position. It was resolved that TBC management should fast track the enactment of TBC Act, which will state clearly permanent, reliable and sustainable source of funds to finance Corporations activities;

(ii) Safeguarding TBC BH's plot which was under hawkers' encroachment crises. It was resolved that TBC Management should safeguard the encroached plot by erecting wall surrounding the same;

(iii) Received, adopted, discussed and approved several reports inter alia, Financial Statements for the year ended June, 2022 along with Auditors' observations and recommendations, Annual

procurement plans for the Financial Year 2022/23 and planned projects to be executed in the financial year 2023/24;

(iv) Received, Adopted, discussed and Approved, Internal Audit Charter, Audit Committee Charter and Corporations' Risk Management Policy and Framework;

(v) Review implementation status of the planned activities in the Financial Year 2022/23; and

(vi) The Board also discussed on the training of new members of the Board on skills in governance, teamwork and corporate leadership.

Board Committees

The Board functions through three committees namely: Finance and Administration Committee; Audit committee; and Media Content, Editorial and Technical Services Committee. All committees report to the Board to ensure a high standard of corporate governance throughout the time.

Finance and Administration Committee comprise of:

Name	Position	Nationality
Dr. Hildebrand E Shayo	Chairperson	Tanzanian
Dr. Cosmas Edward Mwaisobwa	Member	Tanzanian
Innocent Primus Michael Mungu	Member	Tanzanian
Amina Saleh Mollel	Member	Tanzanian
Dr. Ayub Rioba Chacha	Secretary	Tanzanian

During the period the Finance and Administration Committee convened four ordinary meetings. Key issues discussed were;

(i) To receive, adopt, discuss and recommend to the Board departmental quarterly implementation reports from Finance, Marketing, Administration and other supporting units; and

(ii) Follow up of implementation status of Board's resolution in the respective departments

Audit Committee comprise of:

Name	Position	Nationality
Mwanjaa Said Lyezia	Chairperson	Tanzanian
Justina Tumaini Mashiba	Member	Tanzanian
Tuma Daniel Abdallah	Member	Tanzanian
Dr. Ayub Rioba Chacha	Secretary	Tanzanian

During the period the Audit Committee convened four ordinary meetings. Key issues were

- (i) Received, adopted, discussed and recommended to the Board, status of management's implementations on CAG recommendations;
- (ii) Received, adopted, discussed and recommended to the Board on quarterly internal auditor's findings and implementation status on previous internal audit recommendations;
- (iii) Received, adopted, discussed and recommended to the Board for approval, Internal Audit as well as Audit Committee Charters and Corporations' Risk Management policy and framework.

Media Contents, Editorial Policy and Technical Services Committee comprise of:

Name	Position	Nationality
Dr. Cosmas Edward Mwaisobwa	Chairperson	Tanzanian
Innocent Primus Michael Mungu	Member	Tanzanian
Amina Saleh Mollel	Member	Tanzanian
Dr. Ayub Rioba Chacha	Secretary	Tanzanian

During the period the Editorial and Technical Services Committee convened four (04) ordinary meetings. Key issues were

- (i) Receiving, adopting, discussing and recommending to the Board departmental quarterly implementation reports from Television, Radio, Current Affair and Technical Services;
- (ii) Reviewing the programmes aired, the improvement of the contents, and the improvements of the TBC screen;and
- (iii) Follow up of implementation status of previous Board's resolution and instructions in the respective departments

The Director General of the Corporation reports to the Board and enjoys all executive powers. The Director General is assisted by senior management officers in the day to day operations of the Corporation. The Director General and other Senior Management staff are invited to attend Board meetings and facilitate the effective control of all the Corporation's operational activities, acting as a medium of communication and coordination between the various business units.

Senior Management meets on a weekly basis to review the results, operations, key financial indicators and the business strategy of the Corporation.

c) Performance evaluation and reward

Details of the remuneration paid to key management staff are disclosed in Note 35 to the financial statements. The Corporation ensures that Tanzanian Government Scale related salaries are paid and related trends are followed in terms of changes in benefits, while at the same time taking into account the intrinsic value of individual contributions.

d) Risk management and internal control

The Board accepts final responsibility for the risk management and internal control systems of the Corporation. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding the effectiveness and efficiency of operations in:

- The safeguarding of the Corporation's assets (including information);
- Contribution of TBC as a Partner for cost of Broadcasting equipment and production of contents for Tanzania Safari Channel;
- Improvement of Radio coverage for TBC Radio Channels and improvement of TBC1, Tanzania Safari channel & TBC2 Television Channels Outlook;
- Procurement of Tricaster System, Character Generator (CG) and Television Monitoring System; and
- Responsible behaviour towards all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance with such measures by staff. Consequently, even a strict and efficient internal control system can provide no more than a reasonable measure of assurance in respect of the above-mentioned objective. During the year under review, appropriate corrective and preventive measures were taken to improve the systems and procedures or plug the lapses.

Key elements of the system of internal control are as follows:-

Budgets

Detailed annual budgets are prepared by Management and discussed by the Workers Council and later submitted to the Finance and Administration Committee of the Board for review and subsequently approved by the Board.

Competence

Staff skills are maintained both by a formal recruitment process and a performance appraisal system, which identifies training needs. Also necessary training, both in-house and externally, helps to consolidate existing staff skills and competences.

Internal Audit

The unit reports functionally to the Board Audit Committee and administratively to the Director General. It assesses risk and reviews controls. The unit ensures that recommendations to improve controls are implemented by the Management.

The Board assessed the internal control systems throughout for the period ended 30 June 2023 and is of the opinion that they met acceptable criteria.

Business ethics and organisational integrity

The Corporation's Code of Conduct commits it to the highest standards of integrity, conduct and ethics in its dealings with all parties concerned, including its Directors, managers, employees, customers, suppliers, competitors, investors and the public in general. The Directors and staff are expected to fulfil their ethical obligations in such a way that the business is run strictly according to laid out policies and procedures.

Financial reporting and auditing

The Management accept final responsibility for the preparation of the annual financial statements which fairly present:

The financial position of the Corporation as at the year ended 30 June 2023;

- The financial results of operations; and
- The cash flows for that period.

The responsibility for compiling the annual financial statements is vested in the management and the Corporation complied with all applicable laws of the country of incorporation. The external auditors of the Corporation report on whether or not the annual financial statements are fairly presented.

The Management is satisfied that during the year under review, the Corporation has ensured:

- Adequate accounting records were maintained;
- Effective system of internal control and risk management, monitored by management, was maintained;
- Appropriate accounting policies, supported by reasonable and prudent judgments and estimates, were used consistently; and
- Financial statements were compiled in accordance with International Public Sector Accounting Standards and in the manner required by the Tanzanian Public Finance Act No. 6 of 2001 and instructions issued by the Treasury in respect of the year under review.

The Directors are also satisfied that no material event has occurred between the financial year-end and the date of this report which affects the business or has not been reported.

2.9 MANAGEMENT

The Management of the Corporation is headed by the Director General and is organized in the following divisions/departments:

- (i) Television;
- (ii) Radio;
- (iii) Technical Services;
- (iv) News and Current Affairs.

- (v) Finance and Accounts;
- (vi) Human Resources and Administration; and
- (vii) Marketing.

There are five functional units under the Director General's Office as follows:

- (a) Internal Audit;
- (b) Legal Affairs;
- (c) Procurement Management Unit (PMU);
- (d) Planning and Development; and
- (e) Corporate Communications.

2.10 FUTURE DEVELOPMENT PLANS

TBC will continue to improve its viewership through the introduction of innovative products, focusing on value-added customer services and expansion of its stations while carefully managing both costs and risks.

In the Financial Year 2023/24 TBC has planned to implement the following projects: -

- Construction of FM Radio Transmitting Stations to improve Coverage countrywide;
- Improvement of existing Radio Transmitter sites country wide;
- Contribution of TBC as a Partner to a total cost for Enhancement of Contents and Production for Tanzania Safari Chanel;
- Improvement of TBC1, Safari & TBC2 Channels Outlook (Phase III);
- Procurement of HD Cameras, Portable Live Broadcasting Equipment, Outside Broadcasting Van Television Monitoring System, ICT Broadcasting equipmen and other Broadcasting equipment;
- Construction and Rehabilitation of zone studios, TBC Office Building;
- Procurement vehicles for TBC broadcasting activities;
- Rehabilitation of Television HD OB VAN (11 Cameras);
- Rehabilitation of radio studios along Nyerere road for digitization of Library archiving material (Radio and Television - Phase III);
- Studio upgrading and Procurement of broadcasting equipment for radio along Nyerere road and TBC2 studio (Phase II);
- Improvement of Electrical power, control and security system;
- Improvement and Installation of Office Control System Identification;
- System software upgrades with Adverts management and Billing System;
- Installation of Archiving and Disaster Recovery System for TBC1, TBC2 and Safari Channel;
- Construction of New Broadcasting House in Dodoma; and
- Monitoring, Evaluation and Reporting (M&E).

2.11 DIVIDEND

TBC do not pay dividends. However, contribution amounting to TZS 50 million was made to the Government. (2021/22 TZS 50 million).

2.12 PERFORMANCE FOR THE PERIOD

The detailed financial performance of the Corporation during the year is set out on statement of financial performance showing a surplus of TZS 975million (2022: Surplus TZS 8.15 billion). The Corporation incur impairment loss on its non-current assets during the period.

The financial statements present: statement of financial position, statement of financial performance, statement of changes in net asset/equity, cash flow statement, statement of comparison of budget and actual amounts and notes to the financial statements of Tanzania Broadcasting Corporation as at financial reporting period that ended 30 June 2023 (1 July 2022 to 30 June 2023).

2.12.1 Statement of Financial Performance

Operating surplus decreased by 88% resulted from the decrease of the fund received from the Government during the year and the increase of the operating cost due to expansion of the coverage broadcasting areas.

a) Revenue from non-exchange transactions

During the year other charges (OC) received from the Government was TZS. 2.7billion (less by 34% of the annual budget) (2022: TZS. 3.9billion less by 7% of the annua budget)

Personal emolument received during the year is TZS. 11billion (2022: TZS. 10.6billion). The extra 4% received was in respect of salary increase following the change of salary scale from PGSS to TBCSS with effect from June, 2022.

Capital Grants utilizes during the year is TZS. 8.96 billion (2022: TZS. 8.13 billion). increased by 9% resulted from capitalisation of the opening deffered income utilised during the current year.

During The year TBC received Fund from Tanzania Safari Channel Stakeholders (TANAPA and TCRA) TZS. 922,131,250 (2022 TZS. 1,185,977,532)

Revenue Grants - Non Monetary: During the year, the Corporation recognize non monetary revenue grants being Motor vehicle received from Treasury registrer TZS. 8,455,488 - (2022 TZS. 2,758,104,080 – building of TBC2 Studio, Grants from South Korea)

b) Other Revenue

During The year TBC wrote a business proposal and received Fund from UCSAF TZS. 1,492,500 (2022 TZS.1,076,795,004) to finance the expansion's cost of Radio coverage.

c) Revenue from exchange Transactions

Total revenue from exchange transactions for the year ended 30 June 2023 was TZS 9.6 billion (2022: TZS 8.7 billion) net from VAT which increased by 10%. Resulted from strengthened marketing strategies.

d) Expenses

Total expenses for the year ended 30 June 2023 was TZS 33 billion (2022: TZS 28billion). The increase of 16% is a result of the new incentive scheme which take effect from June, 2022 and expansion of TBC operation due to the increase of coverage area.

1.12.2 Statement of Financial Position

a) Cash and Cash Equivalent

Total cash and cash equivalent as at 30 June 2023 was TZS. 4.08 billion (2022: TZS. 6.7 billion) comprises TZS 4.07 billion at bank and TZS 17million cash in hand. The decrease of 39% is primarily being fund utilised to implement development projects.

b) Trade and other Receivables

Total outstanding trade and other receivables less provision for doubtful debts as at 30 June 2023 was TZS 4.36 billion (2022: TZS 4.59 billion) which decrease by 5%. More efforts have been made to ensure the Corporation outstanding debts are collected.

c) Inventories

Total inventories as at 30 June 2023 was TZS 48.5 million (2022: TZS 78.5 million) decreased by 38% resulting from increase of activity levels during the period.

d) Property Plant and Equipment (PPE)

A total of TZS 7.8 billion was invested in capital expenditure during the year compared to TZS 6.3 billion invested in the year ended 30 June 2022, increased by 19%. Resulted to the carrying amount of TZS. 90 billion (2022: TZS. 88 million) The Increase was due to Increase completion of Development projects during the period.

e) Intangible Assets

There were no Intangible assets acquired during the year. (2022: NIL). The balance of Intangible assets at 30 June 2023 was TZS 10,653,016 as compared to TZS 35,113,816 for the year ended 30 June 2022.

f) Trade and other Payables

Total outstanding trade and other payables as at 30 June 2023 was TZS 9.36 billion (2022: TZS 8.5 billion) which increase by 9%. The increase was due to the expansion of the Corporation activities.

1.12.3 Cash Flow Statement

Cash flow Statement comprises of cash-flow from operating activity, Cash-flow from investing activity and Cash-flow from financing activity.

a) Cash-flow from Operating Activity

The Corporation reported cash generated from operations activity for the year ended 30 June 2023 was TZS 5.1 billion (2022: TZS 3.1 billion) which increase by 39%. The increase was due to the expansion of the Corporation activities.

b) Cash-flow from Investing Activity

Total cash flow from investing activity for the year ended 30 June 2023 was TZS 7.8 billion (2022: TZS 6.3 billion) which Increased by 24%. The Increase was due to Increase completion of Development projects during the period.

c) Cash-flow from Financing Activity

There was no cash flow from financing activity for the year ended 30 June 2023 (2022: TZS Nil).

2.13 SUBSEQUENT EVENTS

There were no subsequent events that have occurred which are either to be disclosed or to be adjusted in the financial statements that could materially affect these financial statements.

2.14 SOLVENCY

The Board of Directors confirms that applicable accounting standards have been followed and the financial statements have been prepared on a going concern basis with a reasonable expectation that Tanzania Broadcasting Corporation, a public Broadcaster, has adequate resources to continue its operational existence in the foreseeable future.

2.16 STAKEHOLDERS' RELATIONSHIP

TBC is a public broadcaster and as such it has a diverse group of stakeholders. The Corporation recognizes the importance of addressing the needs of its key stakeholders in order to add value, satisfy their needs and expectations to fulfil its mission. The stakeholders of TBC are those who have interest in or are directly or indirectly affected by the operations of the Corporation. TBC stakeholders can be broadly categorized into:

- (a) The government
- (b) The general public
- (c) Regulators
- (d) The Parliament and its committees
- (e) Political Parties
- (f) Employees
- (g) Other media houses
- (h) The International media
- (i) Customers
- (j) Suppliers and Service Providers

(a) The Government

TBC is a public broadcaster and therefore, its operations is funded by taxpayers. This funding goes into capital investments such as machines and equipment. Government subvention also pays for TBC staff salaries and other charges. The government expects that TBC will strive to provide the public with quality reporting and information in all areas of Tanzania. The government expects TBC programming to be diverse and to appeal to a variety of citizens from all walks of life. TBC programming is expected to include local, national and international news and current affairs, arts, business, children's programs, drama, education, entertainment, features, history, music, religion, science, technology, and sports.

The government also expects TBC to account for funds they receive to support its operations. TBC is expected to adhere to the pillars of value for money that govern use of public funds. TBC has to demonstrate economy, efficiency and effectiveness in use of public funds.

(b) The General Public

TBC is expected to reach a wider audience in all parts of the country. Since TBC operations are financed by public funds, then citizens view TBC as their broadcaster and they expect TBC to respond to their needs for news, information and entertainment. TBC's reach to a wider audience is constrained by low earning power of many people especially in rural areas who cannot afford to buy a radio or a TV set and now a decoder. Furthermore, TBC's reach is constrained by lack of access to modern energy sources such as electricity in many parts of the country.

The general public expects TBC programming to appeal to tastes and preferences of different people in the population. It is expected that TBC will have programs for sports lovers, various music genres, and programs for children, farmers, workers, programs for religion and culture, and drama and feature films for entertainment. So far TBC is doing well in meeting expectations of the public. It has programs that cater for the needs of different groups of people in the population. However, there is wide room for improvements. The public also expects TBC content and reporting to be fair, accurate, truthful, impartial and non-discriminatory

(c) Regulators

The regulator like the Tanzania Communication and Regulatory Authority (TRCA) has been charged with the responsibility of overseeing the broadcasting sector in the country. TCRA issues, policies, regulations, circulars and guidelines, which govern the conduct of content service providers. It is expected that TBC will honour its duties and responsibilities as they have been identified in the TCRA Act, the EPOCA and the Establishment Order.

(d) The Parliament and its committees

The parliament has legislative responsibilities and also supervisory responsibility on the executive branch, which is the government. The parliament relies on the media to educate people on various issues that affect their daily lives. It also relies on the media to provide correct and reliable information to the electorate on how the parliament is representing them and the process with which the parliament enacts different laws, which ultimately affect the lives of every citizen. TBC is expected to play a major role in education and information dissemination to voters.

On the other hand, the Parliament Steering Committees expect TBC to perform its activities fairly in compliance with existing laws, regulations and procedures governing the use of public resources.

(e) Political parties

All political parties expect to freely air their views through TBC within the accepted editorial policy of the corporation.

(f) TBC Employees

Employees play an important role in contributing to the long-term success and performance of corporation. They understand that their participation on the affairs of the corporation contributes to the shareholder's value maximization. They expect that strategic management decisions are applied in a way that scarce resources available to the corporation are utilized in a way in the most efficient manner.

Employees expect right to consultation on certain management decisions, duties of Board and management to consider stakeholders interests, right to hold management/board responsible, access to information, wages, stable employment and promotion

(g) Other media houses

TBC is the oldest media house in the country and as such, it has accumulated years of experience in the broadcasting sector with a good number of qualified personnel (journalists, technical and presenters). TBC is expected to be a leading media house in upholding professional ethics in its operations. TBC is expected to work in a competitive environment with commercial,

community and religious broadcasters cooperating and competing in harmony for viewers and commercial customers, taking them as a challenge for the benefit of all stakeholders.

(h) The International media

TBC status as a public broadcaster gives it a good opportunity to collaborate with other public broadcasters in the neighbouring countries and overseas. Authentic content, which portrays the customs and cultures of people of Tanzania, is expected to come from TBC. Sharing experience and technical expertise can be done through such partnerships. Tanzania is regarded as the home ground for Kiswahili language. Kiswahili is spoken widely in East and Central Africa and it has also gained popularity in other parts of the world. TBC has an opportunity to take advantage of Kiswahili language to form partnerships with international media houses in developing countries and delivering content that appeals to Kiswahili listeners and viewers throughout the world.

(i) Customers

TBC customers range from Ministries, Departments and Agencies (MDAs), NGOs, CBOs, private companies, politicians and private citizens. MDAs, NGOs and CBOs expect TBC to publicize their work and inform the public how they tackle different issues that affect lives of Tanzanians. Private companies expect TBC to air their advertisements to the chosen audience in the agreed schedule. They also expect TBC to give their side of the story in case of conflicts between the companies and the public. Politicians and private citizens expect TBC to make their voices heard. Also TBC customers expect exceptional customer service and relationships and upholding of good practices of doing business.

(j) Suppliers and Service Providers

Suppliers and Service Providers contribute to the corporation by providing reliable materials, component parts or other services that allow the organization to reduce uncertainty in its technical, news gathering or production operations, thus allowing for both normal and cost efficiencies. They therefore have a direct effect on the organization's efficiency and an indirect effect on its ability to attract customers. They expect prompt compensation for their supplies.

2.15 CORPORATION' STRATEGIES

The Corporation has set the following strategies:

- To enhance financial capacity and sustainability;
- To deploy appropriate technology for broadcasting services;
- To create quality content and programming for all TBC channels; and
- To ensure effective and efficient Management and Human Resource systems.
- To strengthen Governance
- To enhance Research and Development program;
- Sensitization and awareness programs on HIV/AIDS and sexual transmitted infections;

- To implement national anti-corruption laws and strategy

2.16 KEY PERFORMANCE INDICATORS

The key performance indicators used by the directors in assessing the progress against the following Corporation objectives:

2.16.1 To enhance financial capacity and sustainability

This involves consideration of different options that can assure flow of finance to meet both recurrent and development commitments. TBC's main goal is to ensure it remains a financially sustainable organisation, by growing its revenue base through various traditional and innovative new sources whilst prudently managing its costs. As a public broadcaster, TBC needs to have reliable, growing, independent and sustainable sources of financing. Growing profit is not the TBC's key objective. Rather, it is focused on ensuring the Corporation maintains liquidity and is continually able to fund its mandate. The following are strategies:

(a) Development of reliable and independent sources of financing TBC activities.

Follow up to ensure budgeted fund from various sources of Revenue are obtained.

Key Performance indicators	<u>Target</u> <u>2022/23</u>	<u>Actual 2022/23</u>	<u>Actual</u> <u>2021/22</u>
Liquidity ratios			
Current ratio	≥ 2:1	0.8:1	1:1
Acid test ratio	≥ 2:1	0.79: 1	0.9: 1

Source: Strategic Plan 2019/2020 -2023/2024

(b) Attract more development partners' funding.

TBC is working tirelessly to make sure that funds are obtained through various sources. During the year TBC received fund from UCSAF for the procurement of Radio Studio Equipment in Radio Jamii TZS. 1.492 billion. (2021/22: TZS. 1.077 billion) through business proposal. billion.

Performance indicators	<u>Target</u> <u>2022/23</u>	<u>Actual 2022/23</u>	<u>Actual</u> <u>2021/22</u>
Successful Projects Proposals for broadcasting services funded by Development partners	One (1) Projects Proposals	One (1) Projects Proposals	Two (2) Projects Proposals

(c) Improvement of Revenue stream from traditional sources and online platforms.

Production of content and advertisement on Radio and all Television channels to be improved hence to increase Percentage of adverts due to attractive programs on the screen. TBC is using website as another avenue of revenue generation. Online broadcasting services is another new

stream of revenue generation. TBC radio and television have been using website for live streaming hence attracting advertisers and sponsors. As at 30 June 2022 live coverage continued to be one of the sources of revenue generation. However during the year TBC aired free live coverage for the public interest cost more than TZS 8 billion.

Performance indicators	Target 2022/23	Actual 2022/23	Actual 2021/2022
Annual revenue growth	2%	37% Decrease	28% Increase

Source: Strategic Plan 2019/2020 -2023/2024

(d) Achieve a steady increase in market penetration

Development of research on Marketing trends and environment.

Key Performance indicators	Target 2022/23	Actual performance
market share from independent bodies	First ranking in market share from independent bodies	TBC1 market share increased dramatically from 21% (2021/2022) to 28% as at 30 June, 2023. This trend remains steady in the due to improved creative News & Current Affairs (ARIDHIO) and New JAMBO Program segment, live broadcasting and TBC2 programmes which are mostly intended for youth. TBC Taifa were ranked first (15%) on a sample survey of 20 radio Stations - data obtained from a scientific research company (Geopoll Media Measurement). This is a massive share as a result of its coverage, trustworthy and reliability. (No change of this data has obtained to the end of this reporting period 2021/2022)

Source: Strategic Plan 2019/2020 -2023/2024

2.16.2 To deploy appropriate technology for broadcasting services;

Acquisition of appropriate technology to improve broadcasting services and Effective utilization of appropriate technology and infrastructure in support of digital migration (DTT/DTH).

Various broadcasting equipment have been procured for the year 2021/22 to ensure daily operations of TBC. The procured equipment includes professional cameras, Live- U and Quantum wide for live production, computers and FLY AWAY used for broadcasting activities.

TBC strengthen the use of IT technology to meet its daily operations. News reporting, transmission and broadcasting is done through Digital media (TBCOnline LIVE). Broadcasting of TBC news and sports is much done through Optical fiber cable to whom TBC is connected. TBC is using radio streaming on its website (www.tbc.go.tz, www.tanzaniasafarichannel) and application platform. All radio channels (TBC Taifa, TBC FM, and TBC International) have live-programs. TBC

is also using Live-U and Quantum Wide technology during live coverage to areas where OB-Van cannot reach.

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
Number of studios	As at 30 June 2023 TBC planed to have 25 Studios	18 Studios	15 Studios
Automated systems in broadcasting	5 Automating systems between radios and television	TBC through its IT department works hard in automating systems between radios and television . As at 30 June 2023 TBC had 4 Automated systems in broadcasting	2 Automated systems in broadcasting
Number of viewers and listeners on online services and online promotion	5,000,000	TBC works hard to improve the quality of materials posted on its social media platforms. As at 30 June 2023 TBC had 3,275,143 views on online platforms.	1,000,000 viewers
Increase Radio and Television Coverage countrywide	95% coverage	Currently, radio coverage for TBC has increased from 134 (83%) districts in 2022 to 148 districts (92%) in 2022 out of 161 districts countrywide. TBC also is available on social media (Twitter, Instagram, Facebook and its website: www.tbc.go.tz) where viewers and listeners can access TBC channel worldwide.	83% coverage

Source: Strategic Plan 2019/2020 -2023/2024

2.16.3 To create quality content and programming for all TBC channels;

TBC work to ensure delivery of diversified quality information

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
Number of bulletins and programs	14,350 programs	TV and radio channels produced and aired 14,830 programs that cover a wide range of political, social, economic, entertainment and sport, Research, Health, educational, youth and special group,arts and culture and religion aspects	14,020 programs

Number of features and documentaries from bureaus	85 documentaries	TBC collaborates with stakeholders in serving the general public by airing 89 programs that has a featured nature	70 documentaries
Number of LIVE coverages	1,500 live coverage	TBC have a role of covering public Outside Broadcasting when the top government officials are performing their duties so as to inform the public on what is been done by their leaders. During the year 287 live were aired by radio and 398 were aired by TV in all quarter	532 live were aired by radio and 395 were aired by TV in all quarter
Number of matches broadcast	350	TBC is airing local as well as international matches such as NBC Premier League. During the year 153 local matches were aired and 75 International matches were aired	142 local matches were aired and 65 International matches were aired
Promote tourism through various programs	280 Programs	During the period Tanzania Safari Channel prepared and aired 360 local programs suit both local and international market. Tanzania Safari Channel is now transcribing programs in five languages; English, Chinese and French.	268 local programs suit both local and international market.

2.16.4 To ensure effective and efficient Management and Human Resource systems

(i) Strengthening the training and development of employees

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
Number employee participating in training	458	Capacity building trainings involve: staff from core business departments of Technical, Radio, Television, News and current affairs as well as Tanzania Safari Channel experts. Capacity building is done to other supporting staffs such as secretaries, HR, Finance, PMU, Legal, Internal Audit, Planning etc. During the period a total of 414 staff attended short courses and training on different professions	299 staff attended short courses and training on different professions

(ii) To improve working environment

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
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Adherence to Laws, rules, regulations and Governments circulars	Adherence to Laws, rules, regulations and Governments circulars	Laws, rules, regulations and Governments circulars were adhered. TBC has improved working environment to employees, modernised office and working tools and devised mechanism to protect its equipment from damage. All TBC staff are connected via staff mail whereby all information are shared in efficient manner. News reporting from upcountry offices is done through internet connectivity and Live-U technology from different locations. Reporters use this platform to send their stories during news bulletins. Currently this technology is used at Dodoma studio.	Laws, rules, regulations and Governments circulars were adhered
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2.16.5 Sensitization and awareness programs on HIV/AIDS and sexual transmitted infections

Health and wellbeing of TBC staff improved to ensure Prevention, provision of and Health and nutritional support to PLWHA and HIV/AIDS workplace interventions is provided

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
Adherence to Laws, rules, regulations and Governments circulars	Adherence to Laws, rules, regulations and Governments circulars	2022/2023 budget set a specific amount of money to perform and take care of staff LHIV	2021/2022 budget set a specific amount of money to perform and take care of staff LHIV

2.16.6 To strengthen governance

To ensure compliant governance practices complemented by effective risk management and internal controls. Risk Management Policy, Framework and Manual prepared

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
Overall Compliance Ratings by Regulators and Standards Organisations	100%	100% (TBC operates as per TCRA regulations and other standards)	100%

2.16.7 To implement national anti- corruption laws and strategy

Training to all staff on corruption combating and prevention to be conducted

Key Performance indicators	Target 2022/23	Actual performance as at 30 June 2023	Actual performance as at 30 June 2022
Corruption likelihood index as per PPRA	0	0	0

2.17 CAPITAL COMMITMENTS STRENGTHS AND RESOURCES

Apart from items indicated in the statement of financial position, TBC has other strengths and resources that assist in pursuing its objectives. The presence of trained and talented staff in the area of news and current affairs, program production, engineering, finance and accounts, audit, marketing, legal, procurement, corporate communication, human resources management and information communication technology (ICT) enables the organization to achieve its objectives smoothly.

In preserving the national history, the organization is the sole National archive for audio and visual contents. Presence of heritage assets which demonstrate the evolution of broadcasting industry is another major resource. TBC is also privileged to own plots and buildings in prime areas at all regions in Tanzania.

Affiliation with other international broadcasting houses like BBC, CCTV, RFI, NHK, and UN Radio, and membership in various international broadcasting unions like African Union of Broadcasters (AUB), Southern Africa Broadcasters Association (SABA) and Public Media Alliance (PMA), is strength the organization is proud of.

The organization also has got wide coverage (Musty carry channels, Rich in Rural areas) and leadership in reach, viewership and unique educational programs in Tanzania.

Credibility and trustworthy (Public broadcaster, formal operations) TBC holds a positive image and goodwill from majority of Tanzanians as a reliable public broadcaster.

Migration from analogue to digital television broadcasting via its Joint Venture Company (Star Media Tanzania Limited) digital platform is another milestone.

2.18 ACCOUNTING POLICIES

The annual financial statements are prepared on the underlying assumption of a going concern. The Corporation's accounting policies, which are laid out are subject to an annual review to ensure continuing compliance with International Public Sector Accounting Standards.

2.19 ACQUISITIONS AND DISPOSALS

The Corporation has not taken over the management of or acquired a stake in any Corporation during the year. (2021/2022 - NIL) During the year eight motor vehicles were disposed (2021/2022 NIL).

2.20 INVESTMENTS

a) Investment in property and equipment

Tanzania Broadcasting Corporation is focused on continued investment in equipment for expansion of its media services in branches across the various regions in Tanzania. Details of investment in property and equipment are detailed in Note 30 to the financial statements.

b) Investment in Star Media (Tanzania) Limited

According to the shareholders agreement, TBC has 35% equity shareholding with equivalent voting power in Star Media (Tanzania) Limited, which is a joint venture with Star Communication Network Technologies Company Ltd, Beijing, an agreement which was entered into on 31 May 2009. TBC is entitled to a proportionate share of the proceedings.

2.21 RISK ASSESSMENT

The Management understands the specific sources of risk and analysis of their impact on its operations to TBC. In the financial year 2022/23 the Management used risk assessment frameworks to enable the analysis of cost effective mitigation strategies. Among the types of risks that the Management is aware of and their mitigation strategies are provided here below:

Type of risk	Cause	Management
Strategic	Migration from analogue to digital broadcasting have increased reach of some television stations that they could not have before -hence intensified the level of competition into quality content production.	TBC has improved its quality of content produced for both Radio and Television in order to attract listenership and Viewership.
Commercial	Loosing customer Growing number of broadcasters both locally and regionally • The dilemma in balancing the national priorities as a national broadcaster and meeting the demand for commercial operations	Increasing customer care and providing quality services TBC has installed FM transmitters in various areas for the purpose to increase Radio Coverage. Radio and Television Studio has been installed in TBC zones. Currently Community Radio studio has been installed in Arusha. Other TBC zonal Radio studios are in Dodoma, Kigoma, Songea and Lindi. TBC2, TBC3 (Tanzania Safari), TBCFM and

Type of risk	Cause	Management
		TBC International has been strengthened to meet National obligation as the Public media.
Operational	Monetary loss resulting from: • Inadequate or failed internal processes, people, and systems or from external events • Rapid development by competitors in terms of equipment and production of creative radio and television program.	Improving quality of working tools, systems and processes: • Procured portable Broadcasting equipment in order to manage LIVE coverage whenever need arise. • Provide regular training to staff to attain more technical skills hence increase creativity and work performance.
Financial - currency and credit risk	Depreciation of foreign currency and likelihood of default.	Transacting using local currency and credit rating, establishing credit limits, encourage upfront payment.
Compliance	Adverse change in regulations guiding operation.	Be optimistic and well informed about government legislations and decisions.
Liquidity/funding	Receiving less funds to meet organization's obligations.	Establishing contingency plans, such as backup lines of credit (OD facility), grants and new profitable investments.

Source: Risk Assessment Register

2.22 EMPLOYEES' WELFARE

a) Management and Employees' Relationship

A healthy relationship continues to exist between management and employees. There were no unresolved complaints received by Management from the employees during the year.

The Corporation 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 or disability.

b) Training Facilities

During the year 2022/23, the Corporation set aside a sum of TZS 736 million for training in order to improve employees' technical skills and effectiveness (2021/22: TZS 421 million). The Corporation was implementing the budget by 37%, TZS 241 million (2021/2022: by 83%, TZS. 349 million). Training programs are continually being developed to ensure employees are adequately trained at all levels and every employee has some form of training to upgrade relevant skills and enhance personal development. Seventy-four employees were trained in various short courses in the year under review.

c) Health and Safety

The Corporation use OSHA health and safety policy of which ensures a safe working environment for all employees and contractors by providing adequate and necessary personal protective gears and training.

Medical Services

All members of staff and their dependants' not exceeding four members from each beneficiary have access to medical insurance scheme guaranteed by the Corporation. Currently the services are provided by National Health Insurance Fund (NHIF). The corporation gives medical assistance to employees for the services which are not covered by the NHIF. During the year TZS 24,000,000/= were paid to assist employees for the services which are not covered by the NHIF (2021/2022 TZS 30,200,000).

d) Financial Assistance to Staff

Loans are available to all confirmed employees through the Savings and Credit Co-operative Society (SACCOS) to assist in promoting the welfare of its employees. Management also guarantees staff for loans from banks and financial institutions and avails monthly deductions to lenders as agreed with both parties.

e) Persons with Disabilities

It remains the Corporation's policy to accept disabled persons for employment for those vacancies that they are able to fill. Opportunities for advancement are provided to each disabled person when a suitable vacancy arises within the organisation and all necessary assistance is given along with initial training. Where an employee becomes disabled during the course of his or her employment, the Corporation provides suitable alternate employment and necessary training thereof. The Corporation's policy is not discriminatory against people with regards to race, gender, religion or disability.

f) Retirement Benefits

The Corporation pays contributions to public administered pension schemes on mandatory basis. The number of employees benefiting from the scheme as at 30 June 2023 was 566 employees (2022: 548 employees).

2.23 GENDER PARITY

The Corporation has 566 employees (2022: 548 employees), out of whom 188 are female and 378 are male (2022: 182 are female and 365 are male). At the management level, female officers are 8 and male officers are 6 (2022: 9 female officers and 6 male officers).

2.24 SOCIAL AND POLITICAL DONATIONS

The Corporation did not make any political donations during the year. Donations made to charitable organizations during the year amounted TZS 8.0 million (2021/2022: TZS 9.6 million). TBC also contribute to the Government TZS. 50 million (2022: TZS. 50 million).

2.25 CORPORATE SOCIAL RESPONSIBILITY

TBC's Corporate Social Responsibilities (CSR) links its broadcast content to broad national development themes. Through our Radio and Television platforms, the TBC actively gets involved in issues of national importance such as HIV/Aids, youth and cultural matters, education development, commerce, disability, women's issues, community development and environmental projects.

2.26 ENVIRONMENTAL CONTROL PROGRAMME

The fundamental principles of the Corporation environmental and social policy are as follows: (i) Comply with local regulations and identify relevant social and environmental issues prevailing in Tanzania; (ii) Respect fundamental human and social principles, based on International Conventions; (iii) Increase awareness of environmental issues among employees and clients; (iv) Constantly seek to refine social and environmental practices.

2.27 COMMITMENTS

During the year ended 30 June 2023 total commitment was TZS 2.8 billion (2022: TZS 6.4 billion). The projects are expected to be completed in the next financial year.

2.28 RELATED PARTY DISCLOSURE.

Key Management personnel as defined by International Public Sector Accounting Standard IPSAS-20. Related party disclosure of TBC (Vote TR-061) are:- Board of Directors, Senior Management Team, Social Security Contributions and Star times. There was no related party transactions during the year ended 30 June 2023 (2022: NIL).

2.29 AUDITORS

The Controller and Auditor General (CAG) is the statutory auditor of the Tanzania Broadcasting Corporation (TBC) by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under the Public Audit Act, CAP. 418

BY THE ORDER OF THE BOARD



Stephen N. Kagaigai
BOARD CHAIRMAN

Date: 25/03/2024



Ms. Aisha Dachi
A.g DIRECTOR GENERAL

Date: 25/03/2024



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

Section 30(4) of the Public Finance Act, cap 348 requires directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Corporation as at the end of the financial year and of its surplus or deficit for the year. It also requires the directors to ensure that the Corporation keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Corporation. They are also responsible for safeguarding the assets of the Corporation and hence taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS) and the requirements of the Tanzanian Public Finance Act and the Tanzania Broadcasting Corporation Establishment Order of 2007. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Corporation and of its surplus in accordance with International Public Sector Accounting Standards (IPSAS).

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

The going concern basis of preparing financial statements is adopted on the basis of the explanation provided in **Note 2** to the financial statements.

BY THE ORDER OF THE BOARD



Stephen N. Kagaigai
BOARD CHAIRMAN

Date: 25/03/2024



Ms. Aisha Dachi
Ag. DIRECTOR GENERAL

Date: 25/03/2024

4.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTS UNIT OF TANZANIA BROADCASTING CORPORATION

The Nation 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 Acct No. 2 of 1995, requires financial statements to be accompanied with a declaration issue by the Head of Finance/ Accounting responsible for the preparation of financial statements of the entity concerned.

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

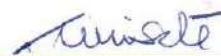
Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I **CPA Elisante Abraham Tuni** being the Chief Accountant of Tanzania Broadcasting Corporation (TBC) 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 TBC as on that date and that they have been prepared based on properly maintained financial records.

Signed by:

Elisante A. Tuni



Position:

Chief Accountant

NBAA Membership No:

ACPA 4085

Date:

25.08.2024

5.0 FINANCIAL STATEMENTS

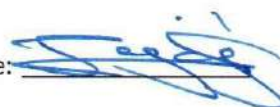
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		2022/23.	2021/22
	Note	TZS	TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	8	4,083,254,280	6,702,883,449
Receivables	23	4,362,879,881	4,599,426,645
Prepayments	24	1,682,447,380	20,655,300
Inventories	25	48,534,493	78,540,706
Total Current Asset		10,177,116,034	11,401,506,100
Non Current Asset			
Property, Plant and Equipment	31	90,121,965,201	88,472,532,986
Intangible Assets	32	10,653,016	35,113,816
Work In Progress	33	2,692,470,148	2,406,200,185
Investment in Controlled Entities (Subsidiaries)	34	627,326,000	627,326,000
Total Non Current Asset		93,452,414,365	91,541,172,987
TOTAL ASSETS		103,629,530,399	102,942,679,087
LIABILITIES			
Current Liabilities			
Payables and Accruals	27	9,361,864,360	8,533,831,977
Deferred Income	27	2,834,801,764	3,316,336,908
Deposits	26	53,178,319	0
Total Current Liabilities		12,249,844,443	11,850,168,885
Net Assets		91,379,685,956	91,092,510,202
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/Share Capital	29	55,500,446,960	55,500,446,960
Accumulated Surpluses / Deficits		35,879,238,996	35,592,063,242
TOTAL NET ASSETS/EQUITY		91,379,685,956	91,092,510,202

The financial statements on page 36 to 78 were approved and authorized for issue by the Board of Directors and signed on its behalf by:

Stephen N. Kagaigai, Board Chairman

Signature:



Date: 25/03/2024

Ms. Aisha Dachi, Ag. Director General

Signature:



Date: 25/03/2024

TANZANIA BROADCASTING CORPORATION

STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2023

	Note	2022/23 TZS	2021/22 TZS
REVENUE			
Revenue from Exchange Transactions	9	9,612,934,772	8,777,360,683
Gain on Foreign Currency Transactions	10	0	3,225,440
Revenue from non Exchange Transactions:			
Other Revenue	11	1,492,500,000	1,076,795,004
Subvention from other Government entities	12	23,673,659,031	26,592,757,991
TOTAL REVENUE		34,779,093,803	36,450,139,118
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	13	19,713,658,894	16,341,757,512
Use of Goods and Service	14	7,350,570,349	5,490,033,892
Maintenance Expenses	15	310,881,703	568,652,894
Depreciation of Property, Plant and Equipment	31	4,231,694,634	3,807,394,058
Amortization of Intangible Assets	32	24,460,800	37,355,000
Interest Expenses	16	0	30,084,165
Loss on Foreign Currency Transactions	17	4,596,705	894,770
Provision of obsolete inventories	18	23,418,349	
Impairment of Receivables	19	156,431,152	36,313,776
Other Expenses	20	817,620,538	771,770,449
Social Benefits	21	2,400,000	3,430,001
Total Expenses		32,635,733,124	27,087,686,516
Transfer			
Other Transfers	22	1,168,026,525	1,209,327,087
Total Transfer		1,168,026,525	1,209,327,087
TOTAL EXPENSES AND TRANSFERS		33,803,759,649	28,297,013,603
Surplus / (Deficit)		975,334,154	8,153,125,515

The financial statements on page 36 to 78 were approved and authorized for issue by the Board of Directors and signed on its behalf by:

Stephen N. Kagaigai, Board Chairman

Signature: 

Date: 25/03/2024

Ms. Aisha Dachi, Ag. Director General

Signature: 

Date: 25/03/2024

TANZANIA BROADCASTING CORPORATION

STATEMENT OF CHANGES IN NET ASSET AND EQUITY FOR THE PERIOD ENDED 30 JUNE 2023

	Tax Payer's Fund	Accum. Surplus/(Deficit)	Total
	TZS	TZS	TZS
Opening Balance as at 01 Jul 2022	55,500,446,960	35,592,063,242	91,092,510,202
Additon Capital Injected	0	0	0
Other Reserve	0	0	0
Other Appropriatons	0	-688,158,400	-688,158,400
Minority Interest	0	0	0
Surplus/ Defcit for the Year	0	975,334,154	975,334,154
Closing Balance as at 30 Jun 2023	55,500,446,960	35,879,238,996	91,379,685,956
Opening Balance as at 01 Jul 2021	55,500,446,960	27,438,937,727	82,939,384,687
Additon Capital Injected	0	0	0
Other Reserve	0	0	0
Other Appropriatons	0	0	0
Minority Interest	0	0	0
Surplus/ Defcit for the Year	0	8,153,125,515	8,153,125,515
Closing Balance as at 30 Jun 2022	55,500,446,960	35,592,063,242	91,092,510,202

Note:

TZS. 688,158,400 - Deferred Tax have been impaired during the year.

Being a public Broadcaster, a non profit organization, TBC is not subjected to corporate tax.

The financial statements on page 36 to 78 were approved and authorized for issue by the Board of Directors and signed on its behalf by:

Stephen N. Kagaigai, Board Chairman

Signature:



Date:

25/03/2024

Ms. Aisha Dachi, Ag. Director General

Signature:



Date:

25/03/2024

TANZANIA BROADCASTING CORPORATION

CASHFLOW STATEMENT FOR THE PERIOD ENDED 30 JUNE 2023

CASH FLOW FROM OPERATING ACTIVITIES

		2022/23 TZS	2021/22 TZS
RECEIPTS			
	Notes		
Subvention from other Government entities	44.6	23,183,668,399	19,396,543,191
Revenue from Exchange Transactions	44.4	9,024,676,524	8,148,448,681
Other Revenue	44.5	1,492,500,000	1,076,795,004
Increase in Deposit	44.14	53,178,319	0
Total Receipts		33,754,023,242	28,621,786,876
PAYMENTS			
Wages, Salaries and Employee Benefits	44.7	19,192,526,742	16,418,638,596
Use of Goods and Service	44.8	7,103,910,380	6,475,197,912
Social Benefits	44.11	2,400,000	3,430,000
Other Transfers	44.13	1,168,026,525	1,209,327,087
Other Expenses	44.12	817,620,538	771,770,448
Maintenance Expenses	44.9	310,881,703	568,652,894
Interest Expenses	44.10	0	30,084,165
Total Payments		28,595,365,888	25,477,101,102
NET CASH FLOW FROM OPERATING ACTIVITIES		5,158,657,354	3,144,685,774

CASH FLOW FROM INVESTING ACTIVITIES

Investing Activities

Payment for Work in Progress	44.2	(4,707,019,943)	(2,390,810,538)
Advance Payment for Acquisition of Property Plant and Equipment	44.1	(1,619,345,200)	0
Acquisition of Property, Plant and Equipment	44.3	(1,451,921,380)	(3,893,291,288)
Total Investing Activities		(7,778,286,523)	(6,284,101,826)
NET CASH FLOW FROM INVESTING ACTIVITIES		(7,778,286,523)	(6,284,101,826)
Net Decrease		(2,619,629,169)	(3,139,416,052)

Cash and cash equivalent at beginning of period	8	6,702,883,449	9,842,299,501
Cash and cash equivalent at end of period	8	4,083,254,280	6,702,883,449

The financial statements on page 36 to 78 were approved and authorized for issue by the Board of Directors and signed on its behalf by:

Stephen N. Kagaigai, Board Chairman

Signature: _____

Date: _____

Ms. Aisha Dachi, Ag. Director General

Signature: _____

Date: _____

TANZANIA BROADCASTING CORPORATION

THE UNITED REPUBLIC OF TANZANIA

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

	TZS	Original Budget	Reallocations /Adjustments	Final Budget (B)	Actual Amount on Comparison Basis (A)	Different Final Budget & Actual (B-A)	% Change
RECEIPTS							
Subvention from Other Government Entities	37,431,984,304	0	0	37,431,984,304	23,183,668,399	14,248,315,905	38%
Revenue Grants	0	0	0	0	0	0	
Revenue from Exchange Transactions	14,309,165,000	0	0	14,309,165,000	9,024,676,524	5,284,488,476	37%
Other Revenue	1,500,000,000	0	0	1,500,000,000	1,492,500,000	7,500,000	1%
Increase in Deposit	0	0	0	0	53,178,319	(53,178,319)	
Total Receipts	53,241,149,304	0	0	53,241,149,304	33,754,023,242	19,487,126,062	37%
PAYMENTS							
Wages,Salaries and Employee Benefits	17,565,177,804	0	0	17,565,177,804	19,192,526,742	(1,627,348,938)	-9%
Use of Goods and Service	8,939,770,600	0	0	8,939,770,600	7,103,910,382	1,835,860,218	20%
Subsidies	0	0	0	0	0	0	
Social Benefits	60,000,000	0	0	60,000,000	2,400,000	57,600,000	96%
Other Transfers	9,475,000,000	0	0	9,475,000,000	1,168,026,525	8,306,973,475	88%
Other Expenses	999,080,000	0	0	999,080,000	817,596,537	181,483,463	18%
Maintenance Expenses	2,113,031,841	0	0	2,113,031,841	310,881,702	1,802,150,139	85%
Interest Expenses	0	0	0	0	0	0	
Grants and Transfers	70,000,000	0	0	70,000,000	0	70,000,000	100%
Acquisition of Property,Plant and Equipment	14,019,089,059	0	0	14,019,089,059	7,778,286,523	6,240,802,536	45%
Total Payment	53,241,149,304	0	0	53,241,149,304	36,373,628,411	16,867,520,893	32%
Net Receipts/Payments	0	0	0	0	(2,619,629,169)	2,619,629,169	

Note: The extra payment against receipt during the year resulted from committed fund in the financial year 2021/2022 paid in the financial year ended June,2023.

Stephen N. Kagaigai, Board Chairman

Signature:

Date: 25/03/2024

Ms. Aisha Dachi, Ag. Director General

Signature:

Date: 25/03/2024

6.0 NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATION INFORMATION

Tanzania Broadcasting Corporation (TBC) is a Public Corporation established under the Public Corporation Act of 1992 CAP 257 and Tanzania Broadcasting Corporation Establishment Order of 2007 as per Government Notice No. 186 of 2007. Tanzania Broadcasting Corporation took over both Radio and Television public broadcasting activities from Tanzania Broadcasting Services upon revocation of the Taasisi ya Utangazaji Tanzania -TUT (Tanzania Broadcasting Services) Establishment Order of 2002. The address of its registered office is:

Broadcasting House

Nyerere Road

PO Box 9191

Dar es Salaam

Tanzania

2. GOING CONCERN BASIS OF PREPARATION

The Corporation reported an accumulated surplus position of TZS 35.87 billion (2022: TZS 35.59 billion). The surplus from operations during the year was TZS 975 million (2022: surplus of TZS 8.15 billion), current liabilities worth TZS 12.billion (2022: TZS 8.5 billion) and current assets worth TZS 10.1 billion (2022: TZS 11.4 billion) thus a current ratio of 0.8:1 (2022: Ratio 0.96:1). The slight decrease resulted from the utilization of the previous year committed fund. During the year current liabilities increases due to expansion of the Corporation's activities. The Government has committed to continue to give financial support to the Corporation.

The directors have prepared the financial statements on a going concern basis, which assumes that the Corporation will continue in operations for at least one year from the date of the financial statements and will be able to realise its assets and discharge its liabilities in the normal course of operations. This decision by the directors is based on the grounds explained below:

The Corporation continues with marketing and sales promotion countrywide including establishing own sales outlet and appointment of agents countrywide. Moreover, the Corporation continues to serve the Government and the public at large and directors believe that the Government will continue to support the Corporation by way of subsidies so as to ensure that public service is sustained.

These financial statements do not reflect adjustments that would be necessary if the Corporation were unable to continue as a "going concern". While Directors believe that the actions already taken or planned, will mitigate the adverse conditions and events which raise doubt about the

validity of the "going concern" assumption used in preparing these financial statements, there can be no assurance that these actions will be successful.

If the Corporation was unable to continue as a "going concern", then adjustments would be necessary to the carrying values of assets and liabilities.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless where otherwise stated.

(a) Basis of preparation

The principal accounting policies adopted in the preparation of these financial statements are set out below.

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Tanzania Shillings (TZS).

The preparation of financial statements in conformity with IPSAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the corporation's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 5.

Statement of Compliance

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) - Accrual basis.

(b) Changes in accounting policy and disclosures

No new and amended standards adopted by the Corporation.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Corporation operates (the "functional currency"). The financial statements are presented in Tanzania Shillings (TZS), which is the Corporation's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies during the year are converted into Tanzania Shillings at rates prevailing at the transaction dates. Monetary items denominated in foreign currency are translated using the exchange rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated at the date of initial recognition. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in surplus or deficit.

4. Adoption of new and revised standards

a) New and amended standards and interpretations in issue effective in the year ended 30 June 2023.

IPSASB deferred the application date of standards from 1st January 2022 owing to Covid 19. This was done to provide entities with time to effectively apply the standards. The deferral was set for 1 January 2023.

b) New and amended standards and interpretations in issue effective in the year ended 30 June 2023

Standard	Effective date and impact:
IPSAS 41: Financial Instruments	Applicable: 1st January 2023: The objective of IPSAS 41 is to establish principles for the financial reporting of financial assets and liabilities that will present relevant and useful information to users of financial statements for their assessment of the amounts, timing and uncertainty of an Entity's future cash flows. IPSAS 41 provides users of financial statements with more useful information than IPSAS 29, by: • Applying a single classification and measurement model for financial assets that considers the characteristics of the asset's cash flows and the objective for which the asset is held; • Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and • Applying an improved hedge accounting model that broadens the hedging arrangements in scope of the guidance. The model develops a strong link between an Entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.

	The application of the standard will improve the forward looking perspective in reporting of the current assets and liabilities.
IPSAS 42: Social Benefits	Applicable: 1 January 2023 The objective of this Standard is to improve the relevance, faithful representativeness and comparability of the information that a reporting Entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial reports assess: (a) The nature of such social benefits provided by the Entity. (b) The key features of the operation of those social benefit schemes; and (c) The impact of such social benefits provided on the Entity's financial performance, financial position and cash flows. The standard will refine the financial statements with the comparability aspect in classification of social benefits.
Amendments to Other IPSAS resulting from IPSAS 41, Financial Instruments	Applicable: 1 January 2023: a) Amendments to IPSAS 5, to update the guidance related to the components of borrowing costs which were inadvertently omitted when IPSAS 41 was issued. b) Amendments to IPSAS 30, regarding illustrative examples on hedging and credit risk which were inadvertently omitted when IPSAS 41 was issued. c) Amendments to IPSAS 30, to update the guidance for accounting for financial guarantee contracts which were inadvertently omitted when IPSAS 41 was issued. Amendments to IPSAS 33, to update the guidance on classifying financial instruments on initial adoption of accrual basis IPSAS which were inadvertently omitted when IPSAS 41 was issued. The Standard will improve the reporting particularly in accounting for guarantee contracts and credit risks.

Other improvements to IPSAS	Applicable 1 January 2023 • <i>IPSAS 22 Disclosure of Financial Information about the General Government Sector.</i> • IPSAS 29: Financial instruments: Recognition and Measurement Standard no longer included in the 2021 IPSAS handbook as it is now superseded by IPSAS 41 which is applicable from 1 January 2023. The standard will improve the reporting interms of the financial instruments particularly the timming of cashflows.
IPSAS 43	Applicable 1 January 2025 The standard sets out the principles for the recognition, measurement, presentation, and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cashflows of an Entity. The new standard requires entities to recognise, measure and present information on right of use assets and lease liabilities. Subsequently the standard will not have effect in TBC Financial Statements as the Corporation does not maintain leased assets.
IPSAS 44: Non- Current Assets Held for Sale and Discontinued Operations	Applicable 1 January 2025 The Standard requires, Assets that meet the criteria to be classified as held for sale to be measured at the lower of carrying amount and fair value less costs to sell and the depreciation of such assets to cease and: Assets that meet the criteria to be classified as held for sale to be presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance. The University will improve the disclosure in the face of financial statements as the non current assets held for sale and discontinued operations will be separately reported and disclosed.

c) Early adoption of standards

The entity early adopted the IPSAS for Covid 19 Pandemic whereby, the effects of Covid 19 pandemic were thoroughly analysis and its impact disclosed starting financial year 2020/2021 onwards.

5. Summary of Significant Accounting Policies

(a) Revenue recognition

The Corporation recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Corporation's activities as described below.

The amount is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Corporation bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue from non-exchange of transactions

Government subsidies and grants

Revenues from non-exchange transactions with the government are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the Corporation and can be measured reliably. Government grants are not recognized until there is reasonable assurance that the corporation will comply with the conditions attached to them and that the grants will be received.

Government grants whose primary condition is that the corporation should purchase, construct or otherwise acquire non-current assets are recognized as capital grants (deferred income) in the statement of financial position and amortised - transferred to Financial Performance when utilised.

Other government grants without condition are recognized as revenue over the periods received and credited directly to the Statement of Financial Performance. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Corporation with no future related costs are recognized in surplus or deficit in the period in which they become receivable.

Revenue from exchange of transactions

(i) Sale of goods and services

Revenues received or receivable for the sale of goods and services are shown net of value-added tax, estimated returns, rebates and discounts. Sales of services are recognized in the accounting period in which the services are rendered.

Revenue comprises the fair value of the consideration received or receivable from the sale of goods and services in the ordinary course of the Corporation's activities. Revenue is shown net of value-added tax, returns, rebates and discounts.

(i) Advertising revenues

Advertising revenues are recognized upon showing/airing of the advertisements. Online advertising revenues are recognized over the period in which the advertisements are displayed.

(ii) Interest income

Interest income is recognised for all interest-bearing instruments using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period. Interest income includes coupons earned on fixed income investments and accrued discount and premium on treasury bills and other discounted instruments.

(b) Current and deferred income tax

Current income tax

Being a public Broadcaster, a non profit organization, TBC is not subject to corporate tax.

Deferred income tax

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised only to the extent that it is probable that future taxable surplus will be available against which the temporary differences can be utilised.

(c) Value Added Tax (VAT)

Revenue, expenses and assets are recognised net of the amount of value added tax except where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the assets or services as applicable.

The net amount of Value Added Tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(d) Plant, Property and equipment

Plant, Property and equipment are stated at historical cost, being the purchase cost plus any cost directly attributable to the preparation of the assets for their intended use, less accumulated depreciation and any accumulated impairment losses. Plant, Property and equipment, are depreciated over each asset's estimated useful life. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised.

All other repairs and maintenance costs are charged to surplus or deficit during the financial period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as per Public Assets Management Guidelines (Revised Edition, 2019) follows:

Leasehold land	over the lease term
Buildings	50 years
Motor vehicles (5 tones and above)	10 years
Motor vehicles (below 5 tonnes)	5 years
Office equipment	5 years
Computers	4 years
Furniture, Fittings and Equipment	5 years
Transmitters	7 years



Major leasehold improvements are amortised over the shorter of their respective lease periods and estimated useful economic life. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits will flow to the corporation and the cost can be reliably measured. Major renovations are depreciated over the remaining useful economic life of the related asset.

An item of plant, property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in surplus or loss when the asset is derecognised.

Capital work in progress includes accumulated cost of plant, property and equipment which is under construction or for which cost has been incurred, but which is not yet ready for use by the Corporation. It also includes cost incurred for assets being constructed by third parties, assets which have not been delivered to or installed in the facility and assets which cannot be used until certain other assets are acquired and installed. Where there is a significant interval between the

time at which cost is incurred in connection with the acquisition of an asset and when the asset will be ready for use, the cost is accumulated in capital work in progress. At the time the asset is ready for use, the accumulated cost is to be transferred to the appropriate category and depreciation is charged. Capital work in progress is not depreciated, since the asset is not yet ready for use.

Plant, Property and equipment that are acquired through non-exchange contracts are measured at the fair value thereof at the date of acquisition. The corresponding credit is recognized as income in the statement of financial performance, unless there are conditions on the asset's use. In which case, revenue is deferred as a liability. The fair value of the item (at initial recognition) is therefore adopted as the deemed cost of the item received.

(e) Intangible assets

The Corporation's intangible assets mainly relate to computer software. An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Corporation. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Computer software development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Corporation are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated that the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised using the straight-line method over the useful lives, estimated at four years.

(f) Leases**Corporation as a Lessee**

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception date of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Finance leases which transfer to the Corporation substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in surplus or deficit.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Corporation will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term. Operating lease payments are recognised as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Corporation. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

Corporation as a lessor

Leases in which the Corporation does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

Rent received from an operating lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

(g) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in surplus or deficit over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs.

(h) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in surplus or deficit in the period in which they are incurred.

(i) Financial assets**(i) Classification**

Financial assets within the scope of IPSAS 29 *Financial Instruments: Recognition and Measurement* are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition.

All financial assets of the Corporation are in the category of loans and receivables, based on the purpose for which the financial assets were acquired.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Corporation's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

ii) Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date. The date on which the Corporation commits to purchase or sell the asset. Loans and receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Corporation or the counterparty.

(iv) De-recognition

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Corporation has subsequently transferred all risks and rewards of ownership.

(j) Impairment of financial assets

The Corporation assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in surplus or deficit. As a practical expedient, the Corporation may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the surplus or deficit.

(k) Financial liabilities

Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Financial liabilities are derecognised when extinguished.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange

or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in surplus or deficit.

(l) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on a weighted average cost method and comprises expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the open market less applicable selling expenses. Stores and consumables are stated at cost less any provision for obsolescence. Any obsolete items are provided for in full in the year they are detected.

(m) Impairment of non-financial assets

The carrying values of non-financial assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of the assets is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Impairment losses are recognised in the statement of comprehensive income.

When an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of impairment loss is recognised in surplus or deficit immediately.

(n) Cash and cash equivalent

Cash and cash equivalent in the statement of financial position comprise cash at banks, cash on hand and Letter of Credit. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and Letter of Credit as defined above.

(o) Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that the Corporation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third-party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(p) Employees' benefits

The Corporation has a statutory requirement to contribute to publicly administered pension schemes (Public Services Pension Fund - PSSPF, and Zanzibar Social Security Fund - ZSSF). The Corporation has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefits expense when they are due.

The estimated monetary liability for employees' accrued entitlements at the reporting date is recognized as accrued expenses.

(q) Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(r) Associate

An associate is an entity over which the Corporation has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the surplus or deficit of the investee after the date of acquisition. Distributions received from the associate reduce the carrying amount of the investment.

The Corporation's share of post-acquisition surplus or deficit is recognised in the surplus or deficit, with a corresponding adjustment to the carrying amount of the investment. When the Corporation's share of losses in an associate equal or exceeds its interest in the associate, including any other unsecured receivables, the Corporation does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Corporation determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Corporation calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/loss of an associate' in the surplus or deficit.

(s) Trade payables

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

(t) Budget information

TBC prepares its budget based on the Government's Medium Term Expenditure Framework (MTEF) which adheres to the principles of Open Governance.

The budget is prepared on a cash basis. To bridge the gap between the budget prepared in cash basis and the financial statements prepared in accrual basis, the Corporation prepares a statement of reconciliation of actual amounts on a budget basis, with actual amounts presented in the financial statements.

TBC is operated based on the fiscal year and so its approved budget covers a period from 1 July to 30 June of each fiscal year.

A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts. Explanatory comments are provided in the notes to the annual financial statements; the reasons for the growth or decline of the fund received / collected in line with the budget are stated, followed by details of overspending or underspending on line items.

6. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Corporation's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The Board of Directors has overall responsibility for the establishment and oversight of the Corporation's risk management framework. As part of governance structure, the Board of Directors has established a comprehensive risk management framework for measuring, monitoring, controlling and mitigating the Corporation's risks. This includes, the provision of written policies covering specific areas, such as foreign exchange risk, interest rate risk and credit risk. The Corporation's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Corporation regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The notes below provide detailed information on each of the above risks and the Corporation's objectives, policies and processes for measuring and managing risk.

a) Market risk**i) Foreign exchange risk**

Foreign exchange risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in foreign exchange rates. As and when the need arises, the Corporation enters into transactions denominated in foreign currencies (primarily United States Dollars (US\$)). In addition, the Corporation has assets and liabilities denominated in United States Dollars (US\$). As a result, the Corporation is subjected to transaction and translation exposure from fluctuations in foreign currency exchange rates. The Corporation has no significant foreign currency transactions and therefore the effects of foreign exchange risk are minimal.

ii) Interest rate risk

The Corporations had no interest expense during the year that would have impact in the surplus (2022: TZS 30,084,184.82). During the year the Corporation had no Bank overdraft facility (2022 Bank overdraft limit 300 million expired on 30 April 2022)

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation is exposed to credit related losses in the event of a non-performance by counterparties to financial instruments. Potential concentration of credit risk consists principally of short-term cash and cash equivalents, and trade receivables. The Corporation deposits short term cash surpluses only with major banks of high credit standing.

Trade account receivables comprise a widespread customer base. Ongoing credit evaluation of the financial position of customers is performed. The granting of credit facilities is made on application and is approved by the Director of Marketing.

Trade receivables are presented net of allowance for doubtful debts. Accordingly, the Corporation has no significant concentration of credit risk which has not been insured or adequately provided for. With respect to the trade and other receivables that are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

The Corporation's maximum exposure to Credit Risk as at 30 June 2023 is as shown below:

		2022/23	2021/22
		TZS	TZS
Financial Assets:			
Cash and Cash Equivalents	Note 8	4,083,254,280	6,702,883,449
Receivables	Note 23	9,575,100,711	9,702,025,131
Total Financial Assets		13,658,354,991	16,404,908,580

The age analysis of the Corporation's receivables with consideration of allowances for impairment is provided below and analysis with impairment allowance is provided under Note 17 and note 18 of these financial statements:

Details	Up to 3 Months	4 to 6 Months	7 months to 1 Year	Over 1 Year	Total
Receivable from Exchange Transactions					
Government Institutions and Ministries	749,612,136	293,949,700	574,410,866	3,946,692,492	5,564,665,194
Private Companies	898,635,173	135,343,784	110,635,921	2,614,397,249	3,759,012,127
Sub Total	1,648,247,309	429,293,484	685,046,787	6,561,089,741	9,323,677,321
Receivable from non exchange transactions	162,314,738			89,108,653	251,423,391
Sub Total	162,314,738			89,108,653	251,423,391
Grand Total	1,810,562,047	429,293,484	685,046,757	6,650,198,394	9,575,100,712
LESS: Allowances for impairment of Receivables					
Provision for doubtful Debts				-5,210,900,831	-5,210,900,831
Impairment Staff loans					
Net Receivables Total	1,810,562,047	429,293,484	685,046,757	1,439,297,562	4,364,199,850

c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The Corporation manages its liquidity risk to ensure it is able to meet estimated expenditure requirements. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents.

The Corporation's liquidity is managed by forecasting the cash and currency requirements. In managing its liquidity risk, the Corporation has access to funding at competitive rates through banks and dependency on government grants and subsidies.

(d) Capital risk management

The Corporation's objective when managing its capital is to safeguard the Corporation's ability to continue as a going concern in order to provide returns for owners and reduce the cost of capital. The Corporation has no share capital and it is financed by the Government.

7. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

The Corporation makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(i) *Useful lives of assets*

The useful lives of items of plant, property and equipment are estimated annually and are in line with the rate at which they are depreciated.

(ii) *Impairment of financial instruments*

The Corporation follows the guidance of IPSAS 29 to determine when a financial asset is impaired. This determination requires significant judgement.

(iii) *Impairment of non-financial assets*

The Corporation assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

8 - Cash and Cash Equivalents

BoT Ownsource Collection Account	1,102,689,211	6,511,737,311
Cash in hand	17,312,260	938,300
CRDB CASH ACCOUNT	0	2,454,195
Development Expenditure Cash Account	1,982,994,644	0
imprest cash account	100,000	0
Letter of Credit.	739,630,350	0
Ownsource Collection Account - CRDB	68,986,000	102,409,100
Ownsource Collection Account - NMB	20,690,000	13,066,000
Ownsource Development Expenditure	21,030,897	0
Ownsource Recurrent Expenditure GF	(33,720,861)	72,278,543
Recurrent Expenditure Cash Account	110,363,460	0
Unapplied Cash Account	53,178,319	0
	4,083,254,280	6,702,883,449

8A - Significant Cash and cash equivalent balance not available for use.

During the year, Cash and cash equivalent comprises of TZS 2.8 Billion, that are not available for use by the Corporation which are committed for the uncompleted projects. (2021/2022 - TZS 3.3 Billion), Refer note 28

	TZS	TZS
9 - Revenue from Exchange Transactions		
Other Receipts	1,198,512,136	1,645,229,665
Radio Commercial Advertisement	926,682,779	736,538,746
Radio Commercial Programmes	1,859,607,905	1,117,321,892
TV Commercial Advertisement	2,052,728,540	2,108,425,255
TV Commercial Programmes	3,575,403,412	3,169,845,125
	9,612,934,772	8,777,360,683

10 - Gain on Foreign Currency Transactions

Foreign exchange differences (Gain)	0	3,225,440
	0	3,225,440

11 - Other Revenue

Other Revenue	1,492,500,000	1,076,795,004
	1,492,500,000	1,076,795,004

During The year TBC received Fund from UCSAF TZS. 1,492,500 (2022 TZS.1,076,795,0042) to finance the expansion's cost of Radio coverage

12 - Subvention from other Government entities

Government Grant Development Local	8,961,953,752	8,136,214,766
Revenue Grants - Non Monetary	8,455,488	2,758,104,080
Subvention current	922,131,250	1,185,977,532
Subvention for Other Charges	2,776,918,246	3,911,550,000
Subvention for Personal Emolument	11,004,200,295	10,600,911,613
	23,673,659,031	26,592,757,991

During The yer TBC received Fund from Tanzania Safari Channel Stakeholders (TANAPA and TCRA)Fund Received from Tanzania Safari Channel Stakeholders (TANAPA and TCRA) TZS. 922,131,250 (2022 TZS. 1,185,977,532)

13 - Wages,Salaries and Employee Benefits

Acting Allowance	73,110,000	47,802,000
Civil Servants	9,293,461,176	8,949,505,350
Civil Servants Contracts	1,561,183,367	1,207,909,688
Dizel Allowances	288,956,000	224,179,000
Extra-Duty	1,314,020,000	713,174,237
Food and Refreshment	1,096,730,000	589,798,000
Furniture	48,000,000	44,865,000
Hardship Allowance	28,800,000	26,400,000
Honoraria	56,533,000	10,600,000
Household Appliances	0	47,694,966

TANZANIA BROADCASTING CORPORATION

Housing allowance	2,089,745,183	1,233,680,267
Leave Travel	140,355,753	67,617,888
Medical and Dental Refunds	14,069,004	30,200,000
Moving Expenses	56,328,600	158,363,120
Outfit Allowance	9,687,000	0
Responsibility Allowance	241,030,000	188,939,707
Sitting Allowance	382,648,081	210,653,688
Special Allowance	256,914,170	1,740,000
Statutory Contributions	1,706,687,560	1,956,819,601
Telephone Allowance	0	66,455,000
Transport Allowance	1,055,400,000	565,360,000
	19,713,658,894	16,341,757,512

14 - Use of Goods and Service

Advertising and Publication	963,425,716	79,832,723
Air Travel Tickets	49,248,685	24,701,998
Books, Reference and Periodicals	16,262,000	0
Communication Network Services	3,500,000	36,002,265
Diesel	278,411,403	146,786,732
Educational Radio and TV broadcasting programming	1,418,319,809	1,551,446,322
Electricity	987,670,477	852,216,001
Entertainment	33,970,460	34,853,196
Fumigation	0	3,303,582
Ground Transport (Bus, Train, Water)	3,220,000	0
Ground travel (bus, railway taxi, etc)	55,805,500	168,015,129
Internet and Email connections	374,778,824	333,565,739
Newspapers and Magazines	1,976,000	3,909,000
Non Cash Expenditure		36,313,775
Office Consumables (papers,pencils, pens and stationaries)	84,392,384	90,268,306
Outsourcing Costs (includes cleaning and security services)	305,044,728	332,189,395
Per Diem - Domestic	1,211,916,733	459,538,059
Per Diem - Foreign	222,883,315	113,878,970
Posts and Telegraphs	29,518,600	43,154,896
Rent - Office Accommodation	144,422,138	181,703,119
Satellite access services	619,252,909	598,508,353
Software License Fees	39,342,405	96,398,428
Sporting Supplies	0	740,000
Subscription Fees	220,649,487	182,409,415
Training Allowances	241,306,929	83,843,200
Uniforms	24,145,000	10,113,043
Water Charges	21,106,847	26,342,246
	7,350,570,349	5,490,033,892

15 - Maintenance Expenses

Electrical and Other Cabling Materials	4,055,000	25,508,723
Mechanical, electrical, and electronic spare parts	102,277,133	85,470,594
Outsource maintenance contract services	87,618,115	269,219,100

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Panel and body shop repair materials and services	113,573,455	150,762,773
Repair and Maintenance of Furniture	2,428,000	8,703,000
Small Tools and Implements	930,000	28,138,704
TV sets and Radios	0	850,000
	310,881,703	568,652,894

16 - Interest Expenses

Overdrafts	0	30,084,165
	0	30,084,165

17 - Foreign exchange differences (Losses)

Foreign exchange differences (Losses)	4,596,705	894,770
	4,596,705	894,770

18 - Provision for write-off of obsolete inventories

Provision for write-off of obsolete inventories	23,418,349	0
	23,418,349	0

19 - Impairment of Receivables

Impairment of Receivables	156,431,152	36,313,776
	156,431,152	36,313,776

20 - Other Expenses

Audit fees	80,000,000	80,000,000
audit supervision expenses	0	10,020,000
Bank Charges and Commissions	4,168,929	41,945,324
Burial Expenses	66,400,000	52,640,520
consultancy fees	11,300,000	32,135,131
education supervision expenses	106,969,250	107,722,800
Freight Forwarding and Clearing Charges	32,604,315	15,643,999
Legal fees	0	97,518,831
Sales Commission, Discount and Revenue Share	335,468,827	324,460,011
Sundry Expenses	172,639,217	0
Transportation Cost by Water	8,070,000	9,608,000
Vehicles Insurance	0	75,833
	817,620,538	771,770,449

21 - Social Benefits

Assistant to Person with Disability	2,400,000	3,430,000
	2,400,000	3,430,000

TANZANIA BROADCASTING CORPORATION

22 - Other Transfers

Contribution to CF (15%)	50,000,000	50,000,000
Disbursement Transfer**	1,118,026,525	1,159,327,087
	1,168,026,525	1,209,327,087

**Disbursement Transfer consist of the Revenue expenditure to facilitate Tanzania Safari Channel. During the year, a Separate Bank Account to operate transactions for Tanzania Safari Channel was opened. The amount transferred in this account incurred as detailed below:

	2023	2022
	TZS	TZS
Advertising and Publication	-	5,500,000
Civil Servants Contracts	459,243,658	462,479,036
Educational Radio and TV broadcasting programming	293,633,840	473,118,536
Gifts and Prizes	6,160,000	-
Mechanical, electrical, and electronic spare parts	978,220	-
Outsource maintenance contract services	105,766,732	-
Ownsource Recurrent Expenditure GF	22,956,503	-
Panel and body shop repair materials and services	12,562,777	43,613,715
Per Diem - Domestic	196,724,795	174,615,800
Fuel	20,000,000	-

1,118,026,525 **1,159,327,087**

23 - Receivables

Imprest Receivable	250,103,391	230,318,850
Deferred Tax	0	688,158,400
Receivable from exchange transactions	9,323,677,321	8,735,419,073
Provision for bad and doubtful debt (Impairment of receivable)	(5,210,900,831)	(5,054,469,679)
	4,362,879,881	4,599,426,644

24 - Prepayments

Prepayment - Expenses	63,102,180	20,655,300
Prepayments - Assets	1,619,345,200	0
	1,682,447,380	20,655,300

TANZANIA BROADCASTING CORPORATION

25 - Inventories

Consumables	3,721,800	0
Fuel	31,727,319	22,279,700
Office consumable (Stationaries, etc.)	180,193,252	199,950,534
Provision for Obsolete Inventory	(167,107,878)	(143,689,528)
	48,534,493	78,540,706

26 - Deposits

Unapplied Deposit Account	53,178,319	0
	53,178,319	0

27 - Payables and Accruals

Descriptions	Opening TZS	Addition (Payment less Addition) TZS	Balance TZS
Imprest payable	0	17,412,260	17,412,260
Staff Claims	809,369,457	521,132,152	1,330,501,609
Supplies of goods and services	3,151,110,181	176,484,355	3,327,594,536
Accrued Expenses	323,861,166	-122,530,145	201,331,021
Tax Payable	4,169,491,173	235,533,761	4,405,024,934
TOTAL	8,453,831,977	828,032,383	9,281,864,360
Provision Expense	80,000,000	-	80,000,000
	8,533,831,972	828,032,383	9,361,864,360

28 - Deferred Income Statement For The Date Ended 30 June, 2023

GFSDescription	Opening Balance	Fund Received	Amortised	Balance
Deferred Subvention Capital	3,316,336,908	8,480,418,608	8,961,953,752	2,834,801,764
TOTAL	3,316,336,908	8,480,418,608	8,961,953,752	2,834,801,764

29. TAXPAYERS FUND

Taxpayers Fund relates to land provided by the Government of Tanzania to the Corporation as capital when the Corporation was formed. The value of the land is based on the fair value as at June 2018.

In the opinion of management, this is a capital contribution by the Government of Tanzania in its capacity as beneficial owner of the Corporation.

30. CAPITAL STRUCTURE

The Corporation's capital structure for the year ended 30 June 2023 consists of Taxpayers Fund of TZS 55.50 billion (30 June 2022: TZS 55.50 billion) and Accumulated Surplus of TZS 35.8 billion (30 June 2022: TZS 35.59 billion). Reference -Statement of Change in equity.

Therefore, the Corporation's capital structure for the financial years ended 30 June 2023 and 30 June 2022 are financed by assets and liabilities as summarized below:

LIABILITIES**Current Liabilities**

Payables and Accruals	27	9,361,864,360	8,533,831,977
Deferred Income	28	2,834,801,764	3,316,336,908
Deposits	26	53,178,319	0
Total Current Liabilities		12,249,844,443	11,850,168,885

Net Assets

		91,379,685,956	91,092,510,202
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NET ASSETS/EQUITY

Capital Contributed by:

Taxpayers/Share Capital		55,500,446,960	55,500,446,960
Accumulated Surpluses / Deficits		35,879,238,996	35,592,063,242

TOTAL NET ASSETS/EQUITY

		91,379,685,956	91,092,510,202
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DESCRIPTION	Cost	Accumulated Depreciation and Impairment										Carrying Value		
	At 01 July 2022	Classification Adjustments	At 30 June 2022	Additions (monetary)	Additions (non-monetary)	Transfers	Disposal	At 30 June 2023	At 01 July 2022 Acc Depreciation	Charge during the year - Depreciation	Acc Depreciation 30th June		Disposal	Total Acc Depreciation & Impairment At 30 June 2023
Leasehold Land	56,089,093.235			56,089,093.235	24,094,716	-	-	56,113,187,951	-	-	-	-	-	56,113,187,951
Buildings	16,032,307.384	1,147,450,537	17,179,757,921	32,911,530		151,378,866	-	17,364,048,317	5,281,284,822	345,860,292	5,627,145,114	-	5,627,145,114	11,736,903,203
Motor Vehicles	5,977,091.352	-	5,977,091.352	4,576,271	8,455,488		(381,961,733)	5,608,161,378	3,427,882,128	471,365,222	3,905,247,350	(381,961,733)	3,523,285,617	2,084,875,761
Network and Telecom	42,177,575.942	(5,876,678,045)	36,298,897,897	1,054,321,723		4,177,695,282	-	41,530,914,902	21,450,477,075	2,876,606,203	24,336,083,278	-	24,336,083,278	17,194,831,624
Furniture & Fixtures	2,066,533.466	293,065,924	2,359,599,390	214,915,734		91,675,730	-	2,666,190,853	1,518,962,621	173,395,643	1,692,322,264	-	1,692,322,264	973,868,589
Computer Equipment	1,808,879.304	(300,833,971)	1,508,045,383	121,101,407	-	1,829,146,790	-	1,829,146,790	923,333,979	105,087,679	1,028,421,658	-	1,028,421,658	600,725,132
Plant & Machinery		3,936,822,898	3,936,822,898					3,936,822,898	2,488,760,636	215,861,859	2,704,622,495		2,704,622,495	1,332,200,403
Office Equipment		802,172,607	802,172,607					802,172,607	579,246,434	37,553,636	616,800,069		616,800,069	185,372,538
TOTAL	124,151,480,683	(0,00163,300)	124,151,480,683	1,451,921,381	8,455,488	4,420,749,878	(381,961,733)	129,650,645,696	35,678,947,695	4,231,694,533	39,910,642,228	(381,961,733)	39,528,680,495	90,121,965,201

32 - Intangible Assets as at 30 June 2023

Descriptions	Cost/Revaluation			Accumulated Depreciation and Impairment							
	At 01-July-2022	Addition Monetary	Addition Non Monetary	Disposal	30-Jun-23	1-Jul-22	Charge during the year - Depreciation	Charge during the year - Impairment	Disposal	30-Jun-23	Carrying Value
Computer Software	319,294,080	0	0	0	319,294,080	284,180,264	24,460,800	0	0	308,641,064	10,653,016
TOTAL	319,294,080	0	0	0	319,294,080	284,180,264	24,460,800	0	0	308,641,064	10,653,016

Note:

Annual asset verification was done to determine the remaining economic useful life of an asset. During the year TBC review the remaining economic useful life of the intangible Assets, in line with the Public Asset Management Guideline, 2019 and guided in the Treasury Circular No.3 of Financial year 2022/2023.

33 - WORK IN PROGRESS FOR THE YEAR ENDED 30 JUNE 2023

			Cost		Accumulated Depreciation and Impairment								
	At 01-July-2022	Addition Monetary	Addition Non Monetary	Transfers	Disposal	30-Jun-23	1-Jul-22	Disposal	Transfer	Charge during the year - Impairment	Charge During the year - Depreciation	30-Jun-23	Carrying Value
Machinery and equipment not elsewhere classified - wip	2,406,200,185	4,707,019,943	0	(4,420,749,980)	0	2,692,470,148	0	0	0	0	0	0	2,692,470,148
TOTAL	2,406,200,185	4,707,019,943	0	(4,420,749,980)	0	2,692,470,148	0	0	0	0	0	0	2,692,470,148

TANZANIA BROADCASTING CORPORATION

	2022/2023	2021/2023
34 - Investments in Associates and Joint Ventures		
Investment in Star Media (T) Ltd	627,326,000	627,326,000
	627,326,000	627,326,000

Set out below are the details of the Joint Venture of the Corporation as at 30 June 2023:

<u>Year Name of the entity</u>	Place of business/country of incorporation	% ownership interest	of Principal activities Provision of pay TV services	Measurement method Equity
Star Media (Tanzania) Limited	Dar es salaam, Tanzania	35%		

The principle activity of the Joint Venture is to promote pay TV services. TBC owns 35% of the share capital of Star Media Tanzania Limited (“the Joint Venture”) while the Star Communication Network Technology Limited (Chinese based company) owns 65%. The last audited financial statements available for the Joint Venture relates to the year ended 31 December 2013 in which the Joint Venture reported accumulated losses of USD 3,389,735 (approximately TZS 5,335,473,737 based on the BOT’s mean exchange rate as at 31 December 2013). However, there are no audited reports for seven consecutive years from the year ended 31 December 2014 to 31 December 2020.

The draft financial statements for the year ended 31 December 2014 revealed a loss of USD 8,631,316. The reports were prompted by the Joint Venture’s Board Chairman to call for further investigation to understand the cause of the abnormal loss.

Furthermore, up to 30 June 2016, the Joint Venture reported in its management accounts accumulated losses of approximately TZS 61.14 billion. The continued deterioration in the profitability of the Joint Venture has been alarming to the Board of Directors of the Joint Venture. The Board requested a special audit team by the Office of the Controller and Auditor General to investigate the cause of the loss and establish whether the accumulated losses are genuine. The CAG report submitted to Attorney General (AG). As result, no share of the Joint Venture’s accumulated losses has been allotted to TBC pending the results from the AG report.

TANZANIA BROADCASTING CORPORATION

35 RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Key management's remuneration	1,782,424,000	1,543,999,000
Social security contributions	273,681,200	245,320,400
	<u>2,056,105,200</u>	<u>1,789,319,400</u>
Directors' remuneration		
Directors' allowances and Board meeting Cost	141,293,000	-
Directors' allowances	<u>141,293,000</u>	<u>-</u>

Employer's social Security Contributions

Permanent Employees	1,706,687,560	1,656,172,262
Contract Employees	264,567,696	311,910,383
	<u>1,971,255,256</u>	<u>1,968,082,645</u>

Transaction with Star Media (Tanzania) Limited

Lease rental	1,157,787,136	266,577,827
Advertisements	-	-
	<u>1,157,787,136</u>	<u>246,988,024</u>

Transaction with Star Media (Tanzania) Limited relates to operating lease rentals on TBC properties occupied by Star Media (Tanzania) Limited and Advertisement on TV and Radio.

36. CAPITAL COMMITMENTS

As at the reporting date, the corporation had the following capital commitments:			
		30-Jun-23	30-Jun-22
		TZS	TZS
Contraction of TBC Headquarters as Vikonje Dodoma			2,367,070,000
Programme production for Tanzania Safari channel			661,034,721
Land Compasation - Vikonje site			108,992,639
Supply, Installation, Testing , Commissioning and Training of radio equipment and accessories for upgrading full digital system for TBC Taifa and TBC FM (Onair Studio,Production studio and Music production gallery) at TBC Pugu road and Mikocheni.			1,331,810,851
Construction of Transmitter Houses for Five (5) Radio Transmitters Stations (Kilwa, Serengeti, Simiyu, Njombe and Songwe)			350,839,995.00
Procurement of equipment for Upgrade of TBC1 and TBC2 outlook			994,784,928.00
Procurement of Automatic voltage regulator and airconditioner and accessories for Seven Transmitters			49,722,068
Supply, installation and Construction of Towers (5 Stations)			790,541,826
Procurement of SEVEN, 10KVA Single phase Standby generators -7pcs			

TANZANIA BROADCASTING CORPORATION

As at the reporting date, the corporation had the following capital commitments:			
		30-Jun-23	30-Jun-22
		TZS	TZS
			211,000,000
Procurement of Seven (7), FM radio transmitters (Complete with all associated equipment)			425,812,380.00
Monitoring & Evaluation			17,800,000.00
Procurement of (1Pc) Portable Live equipment for Television	300,000,000.00		
Supply, installation, training and commissioning of tricast and accessories for television production	468,727,000.00		
Procurement for Generator for OB Van	48,685,476.00		
Procurement of Seven (9), FM radio transmitters (Complete with all associated equipment)	335,752,952.04		
Supply, Installation, Testing , Commissioning and Training of radio equipment and accessories for upgrading five (5) studios and full digital system for digitization of Library archiving material at TBC Pugu road.	1,204,000,000.00		
Procurement of ICT equipment and accessories for Online TBC Platforms	648,878,989.00		
Total	2,834,801,764.45		6,453,434,268

37 LEGAL CLAIMS CONTINGENCIES

As at the reporting date, the corporation had the following pending cases:

1. Kaseka Kisanji and others Vs TBC	110,000,000	110,000,000
2. TBC Vs Filbert Nestory na wenzake		eviction order to remove the trespassers
	<u>110,000,000</u>	<u>110,000,000</u>

The Corporation has been advised by its legal counsel that it is only possible, but not probable, that the actions will succeed. Accordingly, no provision for any liability has been made in these financial statements.

38. EVENTS AFTER THE REPORTING DATE

There is no known event that has impacted on the results for the year and the statement of affairs of the Corporation after the reporting date.

39. COMPARISON OF BUDGET AND ACTUAL AMOUNTS*Preparation and approval of budget*

The budget is approved and prepared on a cash basis by nature of activities and the financial statements were prepared on International Public Sector Accounting Standards (IPSASs) accrual basis. The approved budget covers the fiscal period from 1 July 2022 to 30 June 2023 which is the same period for actuals amounts used in the Statement of Comparison of budget and actual amounts. The budget was approved by Board of Directors and thereafter it was submitted to the Ministry of Information, Communication and Information Technology for consolidation and final approval by the Parliament of the United Republic of Tanzania.

*Significant differences between actual amounts and approved budget**Funds Received:*

This include fund received from the Government to cover the cost of Personal emplument (PE), Development projects and other charged (OC) and fund received from Tanzania Safari Channel Stakeholders. The signifc shortage resulted from:

- (i) Other charges (OC) was budgeted at TZS 4.2 billion for the year ended 30 June 2023. During the year TZS 2.7 billion were disbursed by the Ministry of Finance and Planning less by; 34%
- (ii) Development fund was budgeted at TZS 13 billion for the year ended 30 June 2023. However, the fund disbursed during the year was TZS. 8.4 billion; less by 35%
- (iii) During the year TBC received fund from Tanzania Safari channel's stakeholder (TCRA and TANAPA) TZS. 922million to facilitate the operation of the Channel.

Own Source collection was budgeted at TZS 15 billion for the year ended 30 June 2023. (Consist of Revenue from exchange transaction TZS. 14 billion and other revenue from the written Business proposal TZS. 1.5 billion). The Corporation managed to receive a total of TZS 11. billion, a shortfall of 32% of the budgeted amount; TZS. 9 billion collection from exchange transaction at a shortfall of 36% and received TZS. 1.49 billion from business written proposl - fund received from UCSAF, a shortfall of 1%) During the year also the Corporation aired free live broadcasting for the Public interest worth more

than 8 billion which is 52% of the total ownsource budget.

As at the date of preparation of these financial statements the impact of the Coronavirus (COVID-19) pandemic continue to affect the Corporation's revenue collection. Private companies which were affected financially by the (COVID-19) still get difficulties to settle their outstanding debts. TBC continue to make close followup, put more emphasis on requiring payment in advance, strictly review credit limits and adhering to credit policy to endure the outstanding receivables are collected on time.

Payment and Expenditure

The total Budgeted expenditure during the year 2022/2023 was TZS.53 billion. Actual total payment during the year was TZS. 36 billion. Resulted to a shortfall of 23%. The following are the reason for the budget variation:

- (i) Recurent expenditure; the underexpenditure is a result of instituted cost cutting measures which led into reduction in expenses and delayed receipt of funds or collections to finance the activities planed during the year.
- (ii) Personel emolument; the overexpenditure resulted from payment of employers contribution paid direct by the Treasury. TBC has to recognize the incurred expenses.
- (iii) Property plant and equipment; the shortfall resulted from delayed receipt of funds and the unpaid continuous projects. The commitment fund to be settled in the next Financial year.

40. ASSETS PLEDGED AS SECURITY FOR LIABILITIES

None of the Corporation's assets has been pledged as security for liabilities.

41. CONTROLLING ENTITY AND ULTIMATE CONTROLLING ENTITY

The Ministry of Information communication and information technology is the Controlling Entity and the Government of the United Republic of Tanzania is the Ultimate Controlling Entity of the Tanzania Broadcasting Corporation.

42. STATEMENT OF RECONCILIATION OF ACTUAL AMOUNT ON A COMPARABLE BASIS AND ACTUAL AMOUNT IN FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Operating	Financing	Investing	Total
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-2,619,629,169	-	-	2,619,629,169
Basis Differences	-2,539,028,185	-	-	2,539,028,185
Timing Differences	-	-	-	
Entity Differences	-	-	-	
Presentation differences	7,778,286,523		-7,778,286,523	
Actual Amount in the Statement of Cash Flows	2,619,629,169		-7,778,286,523	5,158,657,354

The budget is approved on a cash basis by nature of activities. The approved budget covers the fiscal period from July 1 2022 to June 30 2023.

The budget and the accounting bases differ. The financial statements for the Tanzania Broadcasting Corporation are prepared on the accrual basis using a classification based on the nature of expenses in the statement of financial performance for the fiscal period from July 1, 2022 to June 30, 2023. The financial statements differ from the budget which is approved on the cash basis.

The amounts in the financial statements were recast from the accrual basis to the cash basis and reclassified by functional classification to be on the same basis as the final approved budget. The amount of these adjustments are identified in the above table.

A reconciliation between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and Actual Amounts and the actual amounts in the Statement of Cash Flows for the Year Ended June 30, 2023 is presented above. The financial statements and budget documents are prepared for the same period. There is no entity difference: the budget and the financial statements is prepared for the Corporation. There is a basis difference: the budget is prepared on a cash basis and the financial statements on the accrual basis

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

The Corporation reports its cash flows from operating activities using the direct method and therefore prepares a reconciliation of surplus/(deficit) from ordinary activities with the net cash flows from operating activities. A reconciliation is provided below:-

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

	TZS	TZS
Surplus/ Deficit for the Period	975,334,154	8,153,125,515
Add/ (Less) Non Cash Item		
Amortazation of Intangible Assets	24,460,800	37,355,000
Depreciation of Property, Plant and Equipment	4,231,694,634	3,807,394,058
Fair value Gains on Assets and Liabilities	0	(3,225,440)
Impairment of Receivables	156,431,152	36,313,776
Provision for write-off of obsolete inventories	23,418,349	
Foreign exchange differences (Losses)	4,596,705	894,770

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Non Monetary Revenue – Current	(8,455,488)	(2,758,104,080)
Add/ (Less) Change in Working Capital		
Deferred Income	(481,535,144)	(4,438,110,720)
Deposit	53,178,319	0
Inventories	6,587,864	5,535,421
Payables and Accruals	823,435,677	(1,300,017,546)
Prepayments	(42,446,880)	76,647,727
Receivables	(608,042,788)	(473,122,707)
Net Cash Flow from Operating Activities	5,158,657,354	3,144,685,773

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

	2023 TZS	2022 TZS
44.1 - Advance Payment for Acquisition of Property Plant and Equipment		
Prepayments - Assets	1,619,345,200	0
Payment	1,619,345,200	0
Payment	1,619,345,200	0
44.2 - Payment for Work in Progress		
Capital Work in Progress- WIP	4,707,019,943	2,390,810,538
Payment	4,707,019,943	2,390,810,538
44.3 - Acquisition of Property, Plant and Equipment		
Hardware: servers and equipment (incl. desktops, laptops etc.)	121,101,407	63,407,312
Lease hold land	24,094,716	34,941,555
Motor vehicles,	4,576,271	0
Office buildings and structures	32,911,530	0
Office Furniture and Fittings	214,915,734	128,820,715
Transmission and Studio Equipments	1,054,321,722	3,666,121,706
Payment	1,451,921,380	3,893,291,288
Payment	1,451,921,380	3,893,291,288
44.4 - Revenue from Exchange Transactions		
Other Receipts	1,198,512,136	1,645,229,665
Radio Commercial Advertisement	926,682,779	736,538,746

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Radio Commercial Programmes	1,859,607,905	1,117,321,892
TV Commercial Advertisement	2,052,728,540	2,108,425,255
TV Commercial Programmes	3,575,403,411	3,169,845,125
Revenue	9,612,934,771	8,777,360,683
Add/Less (Change in Working Capital)		
Receivable from exchange transactions	(588,258,247)	(628,912,002)
	(588,258,247)	(628,912,002)
Receipt	9,024,676,524	8,148,448,681
44.5 - Other Revenue		
Other Collections	1,492,500,000	1,076,795,004
Revenue	1,492,500,000	1,076,795,004
Revenue	1,492,500,000	1,076,795,004
44.6 - Subvention from other Government entities		
Government Grant Development Local	8,961,953,752	8,136,214,766
Revenue Grants - Non Monetary	8,455,488	2,758,104,080
Subvention current	922,131,250	1,185,977,532
Subvention for Other Charges	2,776,918,246	3,911,550,000
Subvention for Personal Emolument	11,004,200,295	10,600,911,613
Revenue	23,673,659,031	26,592,757,991
Add/Less (Change in Working Capital)		
Deferred Subvention Capital	(481,535,144)	(4,438,110,720)
Revenue Grants - Non Monetary	(8,455,488)	(2,758,104,080)
	(489,990,632)	(7,196,214,800)
Receipt	23,183,668,399	19,396,543,191
44.7 - Wages,Salaries and Employee Benefits		
Acting Allowance	73,110,000	47,802,000
Civil Servants	9,293,461,176	8,949,505,350
Civil Servants Contracts	1,561,183,367	1,207,909,688
Dizel Allowances	288,956,000	224,179,000
Extra-Duty	1,314,020,000	713,174,237
Food and Refreshment	1,096,730,000	589,798,000
Furniture	48,000,000	44,865,000
Hardship Allowance	28,800,000	26,400,000

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Honoraria	56,533,000	10,600,000
Household Appliances	0	47,694,966
Housing allowance	2,089,745,183	1,233,680,267
Leave Travel	140,355,753	67,617,888
Medical and Dental Refunds	14,069,004	30,200,000
Moving Expenses	56,328,600	158,363,120
Outfit Allowance	9,687,000	0
Responsibility Allowance	241,030,000	188,939,707
Sitting Allowance	382,648,081	210,653,688
Special Allowance	256,914,170	1,740,000
Statutory Contributions	1,706,687,560	1,956,819,601
Telephone Allowance	0	66,455,000
Transport Allowance	1,055,400,000	565,360,000
Expenses	19,713,658,894	16,341,757,512

Add/Less (Change in Working Capital)

Staff Claim	(521,132,152)	76,881,084
	(521,132,152)	76,881,084
Payment	19,192,526,742	16,418,638,596

44.8 - Use of Goods and Service

Advertising and Publication	963,425,716	79,832,723
Air Travel Tickets	49,248,685	24,701,998
Books, Reference and Periodicals	16,262,000	0
Communication Network Services	3,500,000	36,002,265
Diesel	278,411,403	146,786,732
Educational Radio and TV broadcasting programming	1,418,319,809	1,551,446,322
Electricity	987,670,477	852,216,001
Entertainment	33,970,460	34,853,196
Fumigation	0	3,303,582
Ground Transport (Bus, Train, Water)	3,220,000	0
Ground travel (bus, railway taxi, etc)	55,805,500	168,015,129
Internet and Email connections	374,778,824	333,565,739
Newspapers and Magazines	1,976,000	3,909,000
Non Cash Expenditure	0	36,313,775
Office Consumables (papers,pencils, pens and stationaries)	84,392,384	90,268,306
Outsourcing Costs (includes cleaning and security services)	305,044,728	332,189,395
Per Diem - Domestic	1,211,916,733	459,538,059
Per Diem - Foreign	222,883,315	113,878,970

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Posts and Telegraphs	29,518,600	43,154,896
Rent - Office Accommodation	144,422,138	181,703,119
Satellite access services	619,252,909	598,508,353
Software License Fees	39,342,405	96,398,428
Sporting Supplies	0	740,000
Subscription Fees	220,649,487	182,409,415
Training Allowances	241,306,929	83,843,200
Uniforms	24,145,000	10,113,043
Water Charges	21,106,847	26,342,246
Expenses	7,350,570,349	5,490,033,892
Add/Less (Change in Working Capital)		
Consumables	3,721,800	0
Fuel	9,447,619	22,279,700
imprest payable	(17,412,260)	0
Imprest Receivable	19,784,541	(119,475,516)
Office consumable (Stationaries, etc.)	(19,757,283)	(27,815,121)
Prepayment - Expenses	42,446,880	(76,647,727)
Non Cash Expenditure		(36,313,776)
Supplies of goods and services	(49,357,505)	730,113,828
Withholding Tax Payable	(235,533,761)	493,022,632
	(246,659,969)	985,164,020
Payment	7,103,910,380	6,475,197,912
44.9 - Maintenance Expenses		
Electrical and Other Cabling Materials	4,055,000	25,508,723
Mechanical, electrical, and electronic spare parts	102,277,133	85,470,594
Outsource maintenance contract services	87,618,115	269,219,100
Panel and body shop repair materials and services	113,573,455	150,762,773
Repair and Maintenance of Furniture	2,428,000	8,703,000
Small Tools and Implements	930,000	28,138,704
TV sets and Radios	0	850,000
Expenses	310,881,703	568,652,894
Expenses	310,881,703	568,652,894
44.10 - Interest Expenses		
Overdrafts	0	30,084,165
Expenses	0	30,084,165
Expenses	0	30,084,165

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44.11 - Social Benefits

	0	0
Assistant to Person with Disability	2,400,000	3,430,000
Expenses	2,400,000	3,430,000
Expenses	2,400,000	3,430,000

44.12 - Other Expenses

Vehicles Insurance	0	75,833
Audit fees	80,000,000	80,000,000
Audit supervision expenses	0	10,020,000
Bank Charges and Commissions	4,168,929	41,945,324
Burial Expenses	66,400,000	52,640,520
Consultancy fees	11,300,000	32,135,131
Education supervision expenses	106,969,250	107,722,800
Freight Forwarding and Clearing Charges	32,604,315	15,643,999
Legal fees	0	97,518,831
Sales Commission, Discount and Revenue Share	335,468,827	324,460,010
Sundry Expenses	172,615,217	0
Transportation Cost by Water	8,070,000	9,608,000
Expenses	817,596,538	771,770,448
Expenses	817,596,538	771,770,448

44.13 - Other Transfers

Contribution to CF (15%)	50,000,000	50,000,000
Disbursement Transfer	1,118,026,525	1,159,327,087
Expenses	1,168,026,525	1,209,327,087
Expenses	1,168,026,525	1,209,327,087

44.14 - Deposit

Unapplied Deposit Account	(53,178,319)	0
Revenue	(53,178,319)	0
Revenue	(53,178,319)	0