



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



**AGENCY FOR THE DEVELOPMENT OF EDUCATIONAL MANAGEMENT
(ADEM)**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL
ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2025**

Controller and Auditor General
National Audit Office
Ukaguzi House
Mahakama Road, Tambukareli
P.O. Box 950
41104 Dodoma, Tanzania
Tel: +255 (026) 2161200-9
Email: ocag@nao.go.tz
Website: www.nao.go.tz

March 2026

AR/CG/ADEM/2024/25

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.

NAOT Vision, Mission & Motto



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



To provide high-quality audit services through modernization of functions that enhances accountability and transparency in the management of public resources.



Modernizing External Audit for Stronger Public Confidence



Core Values



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



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.



Results-Oriented: We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Team Work Spirit: We value and work together with internal and external stakeholders.

© This audit report is intended to be used by the Agency for the Development of Educational Management and may form part of the annual general report, which, once tabled in the National Assembly, becomes a public document; hence, its distribution may not be limited.



TABLE OF CONTENTS

Abbreviations	iii
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS	1
1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS	4
2.0 FINANCIAL STATEMENTS	6

Abbreviations

ADEM	Agency for the Development of Educational Management
BOOST	(Government project for primary education improvement)
CELMA	Certificate of Education in Leadership and Management
COL	Community Of Learning
DA	Director of Academics
DARC	Deputy Principal Academic, Research and Consultancy
DASS	Director of Academic Support Services
DELMA	Diploma in Educational Leadership and Management
DEMA	Diploma in Education Leadership and Management
DPPFA	Deputy Principal Planning, Finance and Administration
DSQA	Diploma in School Quality Assurance
FAM	Finance and Accounts Manager
HRMAM	Human Resource Management and Administration Manager
IESBA	International Ethics Standards Board for Accountants
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISSAIs	International Standards of Supreme Audit Institutions
MAB	Ministerial Advisory Board
MoEST	Ministry of Education, Science and Technology
NBAA	National Board of Accountants and Auditors
PAA	Public Audit Act
PDM	Planning and Development Manager
PPA	Public Procurement Act
PPR	Public Procurement Regulation
RPM	Research, Consultancy and Publications Manager
SHIPO	(Southern Highlands Participatory Organization - project partner)
SSSM	Student Support Services Manager



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chairman of the Ministerial Advisory Board,
Agency for the Development of Educational Management (ADEM),
P.O Box 71,
BAGAMOYO.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of the Agency for the Development of Educational Management (ADEM), which comprise the statement of financial position as at 30 June 2025, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Agency for the Development of Educational Management as at 30 June 2025, 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, as issued by the International Public Sector Accounting Standards Board (IPSASB) and in the manner required by the Public Finance Act, Cap. 348 .

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled “Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements. I am independent of the Agency for the Development of Educational Management 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 current period’s financial statements. 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 Statement of the Ministerial Advisory Board, Statement of the Chief Executive, Statement of Management Responsibility, Statement of Declaration of Planning, Finance and Accounts Manager and commentary on the financial statements. Still, it 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 as issued by the International Accounting Standards Board (IASB) 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 it is not a guarantee that an audit conducted in accordance



with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



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

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

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

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 conducted a compliance audit of the procurement of works, goods and services at the Agency for the Development of Educational Management for the year ended 30 June 2025 as per the Public Procurement Act, 2023, the Public Procurement Regulations, 2024, and related directives. I examined each phase of the procurement life cycle, including advertising of tenders, evaluation of bids, award of contracts and contract management, to confirm that the entity issued competitive solicitations, applied approved evaluation criteria, secured authorisations before award and maintained complete transaction records.

Conclusion

Based on the audit procedures performed, I conclude that, except for the matter described below, the Agency for the Development of Educational Management (ADEM) generally complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

Provision of consultancy services to external customers without contractual agreements

My review revealed that the Agency has been providing consultancy services to external customers, including schools, non-governmental organisations (NGOs), and public and private institutions, without formal contractual agreements in place. This is contrary to the requirements of the ADEM Research, Consultancy and Publication Policy (2025) and

section 38 (1) (m) of the Public Procurement Act of 2023. These consultancy engagements were delivered relying on request letters that do not define key contractual terms such as the scope of work, deliverables, timelines, fees, terms of payment and liability clauses.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at the Agency for the Development of Educational Management for the year ended 30 June 2025 as per the Public Budget Act, Cap: 439, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorisations before incurring obligations, recorded transactions accurately and reported variances as required.

Conclusion

Based on the audit procedures performed, I conclude that the Agency for the Development of Educational Management complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2026



3.0 STATEMENT OF MANAGEMENT'S RESPONSIBILITIES ON THE FINANCIAL STATEMENTS

The Agency is required under the Executive Agencies Act, Cap.245 of 1997 and the Public Finance Act, Cap. 348 to prepare financial statements that give an accurate picture of the Agency's Annual financial status at the end of the financial year.

The Management is responsible for keeping proper records of Accounting and Procurement, which disclose reasonable accuracy of the financial statements in compliance with the Public Finance Act, Cap 348 [Revised 2020] and the Public Procurement Act of 2023 and its regulation of 2024.

The Management confirms that suitable accounting policies have been used and applied consistently, reasonably, and prudent judgment and estimates have been made in the preparation of the financial statements. The Management also confirms that the International Public Sector Accounting Standards (IPSAS) accrual basis has been followed and that the financial statements have been prepared on the going concern basis.

The Management accepts the responsibility for the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error. Nothing has come to the attention of the Management to indicate that ADEM will not remain a going concern for at least twelve months from the date of these financial statements.



Dr. Maulid J. Maulid
Chief Executive

Date 05/02/2026

CHIEF EXECUTIVE
AGENCY FOR THE DEVELOPMENT OF
EDUCATIONAL MANAGEMENT (ADEM)
P.O. Box 71 BAGAMOYO

4.0 DECLARATION OF THE PLANNING, FINANCE AND ACCOUNTS MANAGER

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

A Professional Accountant must assist the Board to discharge the responsibility of preparing financial statements of the entity showing the true and fair picture of the entity's position and performance in accordance with applicable International Public Sector Accounting Standard, Accrual basis and Statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board as indicated in the statement of Management's Responsibility.

I, **Samwel Lucas Nkuva**, a registered accountant, on behalf of ADEM, hereby acknowledge my responsibility of ensuring that the financial statements for the year ended 30 June 2025 have been prepared in compliance with the International Public Sector Accounting Standard (IPSAS) on an accrual basis and the requirements of the Public Finance Act, CAP 348 [Revised] 2020.

I thus confirm that the financial statements give a true and fair view of the position of ADEM as at 30 June 2025 and that they have been prepared based on appropriately maintained financial records.

Signature: 

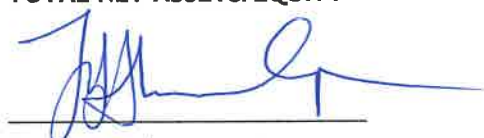
Position: **FINANCE AND ACCOUNTS MANAGER**

NBAA Membership No: ACPA 4783

Date: **05/02/2026**

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2024/25 TZS	2023/24 TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	62	2,034,718,334	42,791,948
Receivables	67	160,134,573	110,288,726
Prepayments	69	2,459,983	7,604,122
Inventories	70	5,050,000	4,463,315
Total Current Asset		2,202,362,890	165,148,112
Non -Current Asset			
Property, Plant and Equipment	77	18,811,262,877	17,402,663,345
Work In Progress	82	-	1,433,043,845
Total Non-Current Asset		18,811,262,877	18,835,707,190
TOTAL ASSETS		21,013,625,767	19,000,855,302
LIABILITIES			
Current Liabilities			
Payables and Accruals	89	492,651,735	431,752,246
Deferred Income	93	657,252,869	68,574,159
Deposits	94	2,021,883,842	-
Total Current Liabilities		3,171,788,446	500,326,405
TOTAL LIABILITIES		3,171,788,446	500,326,405
Net Assets		17,841,837,322	18,500,528,897
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/Share Capital		17,671,536,907	17,671,536,907
Accumulated Surpluses / Deficits		170,300,415	828,991,990
TOTAL NET ASSETS/EQUITY		17,841,837,322	18,500,528,897



Dr. Leonard D. Akwilapo
 MAB - Chairman

Date 05/02/2026



Dr. Maulid J. Maulid
 Chief Executive

Date 05/02/2026

CHIEF EXECUTIVE
 AGENCY FOR THE DEVELOPMENT OF
 EDUCATIONAL MANAGEMENT (ADEM)
 P.O. Box 71 BAGAMOYO

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY
T2460000 - AGENCY FOR THE DEVELOPMENT OF EDUCATIONAL MANAGEMENT (ADEM)

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

		2024/25	2023/24
<i>Classification of Expenses by Nature</i>			
	Note	TZS	TZS
REVENUE			
Revenue			
Revenue from Exchange Transactions	17	2,544,969,908	3,765,700,782
ECL Reversal-Receivable	24	16,945,784	-
Gains on Disposal Assets	26	-	20,294,418
Subvention from other Government entities	32	2,360,133,159	2,700,680,567
Total Revenue		4,922,048,851	6,486,675,767
TOTAL REVENUE		4,922,048,851	6,486,675,767
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	34	2,847,706,304	2,802,842,809
Use of Goods and Service	35	2,095,547,641	2,386,655,432
Maintenance Expenses	36	135,204,250	222,290,245
Other Expenses	52	84,730,000	38,792,000
Expected Credit Loss	54	44,307,354	20,932,633
Depreciation of Property, Plant and Equipment	77	306,699,876	171,352,522
Total Expenses		5,514,195,425	5,642,865,641
Transfer			
Other Transfers	60	66,545,000	65,000,000
Total Transfer		66,545,000	65,000,000
TOTAL EXPENSES AND TRANSFERS		5,580,740,425	5,707,865,641
Surplus / Deficit for the period		(658,691,575)	778,810,126



Dr. Leonard D. Akwilapo
MAB - Chairman

Date 05/02/2026



Dr. Maulid J. Maulid
Chief Executive

Date 05/02/2026

CHIEF EXECUTIVE
AGENCY FOR THE DEVELOPMENT OF
EDUCATIONAL MANAGEMENT (ADEM)
P.O. Box 71 BAGAMOYO

THE UNITED REPUBLIC OF TANZANIA
 MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY
 T2460000 - AGENCY FOR THE DEVELOPMENT OF EDUCATIONAL MANAGEMENT (ADEM)

STATEMENT OF CHANGES IN NET ASSET AND EQUITY FOR THE YEAR ENDED 30 JUNE 2025			
	Taxpayer's Fund TZS	Accum. Surplus/(Deficit) TZS	Total TZS
Opening Balance as at 01 Jul 2024	17,671,536,907	828,991,989	18,500,528,896
Surplus/ Deficit for the Year	-	(658,691,575)	(658,691,575)
Closing Balance as at 30 Jun 2025	17,671,536,907	170,300,414	17,841,837,322
Opening Balance as at 01 Jul 2023	17,671,536,907	(701,118,286)	16,970,418,621
Surplus/ Deficit for the Year	-	778,810,127	778,810,127
Other appropriation (Review of the Useful life)		751,300,149	751,300,149
Closing Balance as at 30 Jun 2024	17,671,536,907	828,991,989	18,500,528,896

CASHFLOW STATEMENT FOR THE YEAR ENDED 30 JUNE, 2025

	2024/25 TZS	2023/24 TZS
CASH FLOW FROM OPERATING ACTIVITIES		
RECEIPTS		
Subvention from other Government entities	2,948,811,869	2,264,640,000
Revenue from Exchange Transactions	2,512,069,844	3,681,632,192
Increase in Deposit	2,021,883,842	-
Total Receipts	7,482,765,555	5,946,272,192
PAYMENTS		
Wages, Salaries and Employee Benefits	2,826,057,696	2,849,496,317
Use of Goods and Service	2,051,739,306	2,274,696,339
Other Transfers	66,545,000	65,000,000
Other Expenses	84,730,000	38,792,000
Maintenance Expenses	135,204,250	222,290,245
Total Payments	5,164,276,252	5,450,274,901
NET CASH FLOW FROM OPERATING ACTIVITIES	2,318,489,303	495,997,291
CASH FLOW FROM INVESTING ACTIVITIES		
Investing Activities		
Proceed from sale of PPE	-	21,438,000
Payment for Work in Progress	(255,497,803)	(503,879,257)
Acquisition of Property, Plant and Equipment	(26,757,760)	(44,075,390)
Total Investing Activities	(282,255,563)	(526,516,648)
NET CASH FLOW FROM INVESTING ACTIVITIES	(282,255,563)	(526,516,648)
Net Increase	2,036,233,739	(30,519,357)
Cash and cash equivalent at beginning of period	42,791,948	73,311,305
Cash and cash equivalent at end of period	2,079,025,687	42,791,948

Dr. Leonard D. Akwilapo
 MAB - Chairman

Date 05/02/2026

Dr. Maulid J. Maulid
 Chief Executive

Date 05/02/2026

CHIEF EXECUTIVE
 AGENCY FOR THE DEVELOPMENT OF
 EDUCATIONAL MANAGEMENT (ADEM)
 P.O. Box 71 BAGAMOYO

Mfumo wa Uhasibu Serikalini (MUSE)

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF EDUCATION, SCIENCE AND TECHNOLOGY
T2460000 - AGENCY FOR THE DEVELOPMENT OF EDUCATIONAL MANAGEMENT (ADEM)

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2025

	Original Budget	Reallocations/ Adjustments	Final Budget (B)	Actual Amount on Comparison Basis (A)	Different Final Budget & Actual (B-A)
	TZS	TZS	TZS	TZS	TZS
RECEIPTS					
Subvention from Other Government Entities	2,970,272,869	-	2,970,272,869	2,948,811,869	(21,461,000)
Revenue from Exchange Transactions	3,401,825,000	-	3,401,825,000	2,512,069,844	(889,755,156)
Increase in Deposit	-	-	-	2,021,883,842	2,021,883,842
Total Receipts	6,372,097,869	-	6,372,097,869	7,482,765,555	1,110,667,686
PAYMENTS					
Wages, Salaries and Employee Benefits	2,833,350,000	-	2,833,350,000	2,826,057,696	7,292,304
Use of Goods and Service	2,071,716,306	-	2,071,716,306	2,051,739,306	19,977,000
Other Transfers	68,020,000	-	68,020,000	66,545,000	1,475,000
Other Expenses	86,733,000	-	86,733,000	84,730,000	2,003,000
Maintenance Expenses	137,600,000	-	137,600,000	135,204,250	2,395,750
Acquisition of Property, Plant and Equipment	1,174,678,563	-	1,174,678,563	282,255,563	892,423,000
Total Payment	6,372,097,869	-	6,372,097,869	5,446,531,815	925,566,054
Net Receipts/Payments	-	-	-	2,036,233,740	2,036,233,738



Dr. Leonard D. Akwilapo
MAB - Chairman



Dr. Maulid J. Maulid
Chief
Executive

Date 05/02/2026

Date 05/02/2026

CHIEF EXECUTIVE
AGENCY FOR THE DEVELOPMENT OF
EDUCATIONAL MANAGEMENT (ADEM)
P.O. Box 71 BAGAMOYO