

THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



NATIONAL KISWAHILI COUNCIL

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

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March 2026

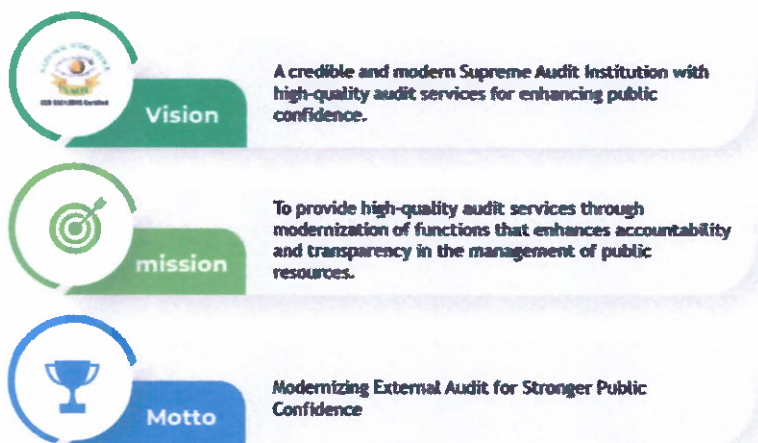
AR/PA/BAKITA/2024/25

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



Core Values



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



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Abbreviations

AR	Audit Report
BAKITA	Baraza la Kiswahili la Taifa
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
NBAA	National Board of Accountants and Auditors
PA	Public Authorities
URT	United Republic of Tanzania



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman of the Board,
National Kiswahili Council,
P.O. Box 4766,
Dar es Salaam.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of National Kiswahili Council, 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 the National Kiswahili Council 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 National Kiswahili Council 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 Executive Council's Report, statement of management responsibility, 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 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 National Kiswahili Council, 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 authorizations before award, and maintained complete transaction records.

Conclusion

Based on the audit procedures performed, I conclude that National Kiswahili Council complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

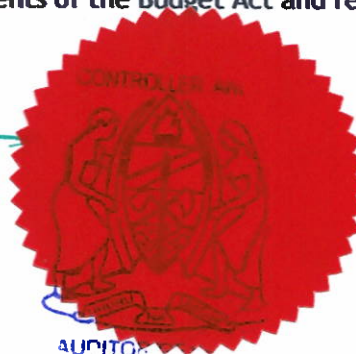
I conducted a compliance audit of budget formulation and execution at the National Kiswahili Council, for the year ended 30 June 2025, as per the Public Finance Act (Budget Act), Cap. 439, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda,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

Conclusion

Based on the audit procedures performed, I conclude that the National Kiswahili Council, 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



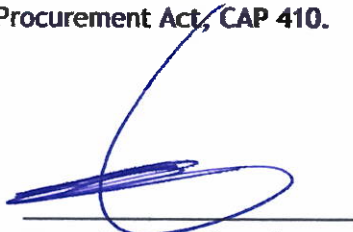
3.0 STATEMENT OF RESPONSIBILITIES BY THOSE CHARGED WITH GOVERNANCE

The National Kiswahili Council Financial Rules and Regulations, 2018 require the National Kiswahili Council management to prepare Financial Statements of the Council for each financial year, as at the end of the financial period, that give a true and fair view of the state of affairs of the Council for that period.

The Board of Directors confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgement and estimates have been made in the preparation of the financial statements for the year ended 30 June 2025. The Board of Directors also confirms that the International Public Sector Accounting Standards (IPSAS) have been followed and that the financial statements have been prepared on a going concern basis.

The Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Council and which enable them to ensure that the financial statements comply with the National Kiswahili Council Regulations. They are also responsible for safeguarding the Council's assets and hence taking reasonable steps for the prevention and detection of fraud, error, and other irregularities. This responsibility includes: 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, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Procurement of goods, works, consultancy, and non-consultancy services to the extent that they are reflected in these financial statements has been done in accordance with the Public Procurement Act, CAP 410.


Prof. Martin Mhando
Chairman
Consolata P. Mushi
Executive Secretary

Date _____

NATIONAL KISWAHILI COUNCIL

4.0 DECLARATION OF THE DIRECTOR OF CORPORATE SERVICES OF THE NATIONAL KISWAHILI COUNCIL

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

It is the duty of a Professional Accountant to assist the Executive Council 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.

I, CPA Hans H. Mbella, being the Director of Corporate Services of National Kiswahili Council hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 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 in all material respect, the financial position, financial performance and cash flows of the National Kiswahili Council (BAKITA) as at 30 June 2025, in accordance with the International Public Sector Accounting Standards (IPSAS) and that they have been prepared based on properly maintained financial records.

Name: CPA Hans H. Mbella

Signature:  _____

Position: Director - Corporate Services

NBAA Membership No.: ACPA 2637

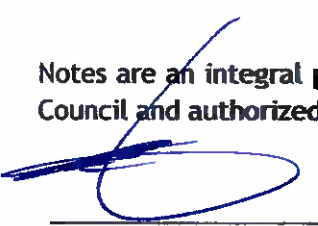
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5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

ASSETS	NOTES	2024/25 TZS	2023/24 TZS
Current Assets			
Cash and cash equivalents	5	44,209,894	132,730,962
Accounts receivable	6	12,864,000	6,464,000
Inventories	7	17,528,124	16,503,608
Total Current Assets		74,602,018	155,698,570
Non-Current Assets			
Property, plant and equipment	8	1,739,459,999	1,759,911,504
TOTAL ASSETS		1,814,062,017	1,915,610,074
LIABILITIES			
Current Liabilities			
Accruals and payables	9	119,018,721	122,796,271
Long Term Liabilities			
Loan	10	72,555,000	72,555,000
TOTAL LIABILITIES		191,573,721	195,351,271
NET ASSETS		1,622,488,296	1,720,258,803
NET ASSETS / EQUITY			
Taxpayers' fund		1,772,621,500	1,772,621,500
Accumulated deficit		(150,133,204)	(52,362,697)
NET ASSETS		1,622,488,296	1,720,258,803

Notes are an integral part of the financial statements which were approved by the Executive Council and authorized for audit and signed on its behalf by:



Prof. Martin Mhando
Chairman



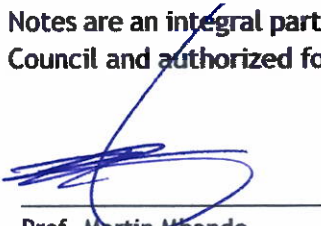
Consolata P. Mushi
Executive Secretary

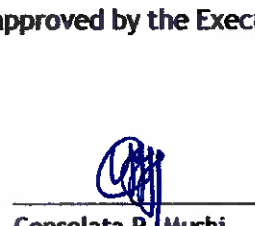
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5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2024/25 TZS	2023/24 TZS
Revenue			
Revenue from non-exchange transactions	11	3,192,001,770	1,540,961,100
Revenue from exchange transactions	12	1,301,318,130	505,985,935
Total revenue		4,493,319,900	2,046,947,035
Expenses			
Wages, salaries & employee benefits	13	1,589,380,271	1,355,784,405
Use of goods and services	14	2,845,665,781	590,795,354
Maintenance expenses	15	25,599,898	18,704,292
Depreciation of property, plant and equipment	8	65,664,705	90,516,113
Other expenses	16	43,710,000	29,833,500
Expected credit loss	19	4,204,752	1,227,006
Total expenses		4,574,225,407	2,086,860,670
Transfers			
Treasury Registrar contribution		16,865,000	-
Total expenses and transfers		4,591,090,407	2,086,860,670
Deficit for the year		(97,770,507)	(39,913,635)

Notes are an integral part of the financial statements which were approved by the Executive Council and authorized for audit and signed on its behalf by:


Prof. Martin Mhando
Chairman

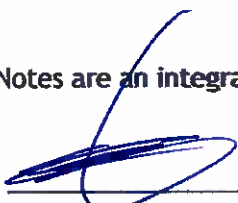

Consolata P. Mushi
Executive Secretary

Date _____

5.3 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2024/25 TZS	2023/24 TZS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Revenue from non-exchange transactions		3,192,001,770	1,540,961,100
Revenue from exchange transactions	20(a)	1,289,318,130	514,485,935
Total receipts		4,481,319,900	2,055,447,035
Payments			
Wages, salaries & employee benefits	20(b)	1,600,230,790	1,340,494,405
Use of goods and services	20(c')	2,839,617,328	556,629,640
Other transfers		16,865,000	-
Other expenses	16	43,710,000	29,833,500
Maintenance expenses	15	25,599,898	18,704,292
Total cash payments		4,526,023,016	1,945,661,837
Net cash inflows from operating activities		(44,703,116)	109,785,198
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(45,213,200)	(14,594,979)
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans repayment		-	-
Net change in cash and cash equivalents		(89,916,316)	95,190,219
Cash and cash equivalents:			
At the beginning of the period		134,539,170	39,348,951
At the end of the period		44,622,854	134,539,170

Notes are an integral part of the financial statements.


Prof. Martin Mhando
Chairman


Consolata P. Mushi
Executive Secretary

Date _____

5.4 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

	Taxpayer Fund	Accumulated Surplus/ (Deficit)	TOTAL
		TZS	TZS
Balance As At 1 July 2023	1,772,621,500	(12,449,062)	1,760,172,438
Deficit for the Year	-	(39,913,635)	(39,913,635)
Balance As At 30 June 2024	1,772,621,500	(52,362,697)	1,720,258,803
Balance As At 1 July 2024	1,772,621,500	(52,362,697)	1,720,258,803
Deficit for the Year	-	(97,770,507)	(97,770,507)
Balance As At 30 June 2025	1,772,621,500	(150,133,204)	1,622,488,296

Notes are an integral part of the financial statements.



Prof. Martin Mhando
Chairman

Date _____

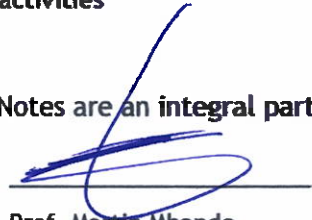


Consolata P. Mushi
Executive Secretary

5.5 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2025

	2024/25	2023/24
	TZS	TZS
Surplus / (deficit) for the year	(97,770,507)	(39,913,635)
Add / (less) non-cash items		
Depreciation of property, plant and equipment	65,664,705	90,516,113
Expected credit (gains)/loss on cash	(1,395,248)	1,618,006
Expected credit loss/ (Reversal of ECL)	5,600,000	(391,000)
Add / (less) change in working capital		
Accounts receivable (Note 6)	(12,000,000)	8,500,000
Inventory	(1,024,516)	582,164
Accruals and payables	(3,777,550)	48,873,550
Net cash (out)/in flow from operating activities	(44,703,116)	109,785,198

Notes are an integral part of the financial statements.


Prof. Martin Mhando
Chairman


Consolata P. Mushi
Executive Secretary

Date _____

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

	Original Budget {A}	Reallocation/ Adjustments TZS	Final Budget {B}	Actual on Comparable Basis {C}	Difference {C-B}	Percentage of Difference
Revenue						
Revenue from non-exchange transactions	3,567,590,968	-	3,567,590,968	3,192,001,770	(375,589,198)	-11%
Revenue from exchange transactions	520,500,000	581,098,680	1,101,598,680	1,289,318,130	187,719,450	17%
Other revenue	61,200,000	-	61,200,000	-	(61,200,000)	-100%
Total Revenue	4,149,290,968	581,098,680	4,730,389,648	4,481,319,900	(249,069,748)	5%
Payments						
Wages, salaries & employee benefits	1,674,084,680	-	1,674,084,680	1,600,230,790	73,853,890	4%
Use of goods and services	2,833,631,968	-	2,833,631,968	2,839,617,328	(5,985,360)	0%
Other transfers	25,000,000	-	25,000,000	16,865,000	8,135,000	33%
Other expenses	42,200,000	-	42,200,000	43,710,000	(1,510,000)	-4%
Maintenance expenses	50,800,000	-	50,800,000	25,599,898	25,200,102	50%
Acquisition of property, plant, and equipment	104,673,000	-	104,673,000	45,213,200	59,459,800	57%
Total Payments	4,730,389,648	-	4,730,389,648	4,571,236,216	159,153,432	3%
Net Receipts/(Payments)	(581,098,680)	581,098,680	-	(89,916,316)	(89,916,316)	

Explanations on Budget and Actual Variance are in Note 21.

Notes are an integral part of the financial statements.


Prof. Martin Mhando
Chairman


Consolata P. Mushi
Executive Secretary

Date _____