



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



**TANZANIA EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE
(TEITI)**

**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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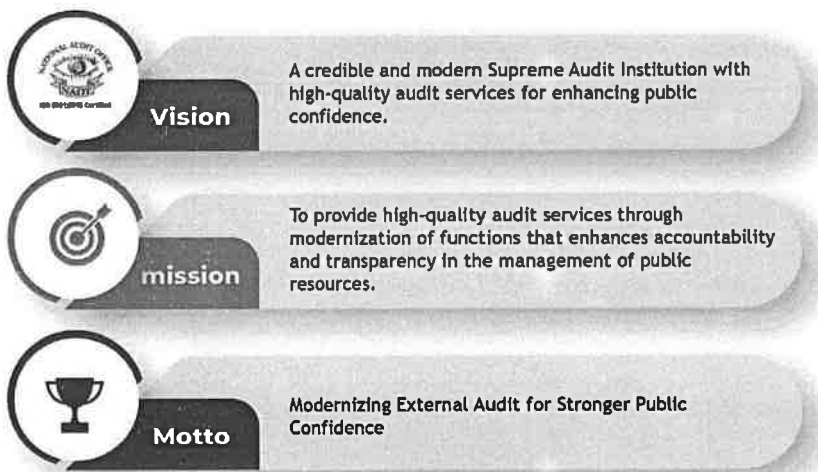
AR/CG/TEITI/2024/25

About the National Audit Office

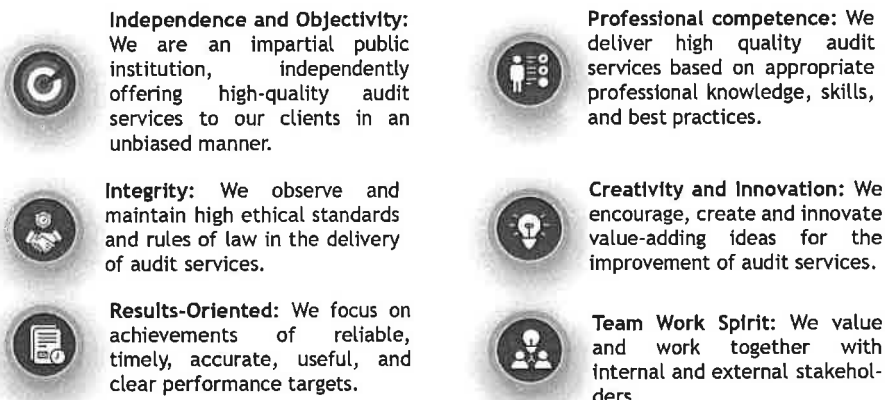
Mandate

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



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Abbreviations

AR	Audit Report
ARMC	Audit and Risk Management Committee
ATC	Accountability and Transparency Committee
Cap	Chapter
CG	Central Government
EITI	Extractive Industries Transparency Initiative
FPHRAC	Finance, Planning, Human Resources and Administration Committee
IESBA	International Ethics Standards Board for Accountants
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
MoU	Memorandum of Understanding
MSG	Multi-stakeholder Group
NA	Not Applicable
NBAA	National Board of Accountants and Auditors
PPR	Public Procurement Regulations
RE	Revised Edition
Sect.	Section
TEITI	Tanzania Extractive Industries Transparency Initiative

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Executive Secretary,
Tanzania Extractive Industries Transparency Initiative,
Ministry of Minerals,
Madini Street,
Government city - Mtumba,
P. O. Box 422,
DODOMA, TANZANIA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Extractive Industries Transparency Initiative (TEITI), 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 respect, the financial position of the Tanzania Extractive Industries Transparency Initiative (TEITI) 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 Tanzania Extractive Industries Transparency Initiative (TEITI) 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 Statement from the Mult-Stakeholder Group Chairman, Statement from the Executive Secretary, 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 skepticism throughout the audit. I also:

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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap. 418 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 Tanzania Extractive Industries Transparency Initiative (TEITI) 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, except for the matter described below, Tanzania Extractive Industries Transparency Initiative (TEITI) generally complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

(i) Annual Procurement Plan not approved by TEIT Committee TZS 693,176,000

My review of internal audit reports and procurement documents revealed that the Tanzania Extractive Industries Transparency Initiative (TEITI) prepared an Annual Procurement Plan for the financial year 2024/25 amounting to TZS 693,176,000 comprising 40 tenders published in the NeST system as required. The actual procurement report further showed that TZS 146,858,047 was spent during the

year under review. However, the Annual Procurement Plan had not been reviewed and approved by the Multi-Stakeholder Group (TEITI Committee), which is the designated budget approving authority, contrary to Section 35 of the Public Procurement Act, 2023.

(ii) Failure to prepare and submit Quarterly Procurement Reports to the budget approving authority

My audit noted that the Tanzania Extractive Industries Transparency Initiative (TEITI) did not prepare and submit quarterly procurement reports for the financial year 2024/25. Consequently, there was no evidence that such reports were reviewed by the budget approving authority (the Multi-Stakeholder Group), contrary to Section 33(2)(b) of the Public Procurement Act, 2023.

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 Tanzania Extractive Industries Transparency Initiative (TEITI) for the year ended 30 June 2025 as per the Public Budget Act, Cap. 348(R.E 2020), 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 work performed, I state that, except for the matter described below, Tanzania Extractive Industries Transparency Initiative (TEITI) generally complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

- **Non-establishment of a Functional Budget Committee**

Contrary to Regulation 17(1) of the Budget Regulations, 2015, which empowers the Accounting Officer to establish a Budget Committee responsible for guiding budget formulation, resource allocation, monitoring, and evaluating budget implementation, my review of budget management for the year ended 30 June 2025 noted that TEITI did not have a Budget Committee in place. I am concerned that, the absence of a Budget Committee indicates that budgeting, resource allocation, and budget performance monitoring processes were not guided by the required governance structure.



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



5.0 STATEMENT OF MANAGEMENT RESPONSIBILITY

Management of the Tanzania Extractive Industries Transparency Initiative (TEITI) is responsible for the preparation of the annual financial statements, which give a true and fair view of the entity's state of affairs and its operating results in accordance with International Public Sector Accounting Standards (IPSASs) on accrual basis, in conformity with the provision of section 30 of the Public Finance Act Cap. 348. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether on account of fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances which provide reasonable assurance that the transactions recorded are within the statutory authority, and properly record the use of all public financial resources accordingly.

To the best of our knowledge, the system of internal control has operated adequately throughout the reporting period, and the records and underlying accounts provide a reasonable basis for the preparation of the financial statements for the year ended 30th June 2025.

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 RE 2022).

We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the Public Finance Act Cap. 348 and its Regulations; International Public Sector Accounting Standards (IPSASs), accruals basis; and guidelines issued or may be issued from time to time by the Paymaster General and Accountant General.

In our opinion, nothing has come to the attention of the management that the financial statements don't present all material respects of the operations of the entity fairly and will not remain a going concern for the next twelve months from the date of these statements.

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Mariam S. Mgaya
Executive Secretary

Date 04/02/2026

6.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTS

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 by a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Management to discharge the responsibility of preparing financial statements of an entity showing a true and fair view of the entity's position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors/Governing Body, as under the Directors' Responsibility statement on an earlier page.

I, **Honest Christofa Humba**, being the **Head of Finance and Planning Schedule (TR Vote 213)**, 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 of the financial position of Tanzania Extractive Industries Transparency Initiative (TEITI) - government accounts as on that date and that they have been prepared based on properly maintained financial records.

Signed by

: 

Position

: Head of Finance and Planning Schedule

NBAA Membership No

: ACPA 5298

Date

: 04/02/2026

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS - TEITI-TR 213
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Notes	2024/25 TZS	2023/24 TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	62	32,266,802	85,393,529
Prepayments	69	8,427,142	0
Inventories	70	0	6,673,788
Total Current Asset		40,693,944	92,067,317
Non-Current Asset			
Property, Plant and Equipment	77	82,504,191	58,123,598
Intangible Assets (WIP)	78	47,150,000	47,150,000
Total Non-Current Asset		129,654,191	105,273,598
TOTAL ASSETS		170,348,135	197,340,915
LIABILITIES			
Current Liabilities			
Payables and Accruals	89	26,423,932	174,960,000
Deferred Income (Revenue)	93	32,266,802	85,393,529
Total Current Liabilities		58,690,734	260,353,529
Non-Current Liabilities			
Total Non-Current Liabilities		0	0
TOTAL LIABILITIES		58,690,734	260,353,529
Net Assets		111,657,401	(63,012,614)
NET ASSETS			
Accumulated Surplus / Deficit		111,657,401	(63,012,614)
TOTAL NET ASSETS		111,657,401	(63,012,614)

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Mariam S. Mgaya
Executive Secretary

Date 04/02/2026

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS - TEITI-TR 213
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE
2025

	Note	2024/25 TZS	2023/24 TZS
REVENUE			
Amortisation of Revenue	16	2,519,532,520	772,497,848
Grants with Exchequer			
Revenue			
Subvention from other	32	0	781,598,643
Government entities			
TOTAL REVENUE		2,519,532,520	1,554,096,491
EXPENSES			
Wages, Salaries and Employee	34	1,427,250,084	812,107,200
Benefits			
Use of Goods and Service	35	819,895,227	770,363,630
Maintenance Expenses	36	31,143,326	34,691,873
Depreciation of PPE	37	10,643,868	7,560,026
Other Expenses	52	55,930,000	57,810,000
Grants and Transfer	59	0	260,000
TOTAL EXPENSES		2,344,862,505	1,682,792,729
Surplus/Deficit for the period		174,670,015	(128,696,238)

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Mariam S. Mgaya
Executive Secretary

Date: 04/02/2026

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS - TEITI-TR 213
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

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

	Acc. Surplus/ (Deficit)	Total
	TZS	TZS
Opening Balance as at 01 July 2024	(63,012,614)	(63,012,614)
Deficit for the Year	174,670,015	174,670,015
Closing Balance as at 30 June 2025	111,657,401	111,657,401
Opening Balance as at 01 July 2023	65,683,624	65,683,624
Deficit for the Year	(128,696,238)	(128,696,238)
Closing Balance as at 30 Jun 2024	(63,012,614)	(63,012,614)

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Mariam S. Mgaya
Executive Secretary

Date 04/02/2026

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS - TEITI-TR 213
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

CASH FLOW 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	21,806,625	779,808,820
Revenue Grants	2,444,599,167	847,431,201
Total Receipts	2,466,405,792	1,627,240,021
PAYMENTS		
Wages, Salaries and Employee Benefits	1,427,250,084	812,107,200
Use of Goods and Services	970,184,659	602,077,418
Other Expenses	55,930,000	57,810,000
Maintenance Expenses	31,143,326	34,691,873
Grants and Transfers	0	260,000
Total Payments	2,484,508,059	1,506,946,491
NET CASH FLOW FROM OPERATING ACTIVITIES	(18,102,267)	120,293,529
CASH FLOW FROM INVESTING ACTIVITIES		
Investing Activities		
Acquisition of Property, Plant and Equipment	(35,024,461)	0
Intangible Assets-WIP	0	(47,150,000)
Total Investing Activities	(35,024,461)	(47,150,000)
NET CASH FLOW FROM INVESTING ACTIVITIES	(35,024,461)	(47,150,000)
CASH FLOW FROM FINANCING ACTIVITIES		
Financing Activities		
Total Financing Activities	0	0
NET CASH FLOW FROM FINANCING ACTIVITIES	0	0
Net Decrease/Increase	(53,126,728)	73,143,529
Cash and Cash Equivalent at the beginning of the period	85,393,529	12,250,000
Cash and Cash Equivalent at the end of the period	32,266,801	85,393,529

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Mariam S. Mgaya
Executive Secretary

Date: 04/02/2026

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS - TEITI-TR 213
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

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

Budget approved on the Cash Basis (Classification of Payments by Nature)

RECEIPTS	ORIGINAL BUDGET		REALLOCATION /ADJUSTMENT	FINAL BUDGET (B)		ACTUAL AMOUNT ON COMPARISON BASIS (A)	DIFFERENT FINAL BUDGET AND ACTUAL (B-A)	VARIANCE %	a)
	TZS	TZS		TZS	TZS	TZS	TZS		
Subvention from Other Government entities	3,632,599,850	0	0	3,632,599,850	21,806,625	3,610,793,225			
Revenue Grants	0	0	0	0	2,444,599,167	(2,444,599,167)			
Total Receipts	3,632,599,850	0	0	3,632,599,850	2,466,405,792	1,166,194,058		47%	
PAYMENTS									
Wages, Salaries and Employee Benefits	1,734,976,500	(37,800,000)		1,697,176,500	1,427,250,084	269,926,416		19%	
Use of Goods and Services	1,580,453,695	50,800,000		1,631,253,695	970,184,649	661,069,046		68%	
Other Expenses	76,500,000	0		76,500,000	55,930,000	20,570,000		37%	
Maintenance Expenses	93,961,215	(13,000,000)		80,961,215	31,143,326	49,817,889		160%	
International Contribution	25,550,000	0		25,550,000	0	25,550,000			
Acquisition of Property, plant and equipment	119,158,440	0		119,158,440	35,024,461	84,133,979		240%	
Acquisition of Intangibles	2,000,000	0		2,000,000	0	2,000,000			
Total Payment	3,632,599,850	0	0	3,632,599,850	2,519,532,520	1,113,067,000		44%	
Net Payments	0	0	0	0	(53,126,728)	53,126,728			

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Mariam S. Mgaya
Executive Secretary

Date: 04/02/2026

Controller and Auditor General

AR/CG/TEITI/2024/25

THE UNITED REPUBLIC OF TANZANIA
MINISTRY OF MINERALS - TEITI-TR 213
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

RECONCILIATION OF CASHFLOW ON A COMPARABLE BASIS AND ACTUAL AMOUNTS IN THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025.

A reconciliation between the actual amounts on a comparable basis as presented in the Statement of Comparison of Budget and the actual amounts in the Statement of Cash Flows (IPSAS 24).

Description	Operating TZS	Financing (TZS)	Investing (TZS)	Total
Actual amount on Comparable Basis as presented in the Budget and Actual Comparative Statement.	(18,102,267)	0	(35,024,461)	(53,126,728)
Basis Differences				
Timing Differences				
Entity Differences				
Actual Amount in the Statement of Cash Flows	(18,102,267)	0	(35,024,461)	(53,126,728)

The timing difference is mostly not applicable since the financial statements and budget documents are prepared for the same period. However, there might be an entity difference: the budget is prepared for separate entities, and the financial statements consolidate all entities controlled by the reporting entity. There might also be a basis difference: the budget is prepared on a cash basis, and the financial statements on an accrual basis.