



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



TANZANIA BUILDING AGENCY (TBA)

**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

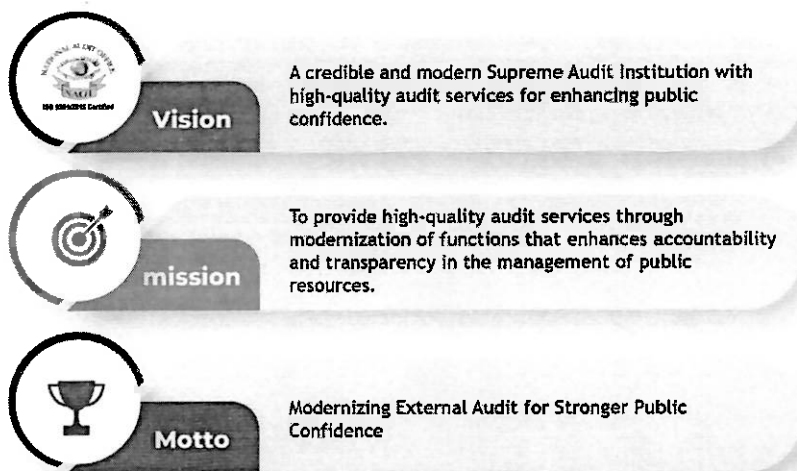
AR/CG/TBA/2024/25

About the National Audit Office

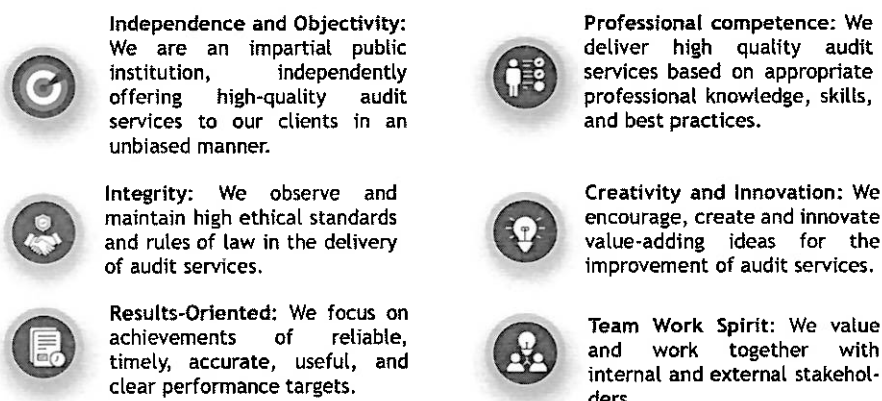
Mandate

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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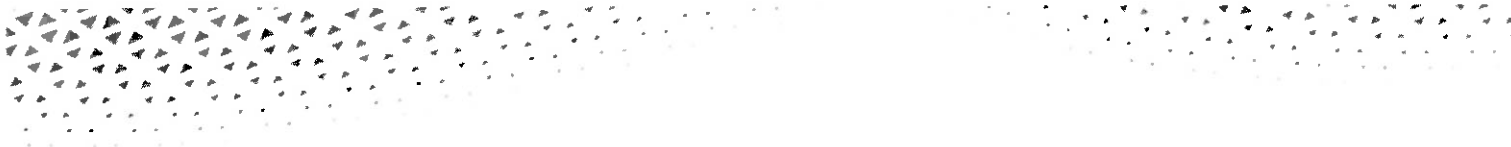


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Abbreviations

CAG	Controller and Auditor General
GCC	General Conditions of Contract
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standards of Supreme Audit Institutions
ITT	Invitation to Tender
MDA	Ministries, Departments and Agencies
ML	Management Letter
MAB	Ministerial Advisory Board
MoW	Ministry of Works
MUSE	Mfumo wa Ulipaji Serikalini
NHC	National Housing Corporation
PAC	Public Accounts Committee
PAYE	Pay as Your Earn
PFA	Public Finance Act, Cap. 348
PFR	Public Finance Regulations, 2001
PPA	Public Procurement Act
PPR	Public Procurement Regulations
Reg.	Regulation
Sect.	Section
SCC	Special Condition of Contract
TZS	Tanzania Shillings
TBA	Tanzania Building Agency
TRA	Tanzania Revenue Authority
VAT	Value Added Tax
VT	Vote

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chief Executive,
Tanzania Buildings Agency (TBA),
P. O. Box 9542,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Buildings Agency (TBA) 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 Tanzania Buildings Agency (TBA) 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 Buildings Agency (TBA) 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 by the Minister, Statement by the Accounting Officer and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon.

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, 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 the Tanzania Building Agency 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 authorization's before award and maintained complete transaction records.

Conclusion

Based on the audit procedures performed, I conclude that Tanzania Building Agency generally complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

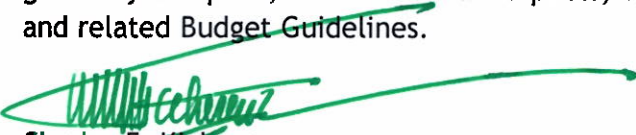
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at the Tanzania Building Agency for the year ended 30 June 2025 as per the Budget Act, Cap. 439 [RE 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 procedures performed, I conclude that, Tanzania Building Agency generally 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



4.0 STATEMENT OF PERMANENT SECRETARY, MINISTRY OF WORKS, RESPONSIBILITY ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Tanzania Buildings Agency Financial Statements have been prepared by the Management in accordance with the provisions of Sec 30(2) of the Public Finance Act CAP 348 [R.E 2020]. The Financial Statements required by the said Act are presented in a manner consistent with the International Public Sector Accounting Standards (IPSAS), on an accrual basis of accounting.

Management of the Agency is responsible for establishing and maintaining a system of Control designed to provide reasonable assurance that the transactions recorded in the accounts are within the statutory authority and that they contain the receipt and use of all financial resources by the Tanzania Buildings Agency.

To the best of my knowledge, the systems of internal control have operated adequately throughout the reporting period, and the financial statements and underlying records provide a reasonable basis for the preparation of the financial statements for the financial year 2024/25.

I accept responsibility for the integrity of the financial statements, the information they contain and their compliance with the Public Finance Act CAP 348 [R.E 2020] and instructions issued by Treasury in respect of the year under review.

This report was approved by the Permanent Secretary Ministry of Work on _____ and signed as here under:

Amb. Eng. Aisha Amour, Permanent Secretary, Signature: _____

Date: 30.6.2025

Arch. Daud Kondoro, Chief Executive,

Signature: _____

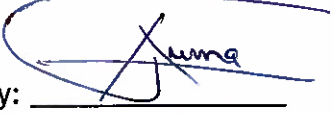
Date: 30th JUNE 2025

5.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTS OF TANZANIA BUILDINGS AGENCY

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 and Accounts responsible for the preparation of financial statements of the entity concerned.

A Professional Accountant must 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 under International Public Sector Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Management as per the statement of management responsibility on the financial statement on an earlier page.

I, CPA Ally Juma Kiko, being the Acting Chief Accountant of Tanzania Buildings Agency, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30th June 2025 have been prepared in compliance with International Public Sector Accounting Standards-Accrual basis and statutory requirements. I thus confirm that the financial statements give a true and fair view of the position of Tanzania Buildings Agency as on that date and that they have been prepared based on properly maintained financial records.

Signed by: 
CPA (T) Ally Juma Kiko
Ag. Chief Accountant
ACPA 3051

30th June 2025
Date

6.0 FINANCIAL STATEMENTS

6.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

		2024/25	2023/24
	Note	TZS	TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	11	14,170,198,698	5,702,932,186
Inventories	13	5,329,087,947	7,827,471,891
Prepayments	16	18,168,221	30,740,374
Receivables	14	55,131,060,931	55,571,303,441
Total Current Asset		74,648,515,797	69,132,447,893
Non-Current Asset			
Intangible Assets	27.3	36,373,268	40,414,742
Investment Property	27.2	466,531,767,767	460,370,351,417
Property, Plant and Equipment	27.1	63,559,052,158	59,655,051,008
Receivables	14	5,351,656,376	4,092,853,626
Work In Progress	12	107,660,646,076	107,206,739,397
Total Non-Current Asset		643,139,495,645	631,365,410,190
TOTAL ASSETS		717,788,011,442	700,497,858,083
LIABILITIES			
Current Liabilities			
Deferred Income (Revenue)	17	12,643,933,589	3,797,322,999
Deposits	18	2,963,143,432	4,332,617,662
Payables and Accruals	19	7,067,056,043	2,852,455,508
Provisions	20	591,000,000	818,523,000
Total Current Liabilities		23,265,133,064	11,800,919,168
Non-Current Liabilities			
Deferred Income (Capital)	17	3,161,238,998	4,109,486,153
Total Non-Current Liabilities		3,161,238,998	4,109,486,153
TOTAL LIABILITIES		26,426,372,062	15,910,405,321
Net Assets		691,361,639,380	684,587,452,761
Financed by:			
Taxpayers' Funds	21	376,135,047,532	376,135,047,532
Accumulated Surplus	22	315,226,591,848	308,452,405,229
NET ASSETS		691,361,639,380	684,587,452,761

The Notes 1 to 29 on pages 62 to 127 form part of the financial statements

Arch. Daud W. Kondoro
CHIEF EXECUTIVE

Ally Juma Kiko
Ag. CHIEF ACCOUNTANT

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

	Note	2024/25	2023/24
Classification of Expenses by Nature		TZS	TZS
REVENUE			
Revenue			
Gain on Foreign Currency Translation	9.4	-	579,168,288
Other Revenue	9.3	1,038,690,343	1,819,818,384
Revenue from Exchange Transactions	9.2	26,740,618,566	21,042,489,517
Revenue Grants	9.1	20,898,089,979	23,396,498,932
Total Revenue		48,677,398,888	46,837,975,121
TOTAL REVENUE		48,677,398,888	46,837,975,121
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	10.1	15,474,640,289	13,872,866,217
Use of Goods and Services	10.2	7,096,848,382	4,227,805,757
Maintenance Expenses	10.3	8,942,662,861	2,186,929,621
Other Expenses	10.4	477,899,150	526,965,739
Social Benefits	10.6	-	500,000.00
Construction costs for Bunju Houses	10.7	2,671,872,064	4,216,978,686
Amortisation of Intangible Assets	27.3	4,041,474	4,490,527
Depreciation of Property, Plant and Equipment	27.1	1,598,509,909	1,630,204,736
Depreciation of Investment Property	27.2	4,166,859,691	4,269,331,382
Loss on disposal	10.8	-	17,723,273.55
Provision for expected credit losses	10.9	762,655,491	117,038,481
Loss on Foreign Currency Translation	10.10	22,822,959	-
Loss on Reversal	10.11	-	125,853,984
Total Expenses		41,218,812,270	31,196,688,403
Transfer			
Grants, Subsidies and Other Transfer Payments	10.5	684,400,000	500,000,000
Total Transfer		684,400,000	500,000,000
TOTAL EXPENSES AND TRANSFERS		41,903,212,270	31,696,688,403
Surplus / (Deficit)		6,774,186,618	15,141,286,717

The Notes 1 to 29 on pages 62 to 127 form part of the financial statements.

Arch. Daud W. Kondoro
CHIEF EXECUTIVE

Ally Juma Kiko
Ag. CHIEF ACCOUNTANT

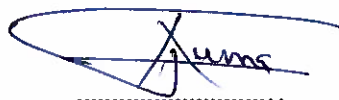
6.3 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

Details	Tax payer's Fund	Accumulated Surplus/Deficit	Total
Balance At 30 June 2023	376,135,047,532	293,311,118,511	669,446,166,044
At 1 July 2023	376,135,047,532	293,311,118,511	669,446,166,044
Surplus for the year ended 30 June 2024	-	15,141,286,717	15,141,286,717
Balance At 30 June 2024	376,135,047,532	308,452,405,229	684,587,452,761
At 1 July 2024	376,135,047,532	308,452,405,229	684,587,452,761
Surplus for the year ended 30 June 2025	-	6,774,186,618	6,774,186,618
Balance At 30 June 2025	376,135,047,532	315,226,591,847	691,361,639,380

The Notes 1 to 29 on pages 62 to 127 form part of the financial statements



Arch. Daud W. Kondoro
CHIEF EXECUTIVE



Ally Juma Kiko
Ag. CHIEF ACCOUNTANT

6.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

		2024/25	2023/24
		TZS	TZS
CASH FLOW FROM OPERATING ACTIVITIES			
RECEIPTS			
Revenue Grants	23.1	28,665,287,226	17,774,589,885
Revenue from Exchange Transactions	23.2	20,965,566,914	18,049,200,571
Other Revenue	23.3	939,274,527	994,051,180
Other Receipts	23.4	10,981,630,094	14,136,523,017
Total Receipts		61,551,758,762	50,954,364,653
PAYMENTS			
Wages, Salaries and Employee Benefits	24.5	15,415,097,248	13,869,620,617
Use of Goods and Service	24.6	5,025,111,786	5,812,140,984
Social Benefits	24.7	-	500,000
Other Transfer Payments	24.8	684,400,000	500,000,000
Other Expenses	24.9	527,298,598	327,805,116
Maintenance Expenses	24.10	4,729,261,938	1,410,300,095
Other Payments	24.11	10,418,712,758	15,854,122,192
Total Payments		36,799,882,328	37,774,489,003
Net Cash Flow from Operating Activities		24,751,876,433	13,179,875,650
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Acquisition of Property, Plant and Equipment	27.1	(215,659,459)	(43,317,992)
Proceeds from sale of Assets	24.12	-	124,166,500
Acquisition of Intangibles	27.3	-	(40,312,000)
Work in progress	27.2	(16,069,034,319)	(20,700,403,979)
Total Investing Activities		(16,284,693,779)	(20,659,867,471)
Net Cash Flow from Investing Activities		(16,284,693,779)	(20,659,867,471)
CASH FLOW FROM FINANCING ACTIVITIES			
Financing Activities			
Total Financing Activities		-	-
Net Cash Flow from Financing Activities		-	-
Net Increase		8,467,182,654	(7,479,991,821)
Cash and cash equivalent at beginning of period		5,705,093,887	13,185,085,708
Cash and cash equivalent at end of period		14,172,276,541	5,705,093,887

The Notes 1 to 29 on pages 62 to 127 forms part of the financial statements

Arch. Daud W. Kondoro

Ally Juma Kiko

CHIEF EXECUTIVE

Ag. CHIEF ACCOUNTANT

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

Details	Budgeted Amount			Actual Amount (A)	Difference Final Budget & Actual (B-A)
	Original Budget	Reallocations	Final Budget (B)		
	TZS	TZS	TZS		TZS
RECEIPTS					
Funds Received			-		
Other receipts			-	10,981,630,094	(10,981,630,094)
Other revenue	13,977,609,052		13,977,609,052	939,274,527	13,038,334,525
Revenue from Exchange Transactions	29,574,440,476		29,574,440,476	20,965,566,914	8,608,873,562
Revenue Grants	34,220,587,000		34,220,587,000	28,665,287,226	5,555,299,774
Total Receipts	77,772,636,528	-	77,772,636,528	61,551,758,762	16,220,877,766
PAYMENTS					
Grants and other					
Transfer Payments	1,000,000,000		1,000,000,000	684,400,000	315,600,000
Wages, salaries and employee benefits	17,064,136,926		17,064,136,926	15,415,097,248	1,649,039,678
Use of Goods and Service	9,722,087,846		9,722,087,846	5,025,111,786	4,696,976,060
Maintenance expenses	1,512,240,047		1,512,240,047	4,729,261,938	(3,217,021,891)
Other expenses	3,968,838,719		3,968,838,719	527,298,598	3,441,540,121
Other Payments			-	10,418,712,758	(10,418,712,758)
Acquisition of Property, Plant and Equipment	521,933,178		521,933,178	215,709,459	306,223,719
Development Grants	26,762,580,000		26,762,580,000	12,767,087,513	13,995,492,487
Own source Development projects	17,220,819,812		17,220,819,812	3,301,946,807	13,918,873,005
Total Payments	77,772,636,528	-	77,772,636,528	53,084,576,107	24,688,060,421
Net Receipts/(Payments)				8,467,182,654	(8,467,182,654)

See Note 26 for the reason for the variation and the reconciliation of Cash Flow and Budget

Arch. Daud W. Kondoro
CHIEF EXECUTIVE

Ally Juma Kiko
Ag. CHIEF ACCOUNTANT