



**THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE**



TANZANIA BUREAU OF STANDARDS (TBS)

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2024**

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

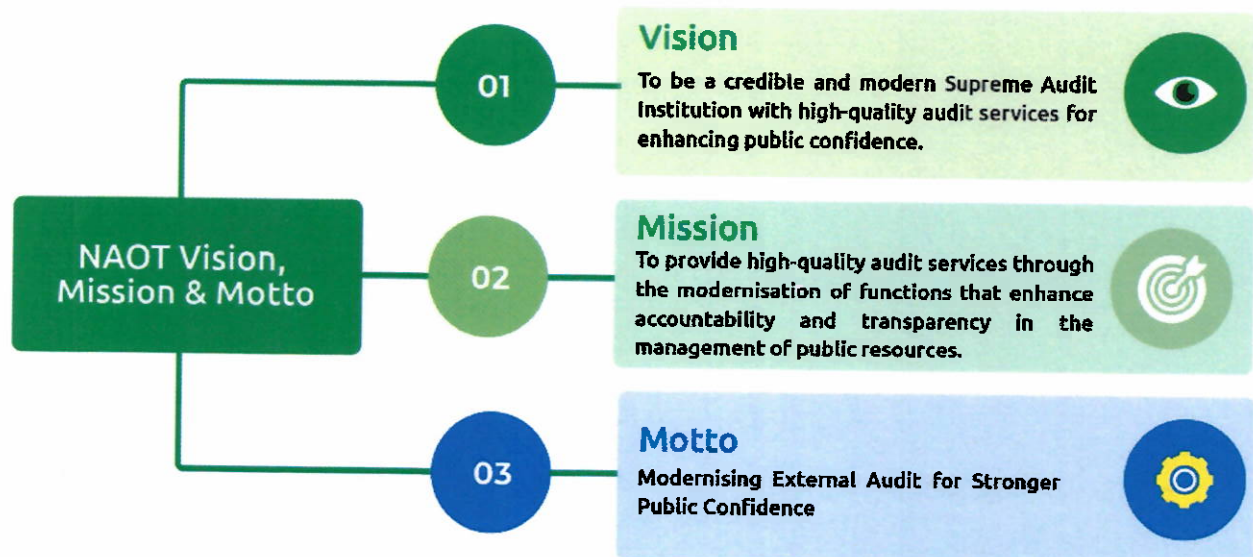
March 2025

AR/PA/TBS/2023/24

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.



Independence and objectivity

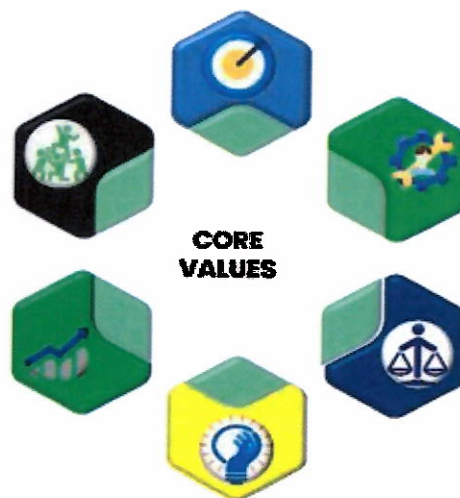
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

© This audit report is intended to be used by TBS 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.

TABLE OF CONTENTS

ABBREVIATIONS:.....	iv
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 THE REPORT BY THOSE CHARGED WITH GOVERNANCE	5
3 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE	49
4 DECLARATION BY THE HEAD OF FINANCE.....	50
5 FINANCIAL STATEMENTS.....	51
6 NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2024	57

ABBREVIATIONS:

APP	Annual Procurement Plan
BoT	Bank of Tanzania
CAG	Controller and Auditor General
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immune Deficiency Syndrome
ICD	Inland Container Depot
ICDV	Inland Container Depot for Vehicles
ICT	Information and Communication Technology
IPSAS	International Public Sector Accounting Standards
ISO	International Organization for Standardization
ISSAIs	International Standard of Supreme Audit Institutions
MSME	Micro, Small and Medium Enterprise
MT	Metric Tonnes
MUSE	Mfumo wa Uhasibu Serikalini
NAO	National Audit Office
NBAA	National Board of Accountants and Auditors
NCDs	Non-Communicable Diseases
NHIF	National Health Insurance Fund
NMB	National Microfinance Bank
PPE	Property Plant and Equipment
PVoC	Pre-shipment Verification of Conformity
SME	Small and Medium Enterprise
TBS	Tanzania Bureau of Standards
TCWG	Those Charged with Governance
TFDA	Tanzania Food and Drugs Authority
TZS	Tanzania Shillings

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson,
Board of Directors,
Tanzania Bureau of Standards,
P.O. Box 9524,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Bureau of Standards (TBS), which comprise the statement of financial position as at 30 June 2024, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Bureau of Standards (TBS) as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with 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 Bureau of Standards (TBS) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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

Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSASs 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.

TANZANIA BUREAU OF STANDARDS

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.

TANZANIA BUREAU OF STANDARDS

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

Further, Section 48(3) of the Public Procurement Act, Cap 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

Subject matter: Compliance audit on procurement of works, goods, and services

I performed a compliance audit on the procurement of works, goods, and services in the TBS for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Tanzania Bureau of Standards is generally in compliance with the requirements of the Public Procurement laws in Tanzania.

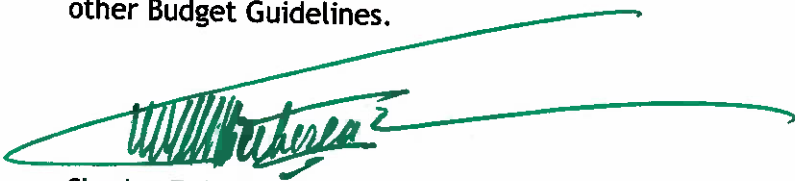
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Bureau of Standards for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that, Budget formulation and execution of Tanzania Bureau of Standards is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.


Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2025



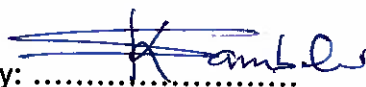
4.0 DECLARATION BY THE HEAD OF FINANCE

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

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

I, **Shaban A. Kambwili**, being the Head of Finance and Accounts Unit of Tanzania Bureau of Standards, hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June, 2024 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 Tanzania Bureau of Standards as on that date and that they have been prepared based on properly maintained financial records.

Signed by:

Name: CPA. Shaban A. Kambwili

Position: Chief Accountant

NBAA Membership No. ACPA 5330

Date:

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

As required under Section 16 of The Standards Act No. 2 of 2009, the Board of Directors is responsible to ensure that the Bureau prepares financial statements that give a true and fair view of the state of affairs of the Bureau as at the end of the financial year and changes in net assets of the Bureau for the year. The auditors' responsibility is to express an opinion on the financial statements based on their audit. The Board of Directors is also responsible for safeguarding the assets of the Bureau.

The Board of Directors accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the requirements of the International Public Sector Accounting Standards (IPSAS).

The Board of Directors further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. The Directors are responsible for safeguarding the assets of the Bureau, hence taking reasonable steps for prevention and detection of fraud, errors and other irregularities.

Nothing has come to the attention of the Directors to indicate that the Government of the United Republic of Tanzania shall wind up the operations of the Bureau, hence going concern remain for at least twelve months from the date of these Statements.

Signed on behalf of the Board of Directors by:



.....
Prof. Othman Chande Othman
CHAIRPERSON, TBS BOARD OF DIRECTORS

DATE: 2025-03-17

TANZANIA BUREAU OF STANDARDS

5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

ASSETS	NOTES	30 June 2024 TZS	30 June 2023 TZS
Current Asset			
Cash and Cash Equivalents	26	7,128,170,360	7,653,985,258
Receivables	27	5,318,800,197	8,271,926,715
Inventories	29	7,075,222	23,415,063
Prepayments	28	940,738,925	2,529,379,738
Total Current Asset		13,394,784,704	18,478,706,774
Non-Current Asset			
Capital Work In Progress	40	15,857,177,985	12,128,980,737
Property, Plant and Equipment	38	87,906,173,793	85,891,469,701
Intangible Assets	39	8,494,913	9,556,777
Total Non-Current Asset		103,771,846,691	98,030,007,215
TOTAL ASSETS		117,166,631,395	116,508,713,989
LIABILITIES			
Current Liabilities			
Deferred Income	32	13,716,184	11,512,223
Deposits	33	530,832,144	284,933,741
Payables and Accruals	31	6,558,759,065	8,150,810,968
Total Current Liabilities		7,103,307,393	8,447,256,932
NET ASSETS		110,063,324,002	108,061,457,057
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/Share Capital		31,796,000	31,796,000
Accumulated Surpluses/Deficits		110,031,528,002	108,029,661,057
TOTAL NET ASSETS/EQUITY		110,063,324,002	108,061,457,057

Notes for part of the financial statements which were approved by the Board of Directors and signed on their behalf by;



Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS



Dr. Ashura Abdul Katunzi
DIRECTOR GENERAL

DATE.....2025-03-17.....

DATE.....2025-03-17.....

TANZANIA BUREAU OF STANDARDS

STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 30 JUNE 2024

	NOTES	30 June 2024 TZS	30 June 2023 TZS
REVENUE			
Subvention from Government	14	15,847,086,497	13,617,098,328
Revenue Grant	15	2,040,161,943	71,733,557
Revenue from Exchange Transactions/Levies	16	87,210,360,976	84,401,073,478
Fees, fines, penalties and forfeit	17	29,247,597	36,738,900
Other Revenue	18	43,900,000	54,479,500
Fair Value Gains on Assets	19	678,541,829	440,559,342
TOTAL REVENUE		105,849,298,842	98,621,683,105
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	20	38,554,926,862	32,830,675,193
Social Benefits	21	31,687,978	10,000,000
Use of Goods and Service	22	43,530,142,375	43,668,355,216
Maintenance Expenses	23	1,684,385,825	1,678,246,218
Other Expenses	25	6,167,206,181	1,434,921,449
Depreciation of PPE	34	4,372,241,088	5,080,717,027
Loss on Asset and Liabilities	36	12,256,914	55,829,304
Expected Credit Loss	37	1,428,712,852	826,511,694
Amortization of Intangible Assets	39B	1,061,864	1,061,864
Total Expenses		95,782,621,939	85,586,317,965
Grants, Subsidies and other Transfer Payments	24	7,718,341,931	6,662,533,969
TOTAL EXPENSES AND TRANSFERS		103,500,963,870	92,248,851,934
Net Surplus for the year		2,348,334,972	6,372,831,171



Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS

DATE 2025-03-17



Dr. Ashura Abdul Katunzi
DIRECTOR GENERAL

DATE 2025-03-17

TANZANIA BUREAU OF STANDARDS

STATEMENT OF CHANGES IN NET ASSET AND EQUITY FOR THE YEAR ENDED 30 JUNE 2024

	Tax Payer's Fund TZS	Accumulated Surplus/(Deficit) TZS	Total TZS
Opening Balance as at 01 July 2023	31,796,000	108,029,661,057	108,061,457,057
Other Appropriations-Note 43		(346,468,027)	(346,468,027)
Surplus for the Year		2,348,334,972	2,348,334,972
Closing Balance as at 30 June 2024	31,796,000	110,031,528,002	110,063,324,002
Opening Balance as at 01 July 2022	31,796,000	101,698,217,386	101,730,013,386
Other Appropriations-Note 43		(41,387,500)	(41,387,500)
Surplus for the Year		6,372,831,171	6,372,831,171
Closing Balance as at 30 June 2023	31,796,000	108,029,661,057	108,061,457,057



Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS



Dr. Ashura Abdul Katunzi
DIRECTOR GENERAL

DATE 2025-03-17

TANZANIA BUREAU OF STANDARDS

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

CASH FLOW FROM OPERATING ACTIVITIES		30-Jun-24	30-Jun-23
		TZS	TZS
RECEIPTS	Notes		
Other revenue	18	43,900,000	54,479,500
Revenue from Exchange Transactions	16	88,333,839,315	83,332,425,406
Fees, fines, penalties and forfeit	17	29,247,597	36,738,900
Increase in deposit	33	245,898,403	205,380,424
Subvention	14	15,849,290,458	13,628,610,551
Revenue Grant	15	120,862,344	0
Total Receipts		104,623,038,117	97,257,634,781
PAYMENTS			
Wages, Salaries and Employee Benefits	20	(38,557,671,837)	(32,876,189,115)
Consumables Used good/services	22	(45,550,529,065)	(45,877,662,465)
Social Benefits	21	(31,687,978)	(10,000,000)
Other expenses	25	(3,956,867,341)	(1,434,921,449)
Maintenance Expenses	23	(1,536,406,950)	(1,678,246,218)
Grants, Subsidies and Transfer Payments	24	(8,340,990,332)	(7,662,533,969)
Total Payments		(97,974,153,503)	(89,539,553,216)
NET CASH FLOW FROM OPERATING ACTIVITIES		6,648,884,614	7,718,081,568
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Payment for WIP	40	(3,660,898,370)	(3,911,144,640)
Advance for PPE acquisition		(40,136,508)	40,127,248
Acquisition of PPE	38	(3,488,152,715)	(12,436,082,052)
Total Investing Activities		(7,189,187,593)	(16,307,099,444)
Net Increase / decrease		(540,302,979)	(8,589,017,876)
Cash and cash equiv. at beginning of period		7,668,694,571	16,257,712,447
Cash and cash equivalent at end of period		7,128,391,592	7,668,694,571

Attoral

Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS

DATE 2025-03-17.....

Batumu

Dr. Ashura Abdul Katunzi
DIRECTOR GENERAL

DATE 2025-03-17.....

TANZANIA BUREAU OF STANDARDS

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 30 JUNE 2024

	Original Budget	Reallocations/ Adjustments	Final Budget (A)	Actual Amount on Comparison Basis [B]	Different Final Budget & Actual (A-B)	+/- %	Remarks
RECEIPTS	TZS	TZS	TZS	TZS	TZS	%	
Fee, Fines Penalties and Forfeitures				29,247,597	(29,247,597)		
Increase in deposit				3,930,098	(3,930,098)		
Subvention from GVT	15,816,695,810		15,816,695,810	15,849,290,458	(32,594,648)		
Revenue Grant				120,862,344	(120,862,344)		
Other Revenue	85,000,000		85,000,000	43,900,000	41,100,000	48	A
Disposal of Fixed Assets	15,000,000		15,000,000		15,000,000	100	B
Revenue from Exchange Transactions	104,900,000,000		104,900,000,000	88,333,839,314	16,566,160,686	16	C
Total Receipts	120,816,695,810		120,816,695,810	104,381,069,811	16,435,625,999	14	
PAYMENTS							
Grants, Subsidies and other Transfer Payments	15,919,000,000	(1,980,230,000)	13,938,770,000	8,340,990,332	5,597,779,668	40	D
Maintenance Expenses	2,167,737,600	190,020,000	2,357,757,600	1,536,406,950	821,350,650	35	E
Other Expenses	25,747,751,000	86,280,000	25,834,031,000	3,956,867,341	21,877,163,659	85	F
Social Benefits	152,600,000	(120,270,000)	32,330,000	31,687,978	642,022	2	
Consumables goods /services	23,033,542,000	869,180,000	23,902,722,000	45,550,529,065	(21,647,807,065)	(91)	G
Wages, Salaries and Employee Benefits	37,994,373,810	16,520,000	38,010,893,810	38,557,671,838	(546,778,028)	(1)	
Acquisition of PPE	22,123,601,218	938,500,000	23,062,101,218	3,488,152,715	19,573,948,503	85	H
Advance PPE acquisition				40,136,508	(40,136,508)		
Payment for WIP				3,660,898,370	(3,660,898,370)		
Total Payment	127,138,605,628		127,138,605,628	105,163,341,097	(21,975,264,531)	17	
Net Receipts/Payments	*(6,321,909,818)	0	*(6,321,909,818)	(782,271,286)	(5,539,638,532)		

*Payment in excess of revenue is due to inclusion of carryover budget amount in acquisition of PPE,

Athman

Prof. Othman Chande Othman
CHAIRPERSON, BOARD OF DIRECTORS

DATE 2025-03-17

Ashura

Dr. Ashura Abdul Katunzi
DIRECTOR GENERAL

DATE 2025-03-17