



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



TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

**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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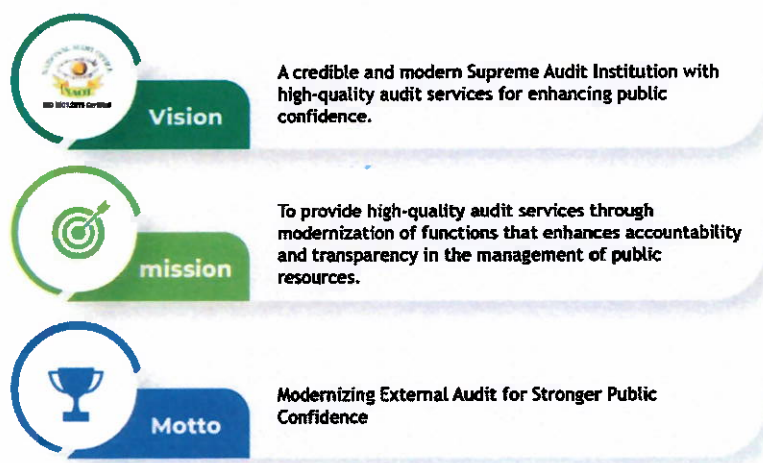
March 2026

AR/PA/TCAA/2024/25

About the National Audit Office

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

AAKIA	Abeid Aman Karume International Airport
AATO	Association of African Training Organization
ACPA	Associate Certified Public Accountant
AIDS	Acquired Immune Deficiency Syndrome
AME	Aircraft Maintenance Engineer
AMO	Approved Maintenance Organization
ANS	Air Navigation Services
ATM	Air Traffic Management
BASA	Bilateral Aviation Service Agreement
CAG	Controller and Auditor General
CANSO	Civil Air Navigation Service Organization
CASSOA	Civil Aviation Safety and Security Oversight Agency
CATC	Civil Aviation Training Center
CCC	Consumer Consultative Council
CNS	Communications, Navigation and Surveillance
COVID-19	Corona Virus Disease 19
CPA	Certified Public Accountant
CSP	Certified Supplies Officer
DGM	Dangerous Goods Material
EGA	E-Government Authority
FAL	Air Transport Facilitation Meetings
GCF	Government Consolidated Fund
GePG	Government e-Payment Gateway
GNSS	Global Navigation Satellite System
HIV	Human Immunodeficiency Virus
HQ	Head Quarters
ICAO	International Civil Aviation Organization
ICT	Information Communication Technology
ILS	Instrument Landing System
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
ISO 9001	International Standard Organization
IT	Information Technology
JNIA	Julius Nyerere International Airport
KIA	Kilimanjaro International Airport
MET	Meteorology
MTEF	Medium Term Expenditure Framework
NAVAIDS	Navigational Aids
NBAA	National Board of Accountants and Auditors
PAA	Public Audit Act
PAC	Public Accounts Committee
PAR	Public Audit Regulation
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPR	Public Procurement Regulations
PSR	Primary Surveillance Radar

SARPS	Standard and Recommended Practices
SMS	Safety Management System
TAA	Tanzania Airports Authority
TBC	Tanzania Broadcasting Corporation
TCARs	Temporary Computer Access and Retrieval System
TMA	Tanzania Meteorological Agency
TTCL	Tanzania Telecommunication Corporation Limited
TUGHE	Tanzania Union of Government and Health Employees
ZAA	Zanzibar Airports Authority

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Hon. Chairman of the Board,
Tanzania Civil Aviation Authority,
P.O. Box 2819,
Dar es Salaam.
Tanzania.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Civil Aviation Authority (TCAA), 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 Civil Aviation Authority (TCAA) 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 Civil Aviation Authority (TCAA) 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, the Statement of Directors' Responsibilities and the 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 with the knowledge I obtained during the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, 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 International Public Sector Accounting Standards (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 Civil Aviation Authority (TCAA) 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 Tanzania Civil Aviation Authority (TCAA) 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 Tanzania Civil Aviation Authority (TCAA) for the year ended 30 June 2025 as per the 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 Tanzania Civil Aviation Authority (TCAA) 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.



TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

3.0 STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 JUNE 2025

The Tanzania Civil Aviation Authority Act, (CAP 80) of 2003[R.E 2006], require the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Authority as at the end of the financial year, and of the results of the Authority for that year. It also requires the Directors to ensure that the Authority keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the Authority. They are also responsible for safeguarding the assets of the Authority.

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Public Sector Accounting Standards and the manner required by the Tanzania Civil Aviation Authority Act, 2003 Cap 80 (R.E 2006), and for such internal controls as directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors accept 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 International Public Sector Accounting Standards and Tanzania Civil Aviation Authority Act, 2003 Cap 80 (R.E 2006).

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Authority and of its operating results. The Directors further accept 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.

Nothing has come to the attention of the Directors to indicate that the Authority will not remain a going concern at least for the next twelve months.



Dr. Hamis H. Mwinyimvua
CHAIRPERSON



Mr. Salim R. Msangi
DIRECTOR GENERAL

Date

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

4.0 DECLARATION OF THE HEAD OF FINANCE FOR THE YEAR ENDED 30 JUNE 2025

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 Board of Directors 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 International Public Sector Accounting Standards (IPSAS) and statutory requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Statement of Directors Responsibilities on earlier page.

I, **CPA Sospeter Nashon Masiana**, being the Finance Manager of Tanzania Civil Aviation Authority hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Tanzania Civil Aviation Authority as on that date and that they have been prepared based on properly maintained financial records.



CPA Sospeter Nashon
FINANCE MANAGER
NBAA Membership No: ACPA 4595

Date

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2024/25 TZS '000	2023/24 TZS '000
ASSETS			
Current assets			
Cash and cash equivalents	7	7,163,669	3,328,875
Receivables	8	26,820,764	25,160,019
Inventory	9	505,376	567,638
Prepayments	10	142,112	132,255
Investment In Equity shares	11	37,140	32,501
Total current Assets		34,669,061	29,221,288
Non-current assets			
Property, plant and equipment	12(a)	247,927,046	248,717,024
Capital work in progress	12(b)	6,000,300	7,519,781
Intangible assets	13	4,057,555	4,288,797
Total non-current Assets		257,984,901	260,525,602
TOTAL ASSETS		292,653,962	289,746,890
LIABILITIES			
Current liabilities			
Payables	14	27,469,807	24,153,715
Employee benefits	15(iii)	957,359	904,860
Total current liabilities		28,427,166	25,058,575
Non - current liabilities			
Employee benefits	15(iii)	447,166	265,515
Total non-current liabilities		447,166	265,515
TOTAL LIABILITIES		28,874,332	25,324,090
NET ASSETS		263,779,630	264,422,800
EQUITY			
Capital fund	16	6,694,229	6,694,229
Accumulated surplus		257,085,401	257,728,571
TOTAL EQUITY		263,779,630	264,422,800

These financial statements were approved and authorized for issue by the Board of Directors on and signed on its behalf by:


DR. Hamis H. Mwinyimvua
CHAIRPERSON


Mr. Salim R. Msangi
DIRECTOR GENERAL

Date:

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Note	2024/25 TZS '000	2023/24 TZS '000
REVENUE			
Revenue from exchange transactions	17	62,234,864	55,119,180
Revenue from non-exchange transactions	18	38,199,070	34,810,597
Other revenue	19	13,296,377	24,519,751
		<u>113,730,311</u>	<u>114,449,528</u>
EXPENSES			
Salaries, allowances, and other staff benefits	20	(49,503,092)	(47,600,546)
Administrative expenses	21	(32,381,379)	(29,796,669)
Expected Credit Loss	7&8	(6,976,847)	(4,195,418)
Board expenses	22	(191,476)	(295,542)
Contribution to Government and other bodies*	23	(16,768,920)	(15,268,308)
Depreciation and amortization	24	(8,551,767)	(9,285,249)
Total expenses		<u>(114,373,481)</u>	<u>(106,441,732)</u>
(Deficit)/surplus for the year		<u>(643,170)</u>	<u>8,007,796</u>

Notes form part of the Financial Statements



Dr. Hamis H. Mwinyimvua
CHAIRPERSON



Mr. Salim R. Msangi
ACCOUNTING OFFICER

Date

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

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

	Capital Fund TZS '000	Accumulated Surplus TZS '000	Total Equity TZS '000
At 1 July 2024	6,694,229	257,728,571	264,422,800
Deficit for the year	-	(643,170)	(643,170)
At 30 June 2025	<u>6,694,229</u>	<u>257,085,401</u>	<u>263,779,630</u>
At 1 July 2023	6,694,229	249,720,775	256,415,004
Surplus for the year	-	8,007,796	8,007,796
At 30 June 2024	<u>6,694,229</u>	<u>257,728,571</u>	<u>264,422,800</u>

Notes form part of the Financial Statements


 Dr. Hamis H. Mwinyumvua
 CHAIRPERSON


 Mr. Salim R. Msangi
 DIRECTOR GENERAL

Date

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2024/25 TZS '000	2023/24 TZS '000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Revenue	17&18	99,262,271	90,960,596
Other income	19	448,575	1,392,552
		<u>99,710,846</u>	<u>92,353,148</u>
Payments			
Payment of employee cost	20	50,294,653	48,124,904
Payment of suppliers	25	29,530,121	26,597,997
Other payments	26	8,955,859	11,585,694
		<u>88,780,633</u>	<u>86,308,595</u>
Net cash from operating activities	28	<u>10,930,213</u>	<u>6,044,553</u>
INVESTING ACTIVITIES			
Payment to suppliers of Infrastructure and equipment	12(c)	<u>(7,081,367)</u>	<u>(16,143,718)</u>
Net cash used in investing activities		<u>(7,081,367)</u>	<u>(16,143,718)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase/(decrease) in cash and cash equivalent		3,848,846	(10,099,165)
Cash and cash equivalent at the beginning of the year		<u>3,329,070</u>	<u>13,428,235</u>
Cash and cash equivalent at the end of the year	7	<u>7,177,916</u>	<u>3,329,070</u>

Notes form part of the financial statements.


 Dr. Hamis H. Mwinyimvua
 CHAIRPERSON


 Mr. Salim R. Msangi
 DIRECTOR GENERAL

Date

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

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

	Original Budget (A) TZS,000	Adjustments (B) TZS,000	Final Budget C = (A+B) TZS,000	Actual (D) TZS,000	Difference Actual Vs Budget (D-C) TZS,000	Percentage	Note
Receipts							
Revenue	98,672,306	2,783,980	101,456,286	100,433,934	(1,022,352)	(1.0%)	i
Other income	29,583	-	29,583	13,296,377	13,266,794	44846.0%	iii
Total receipts	98,701,889	2,783,980	101,485,869	113,730,311	12,244,442	12.1%	
Payments							
Salaries, allowances & other Staff benefits	47,866,553	474,510	48,341,063	49,503,092	1,162,029	2.4%	iv
Administrative expenses	28,846,207	2,309,470	31,155,677	32,381,379	1,225,702	3.9%	v
Board expenses	250,000	-	250,000	191,476	(58,524)	(23.4%)	vi
Contribution to Government fund and other bodies	7,522,367	-	7,522,367	16,768,920	9,246,553	122.9%	vii
Capital expenditure	14,216,762	-	14,216,762	7,081,367	(7,135,395)	(50.2%)	viii
Total payments	98,701,889	2,783,980	101,485,869	105,926,234	4,440,365	4.4%	
Surplus from the budget	-	-	-	7,804,077	7,804,077		


Dr. Hamis H. Mwinyimvua
CHAIRPERSON


Mr. Salim R. Msangi
DIRECTOR GENERAL

Date