



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



ISO 9001:2015 Certified

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 2024**

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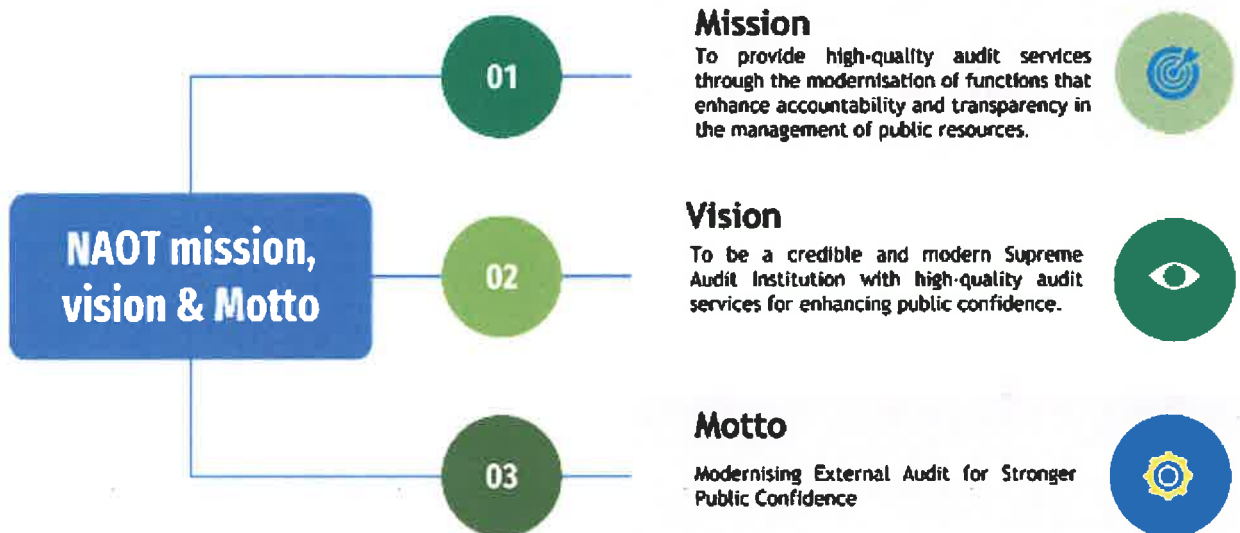
March 2025

AR/PA/TCAA/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.

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TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

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TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

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
KADCO	Kilimanjaro Airports Development Company
KIA	Kilimanjaro International Airport
MET	Meteorology
MTEF	Medium Term Expenditure Framework
NAVAIDS	Navigational Aids
NBAA	National Board of Accountants and Auditors
NCASQCP	National Civil Aviation Security Quality Control Program
NCASTP	National Civil Aviation Security Training Program
PAA	Public Audit Act
PAC	Public Accounts Committee
PAR	Public Audit Regulation
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPR	Public Procurement Regulations

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

PSR	Primary Surveillance Radar
SARPS	Standard and Recommended Practices
SMS	Safety Management System
RNAV	Random/Area Navigation
STARs	Standards Instrument Arrival Routes
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

Tanzania Civil Aviation Authority
Hon. Chairman of the Board
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 2024, the statement of financial performance, statement of changes in net assets and statement of cash flows 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 material accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Civil Aviation Authority (TCAA) 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 (IPSAS) 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 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.

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 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 [R.E 2021] 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 [R.E 2022] 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 procurement of goods, works and services in the Tanzania Civil Aviation Authority for the financial year ended 30 June 2024 as per the Public Procurement Laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Tanzania Civil Aviation Authority is generally in compliance with the requirements of the Public Procurement Laws.

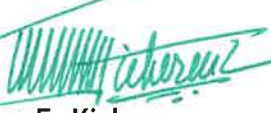
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Tanzania Civil Aviation Authority (TCAA) for the financial year ended 30 June 2024 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 Civil Aviation Authority (TCAA) 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



3.0 STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

ACCOUNTING OFFICER

Date

25/3/2025

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

3.0. DECLARATION OF 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/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**, being the Finance Manager of Tanzania Civil Aviation Authority hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2024 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 25/03/2025

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

4.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2023/24 TZS '000	2022/23 TZS '000
ASSETS			
Current assets			
Cash and cash equivalents	6	3,328,875	13,428,002
Receivables	7	25,160,019	19,825,542
Inventories	8	567,638	628,427
Prepayments	9	132,255	2,033,690
Investment in Equity shares	10	32,501	31,758
Total current assets		29,221,288	35,947,419
Non-current assets			
Property, plant and equipment	11(a)	248,717,024	248,737,557
Capital work in progress	11(b)	7,519,781	1,862,970
Intangible assets	12	4,288,797	4,824,344
Total non-current Assets		260,525,602	255,424,871
TOTAL ASSETS		289,746,890	291,372,290
LIABILITIES			
Current liabilities			
Payables	13	24,153,715	33,502,215
Employee benefits	14(iii)	904,860	887,642
Total current liabilities		25,058,575	34,389,857
Non - current liabilities			
Employee benefits payable	14	265,515	567,430
Total non-current liabilities		265,515	567,430
TOTAL LIABILITIES		25,324,090	34,957,287
NET ASSETS		264,422,800	256,415,003
EQUITY			
Capital fund	15	6,694,229	6,694,229
Accumulated surplus		257,728,571	249,720,774
TOTAL EQUITY		264,422,800	256,415,003

Notes form part of the financial statements which were approved and authorized for audit by the Board of Directors on 25/03/2025 and signed on its behalf by:


 DR. Hamis H Mwinyimvua
 CHAIRPERSON

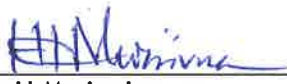

 Mr. Salim R Msangi
 ACCOUNTING OFFICER

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

	Note	2023/24 TZS '000'	2022/23 TZS '000'
REVENUE			
Revenue from exchange transactions	16	55,119,180	49,899,238
Revenue from non-exchange transactions	17	34,810,597	29,579,556
Other revenue	18	<u>24,519,751</u>	<u>4,957,739</u>
		<u>114,449,528</u>	<u>84,436,533</u>
EXPENSES			
Salaries, allowances and other staff benefits	19	47,600,546	44,700,029
Administrative expenses	20	29,796,666	21,406,503
Board expenses	21	295,542	252,011
Contribution to Government and other bodies	22	15,268,308	13,375,669
Expected credit loss	7	4,195,418	2,588,656
Depreciation and amortization	23	<u>9,285,252</u>	<u>13,446,715</u>
Total expenses		<u>106,441,732</u>	<u>95,769,583</u>
Surplus/(deficit) for the year		<u>8,007,796</u>	<u>(11,333,050)</u>

Notes form part of the Financial Statements



 Dr. Hamis H Mwinyimvua
CHAIRPERSON



 Mr. Salim R Msangi
ACCOUNTING OFFICER

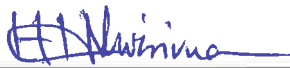
Date 25/3/2025

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024

	Capital Fund TZS '000	Accumulated Surplus TZS '000	Total Equity TZS '000
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	6,694,229	257,728,571	264,422,800
At 1 July 2022	6,694,229	261,726,263	268,420,492
Opening balance adjustment on review of assets	-	(672,438)	(672,438)
Deficit for the year	-	(11,333,050)	(11,333,050)
At 30 June 2023	6,694,229	249,720,775	256,415,004

Notes form part of the Financial Statements



 Dr. Hamis H Mwinyumvua
 CHAIRPERSON



 Mr. Salim R Msangi
 ACCOUNTING OFFICER

Date 25/3/2025

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

	Notes	30-Jun-24 TZS '000	30-Jun-23 TZS '000
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts			
Exchange transactions	16	60,388,244	55,346,809
Non-exchange transactions	17	30,572,352	27,669,817
Other income	18	1,307,675	10,879,151
		<u>92,268,271</u>	<u>93,895,777</u>
Payments			
Employee cost	19	(47,885,986)	(44,151,705)
Suppliers	24	(17,285,412)	(13,636,146)
Other payments	25	(21,823,320)	(21,946,544)
		<u>(86,994,718)</u>	<u>(79,734,395)</u>
Net cash receipt from operating activities		<u>5,273,553</u>	<u>14,161,382</u>
INVESTING ACTIVITIES			
Payment to suppliers of property, plant and equipment	11(c)	(15,372,718)	(5,082,840)
Net cash used in investing activities		<u>(15,372,718)</u>	<u>(5,082,840)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
(Decrease)/increase in cash and cash equivalent		(10,099,165)	9,078,542
Cash and cash equivalent at the beginning of the year		13,428,235	4,349,693
Cash and cash equivalent at the end of the year	6	<u>3,329,070</u>	<u>13,428,235</u>

Notes form part of the financial statements.



Dr. Hamis H Mwinyimvua
CHAIRPERSON



Mr. Salim Ramadhani Msangi
Ag. DIRECTOR GENERAL

Date 25/3/2025

TANZANIA CIVIL AVIATION AUTHORITY (TCAA)

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

	Original Budget (A)	Adjustments (B)	Final Budget C = (A+B)	Actual (D)	Difference Actual Vs Budget (D-C)	Note
	TZS ,000	TZS ,000	TZS ,000	TZS ,000	TZS ,000	
Receipts						
Revenue from exchange transactions	62,608,070	3,662,598	66,270,668	55,119,180	(11,151,488)	i
Revenue from non-exchange transactions	27,649,513	827,232	28,476,745	34,810,597	6,333,852	ii
Other income	25,267	-	25,267	24,519,751	24,494,484	
Total Receipts	90,282,850	4,489,830	94,772,680	114,449,528	19,676,848	
Payments						
Salaries, allowances & other						
Staff benefits	47,771,374	-	47,771,374	47,600,546	(170,828)	iii
Administrative expenses	24,441,344	4,439,830	28,881,174	29,796,666	915,492	iv
Board expenses	245,915	50,000	295,915	295,542	(373)	v
Contribution to Government fund and other bodies	7,522,367	-	7,522,367	15,268,308	7,745,941	vi
Capital expenditure	10,301,850	-	10,301,850	15,372,718	5,070,868	vii
Total Payments	90,282,850	4,489,830	94,772,680	108,333,780	13,561,100	
Surplus from the budget	-	-	-	6,115,748	6,115,748	