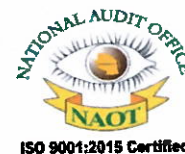




**THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE**



TANZANIA COMMUNICATION REGULATORY AUTHORITY

**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,
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March 2025

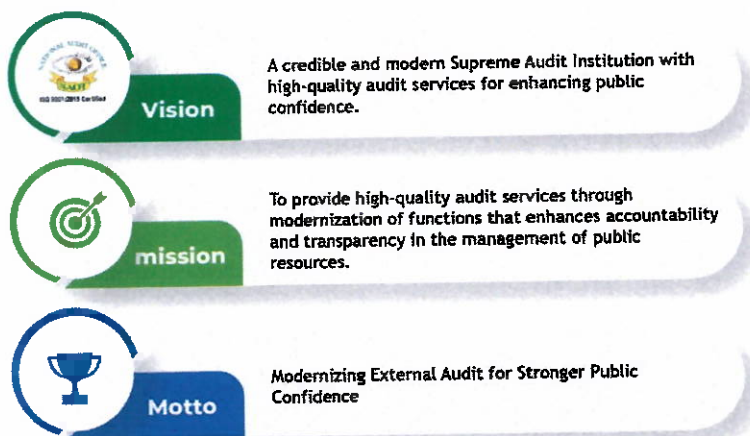
AR/PA/TCRA/2024/25

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



© This audit report is intended to be used by the Tanzania Communication Regulatory Authority 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.



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ABBREVIATIONS

AIDS	Acquired immunodeficiency syndrome
AR	Audit Report
ACPA	Associate Certified Public Accountant
AFRALTI	African Advanced Level Telecommunications Institute
ATU	African Telecommunications Union
BoT	Bank of Tanzania
CANN	Assigned Names and Numbers
CRASA	Communications Regulator's Association of Southern Africa
CTO	Commonwealth Telecommunications Organization
DTT	Digital Terrestrial Television
EA	East Africa
EACO	East African Communications Organization
eGA	e-Government Authority
EPOCA	Electronic and Postal Communications Act
FCC	Fair Competition Commission
FCT	Fair Competition Tribunal
FTTH	Fiber to the Home
HF	High Frequency
HIV	Human Immunodeficiency Virus
ICCAN	Internet Corporation for Assigned Names and Numbers
ICT	Information and Communication Technologies
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standards of Supreme Audit Institutions
ITU	International Telecommunication Union
MNOs	Mobile Network Operators
NBAA	National Board of Accountants and Auditors
NCDs	Non-Communicable Diseases
OSHA	Occupational Safety and Health Authority
PA	Public Authorities
PAPU	Pan African Postal Union
R.E	Revised Edition
RF	Radio frequency
TCC	Tanzania Communications Commission
TCRA	Tanzania Communication Regulatory Authority
TCRA-CCC	TCRA Consumer Consultative Council
TTCL	Tanzania Telecommunication Corporation
TZS	Tanzania Shillings
UCSAF	Universal Communications Service Access Fund
UHF	Ultra-High Frequency
UPU	Universal Postal Union
VHF	Very High Frequency



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board,
Tanzania Communication Regulatory Authority,
P.O. Box 474,
Dar es Salaam, Tanzania.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Communication Regulatory Authority, 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 the financial position of the Tanzania Communication Regulatory Authority 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, 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 the Tanzania Communication Regulatory Authority 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 Director's Report, statement of management responsibility, Declaration by the Head of Finance, but does not include the financial statements and my audit report thereon, which I obtained prior to the date of this auditor's report.

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS, as issued by the International Public Sector Accounting Standards Board, 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 Tanzania Communication Regulatory Authority for the year ended 30 June 2025 as per the Public Procurement Act, 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 the Tanzania Communication Regulatory Authority 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

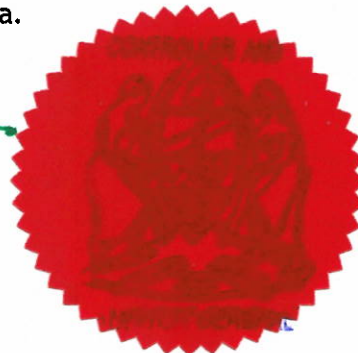
I conducted a compliance audit of budget formulation and execution at the Tanzania Communication Regulatory Authority for the year ended 30 June 2025 as per the Budget Act, Cap. 439, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment 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.

Based on the audit procedures performed, I conclude that the Tanzania Communication Regulatory Authority complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

Conclusion

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


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



3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Section 51 of the TCRA Act No. 12 of 2003 requires the Board of Directors to prepare financial statements for each financial year that gives a true and fair view of the state of affairs of the Authority as at the end of the financial year and of its comprehensive income for that year. It also requires the Board of Directors to ensure that the Authority maintains proper accounting records that disclose, with reasonable degree of accuracy, at any one time the financial position of the Authority.

The Directors also confirm that applicable accounting standards, the International Public Sector Accounting Standards (IPSAS) have been followed and that the financial statements have been prepared on a going concern basis.

The Board of Directors are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The Board of Directors accept responsibility for the preparation and presentation of financial statements that are free from material misstatement whether due to fraud or error. Nothing has come to the attention of the Board to indicate that the Authority will not remain a going concern for the foreseeable future. The Directors are also responsible for the maintenance of an adequate system of internal controls.



Dr. Jones A. Killimbe
Chairman of Board of Directors

25/03/2026

Date

4.0 DECLARATION OF DIRECTOR OF CORPORATE SERVICES

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. 7 of 2021, requires financial statements to be accompanied with a declaration issued by the Head of Finance and 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 and Management to discharge the responsibility of preparing financial statements of the Authority showing a true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of the financial statements rests with the Board of Directors as under Directors Responsibility statement on item No. 2 on Report of the Directors.

I Abdallah R. Migila being the Director of Corporate Services of Tanzania Communications Regulatory Authority (TCRA) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 have been prepared in compliance with applicable accounting standards and statutory requirements.

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



Name: Abdallah R. Migila
Position: Director of Corporate Services
NBAA Membership No: ACPA 6371

Date: 25/03/2026

TANZANIA COMMUNICATION REGULATORY AUTHORITY

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2024/25 TZS (000)	2023/24 TZS 000)
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalent	3	7,370,151	33,344,431
Receivable from Non-Exchange Transaction	4	55,141,095	41,233,627
Receivable from Exchange Transactions	5	41,962,540	29,127,172
TOTAL CURRENT ASSETS		104,473,786	103,705,230
NON-CURRENT ASSETS			
Property, Plant & Equipment	6	98,699,295	93,002,369
Right of Use Assets	33	131,230	-
Investment Property	7	22,906,368	22,817,053
Work In Progress	8(a&b)	52,822,951	39,946,521
Intangible Assets	9	26,574,343	27,322,656
TOTAL NON-CURRENT ASSETS		201,134,187	183,088,599
TOTAL ASSETS		305,607,973	286,793,829
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	10	7,645,674	8,534,908
Short Term Lease Liability	33	131,230	-
TOTAL CURRENT LIABILITIES		7,776,904	8,534,908
TOTAL LIABILITIES		7,776,904	8,534,908
Net Assets		297,831,069	278,258,921
NET ASSETS/EQUITY			
Capital Fund	21	127,976,492	127,976,492
Accumulated Surplus	11	169,854,577	150,282,429
TOTAL NET ASSETS/EQUITY		297,831,069	278,258,921

Notes form part of the financial statements which were approved for issue by the Board of Directors and signed on its behalf by:


Dr. Jones A. Killimbe
CHAIRMAN OF THE BOARD


Dr. Jabiri K. Bakari
DIRECTOR GENERAL

DATE: 25/03/2026

DATE: 25/03/2026

TANZANIA COMMUNICATION REGULATORY AUTHORITY

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

	Note	2024/25 TZS ("000")	2023/24 TZS ("000")
REVENUES			
Revenue From Non-Exchange Transactions			
Revenue From Fees	12(a)	239,604,112	258,808,751
Revenue From CMS Operations	12(b)	6,966,950	7,052,413
		246,571,062	265,861,164
Revenue From Exchange Transactions			
Other Revenue	13(a)	686,318	3,292,648
Rental Income	13(b)	1,181,347	433,311
		1,867,664	3,725,959
TOTAL REVENUE		248,438,727	269,587,123
EXPENSES			
Operational Expenses	14	49,957,688	44,912,157
Administration Expenses	15	18,263,921	75,701,919
Staff Expenses	16	42,705,273	35,470,030
Contribution to International Organizations	17	1,127,632	1,260,346
Disbursement on Behalf of the Government	18	100,406,969	50,688,047
Disbursement on CMS Operations	19	3,865,807	5,152,030
Depreciation expenses	6	8,932,093	9,732,057
Amortization expenses	9	3,162,370	3,890,903
Right of Use Asset Depreciation	33	378,826	-
Director's Fees	22	66,000	42,000
TOTAL EXPENSES		228,866,579	226,849,489
Surplus for the Year		19,572,148	42,737,634

Notes form part of the financial statements which were approved for issue by the Board of Directors and signed on its behalf by:


Dr. Jones A. Killimbe
CHAIRMAN OF THE BOARD


Dr. Jabiri K. Bakari
DIRECTOR GENERAL

DATE: 25/03/2028

DATE: 25/03/2028

TANZANIA COMMUNICATION REGULATORY AUTHORITY

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

	CAPITAL FUND	ACCUMULATED SURPLUS	TOTAL
	TZS ("000")	TZS ("000")	TZS ("000")
At 01 July 2023	127,976,492	107,544,795	235,521,287
Surplus for the Year	-	42,737,634	42,737,634
At 30 June 2024	127,976,492	150,282,429	278,258,921
At 01 July 2024	127,976,492	150,282,429	278,258,921
Surplus for the Year		19,572,148	19,572,148
At 30 June 2025	127,976,492	169,854,577	297,831,069

Notes form part of the financial statements which were approved for issue by the Board of Directors and signed on its behalf by:


Dr. Jones A. Killimbe
CHAIRMAN OF THE BOARD


Dr. Jabiri K. Bakari
DIRECTOR GENERAL

DATE: 25/03/2026

DATE: 25/03/2026

TANZANIA COMMUNICATION REGULATORY AUTHORITY

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Cash Flows from Operating Activities		2024/25 TZS ("000")	2023/24 TZS ("000")
	Note		
Receipts			
Regulatory Fees	32(a)	203,566,145	253,238,727
Revenue From CMS Operations	32(b)	6,538,377	6,891,811
Other Revenue	32(c)	1,406,241	3,307,185
Total Receipts		211,510,763	263,437,723
Payments			
Employee Costs	32(d)	(42,705,273)	(48,886,030)
Payments on behalf of Government		(23,582,853)	(57,100,422)
Administration & other Expense	32(e)	(108,640,445)	(86,503,854)
Total Payments		(174,928,571)	(192,490,306)
Net Cash Flows from Operating Activities		36,582,192	70,947,417
Cash Flow from Investing Activities			
Acquisition of PPE & Investment Properties	32(f)	(29,318,304)	(27,797,184)
Acquisition of WIP	32(g)	(29,973,568)	(39,444,034)
Acquisition of Intangible Assets		(3,040,999)	(4,302,334)
Net Cash Flow used in Investing Activities		(62,332,871)	(71,543,552)
Cash Flow from Financing Activities			
Lease Liability Payment	33	(389,512)	-
Net Cash Flow from Financing Activities		(389,512)	-
Net decrease in cash and cash equivalents		(26,140,190)	(596,135)
Cash & its Equivalent at beginning of period		33,550,656	32,935,378
Effect of foreign currency translation		27,674	1,211,415
Cash & its Equivalent at end of period	3	7,438,139	33,550,658

Notes form part of the financial statements which were approved for issue by the Board of Directors and signed on its behalf by:



Dr. Jones A. Killimbe

CHAIRMAN OF THE BOARD

DATE: 25/03/2026



Dr. Jabiri K. Bakari

DIRECTOR GENERAL

DATE: 25/03/2026

TANZANIA COMMUNICATION REGULATORY AUTHORITY

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

DETAIL	ORIGINAL BUDGET TZS ("000")	FINAL BUDGET TZS ("000")	ACTUAL AMOUNT TZS ("000")	VARIANCE		REMARKS (Note 31)
				TZS ("000")	%	
RECEIPTS						
Regulatory Fees	192,535,573	192,535,573	203,566,145	11,030,572	6%	A
Other Revenue	935,663	935,663	1,406,241	470,578	50%	B
Revenue from CMS Operations	8,265,330	8,265,330	6,538,377	(1,726,953)	-21%	C
TOTAL RECEIPTS	201,736,566	201,736,566	211,510,763	9,774,197	5%	
PAYMENTS						
Operational and Administrative Costs	72,297,867	72,297,867	108,963,957	(36,666,090)	-51%	D
Staff Expenses	32,826,188	32,826,188	42,705,273	(9,879,085)	-30%	E
Contributions to International Organizations	1,315,173	1,315,173	1,040,456	274,717	21%	F
Disbursement on Behalf of Government	26,415,592	26,415,592	19,464,952	6,950,640	26%	G
Disbursement on CMS operations	6,198,998	6,198,998	3,077,444	3,121,554	50%	H
Directors Fees	85,000	85,000	66,000	19,000	22%	J
Capital Expenditure	62,597,748	62,597,748	62,332,871	264,877	0%	I
TOTAL PAYMENTS	201,736,566	201,736,566	237,650,953	(35,914,387)		
DEFICIT FOR THE YEAR			(26,140,190)	(26,140,190)		

Notes form part of the financial statements.

Notes form part of the financial statements which were approved for issue by the Board of Directors and signed on its behalf by:

Dr. Jones A. Kilimbe
CHAIRMAN OF THE BOARD

DATE: 25/03/2025

Dr. Jabir K. Bakari
DIRECTOR GENERAL

DATE: 25/03/2025