



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 2024**

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March 2025

AR/PA/TCRA/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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ABBREVIATIONS

APP	Annual Procurement Plan
ATU	African Telecommunications Union
BoT	Bank of Tanzania
CAG	Controller and Auditor General
CPA(T)	Certified Public Accountant in Tanzania
	Communications Regulators' Association of Southern Africa
CRASA	
CTO	Commonwealth Telecommunications Organization
DTH	Digital to Home
DTT	Digital Terrestrial Television
EACO	East African Communications Organization
ECL	Expected Credit Loss
e-GA	e-Government Authority
EMF	Electromotive Force
EPOCA	Electronic and Postal Communication Act
FCC	Fair Competition Commission
FCT	Fair Competition Tribunal
FM	Frequency Modulation
FTTX	Fiber to the X
GPRS	General Packer Radio Service
ICANN	Internet Corporation for Assigned Names and Numbers
ICT	Information and Communication Technologies
IESBA	International Ethics Standards Board for Accountants
IoT	Internet of Things
IPCC	Intergovernmental Panel on Climate Change
IPSAS	Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
ITU	International Telecommunications Union
KPI	Key Performance Indicators
LLM	Master of Law
M2M	Machine to Machine
MB	Megabyte
NBAA	National Board of Accountant and Auditors
NCD	Non-communicable Diseases
NFAT	National Frequency Allocation Table
NHIF	National Health Insurance Fund
NPKI	National Public Key Infrastructure
OSHA	Occupational Safety and Health Authority
PAPU	Pan African Postal Union
PEPMIS	Performance Management Information System
PG	Postgraduate
Ph.D	Doctor of Philosophy
PIPMIS	Performance Management Information System
PLC	Private Limited Company



PSSSF	Public Service Social Security Fund
QoS	Quality of Service
RF	Radio Frequency
RoW	Rest of the World
SAR	Specific Absorption Rate
SC&C	Smart Cities and Communities
SIM	Subscriber Identity Module
SMS	Short Message Service
STEM	Science, Technology, Engineering, and Mathematics
TBC	Tanzania Broadcasting Commission
TCC	Tanzania Communications Commission
TCRA	Tanzania Communications Regulatory Authority
TCRA-CCC	TCRA Consumer Consultative Council
TFRS	Tanzania Financial Reporting Standard
TTCL	Tanzania Telecommunication Corporation
TUGHE	Tanzania Union of Government and Health Employees
TV	Television
TZS	Tanzania Shillings
UCSAF	Universal Communications Service Access Fund
UPU	Universal Postal Union
USB	Universal Serial Bus
WRC	World Radiocommunication Conference
ZSSF	Zanzibar Social Security Fund

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

**Chairman of the Board,
Tanzania Communication Regulatory Authority,
P.O. Box 14414,
Dar es Salaam,
Tanzania.**

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of the Tanzania Communication Regulatory Authority, which comprise the statement of financial position as at 30 June 2024, 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 Communication Regulatory Authority 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 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 Report by those charged with governance, statement of management responsibility 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 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.

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 Tanzania Communication Regulatory Authority 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 Communication Regulatory Authority 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 Communication Regulatory Authority 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 Communication Regulatory Authority is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



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



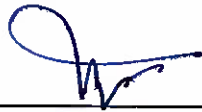
3.0. STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

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 performance 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

12/03/2025

Date

4.0. DECLARATION OF THE 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. 2 of 1995, 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 declared under Statement of Responsibility by Those Charged with Governance statement.

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 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 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: 12/03/2025

5.0. FINANCIAL STATEMENTS

5.1. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2023/24 TZS ("000")	2022/23 (Restated) TZS ("000")
ASSETS			
CURRENT ASSETS			
Cash And Cash Equivalent	3	33,344,431	32,838,197
Receivable from Non-Exchange Transaction	4	41,233,627	58,027,488
Receivable from Exchange Transactions and prepayment	5	29,127,172	24,857,415
TOTAL CURRENT ASSETS		103,705,230	115,723,100
NON-CURRENT ASSET			
Property, Plant & Equipment	6	93,002,369	68,478,480
Investment Property	7	22,817,053	3,523,838
Work In Progress	8(a&b)	39,946,521	26,220,889
Intangible Assets	9	27,322,656	31,213,559
TOTAL NON-CURRENT ASSET		183,088,599	129,436,766
TOTAL ASSETS		286,793,829	245,159,866
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	8,534,908	9,638,578
TOTAL CURRENT LIABILITIES		8,534,908	9,638,579
TOTAL LIABILITIES		8,534,908	9,638,579
Net Assets		278,258,921	235,521,287
NET ASSETS			
Capital Fund	20	127,976,492	127,976,492
Accumulated Surplus	11	150,282,429	107,544,795
TOTAL NET ASSETS		278,258,921	235,521,287

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: 12/03/2025



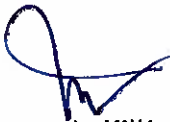
Dr. Jabiri K. Bakari
DIRECTOR GENERAL

DATE: 12/03/25

5.2. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

	Note	2023/24 TZS ("000")	2022/23 (Restated) TZS ("000")
REVENUES			
Revenue From Non-Exchange Transactions			
Revenue From Fees	12(a)	258,808,751	488,014,739
Revenue From CMS Operations	12(b)	7,052,413	11,635,817
		265,861,164	499,650,556
Revenue From Exchange Transactions			
Other Revenue	13(a)	3,292,648	3,293,265
Rental Income	13(b)	433,311	344,496
		3,725,959	3,637,761
TOTAL REVENUE		269,587,123	503,288,317
EXPENSES			
Operational Expenses	14	44,912,156	45,232,241
Administration Expenses	15	62,285,920	40,371,610
Staff Expenses	16	48,886,030	49,878,246
Contribution To International Organizations	17	1,260,346	1,091,915
Disbursement On Behalf of The Government	18	50,688,047	292,541,445
Disbursement On CMS Operations	19	5,152,030	10,693,861
Depreciation expenses	6&7	9,732,057	8,268,633
Amortization expenses	9	3,890,903	3,890,903
Director's Fees	21	42,000	47,000
TOTAL EXPENSES		226,849,489	452,015,854
Surplus for the Year		42,737,634	51,272,463

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: 12/03/2025


Dr. Jabiri K. Bakari
DIRECTOR GENERAL
DATE: 12/03/25

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

	CAPITAL FUND	ACCUMULATED SURPLUS	TOTAL
	TZS ("000")	TZS ("000")	TZS ("000")
At 01 July 2022	127,976,492	56,272,332	184,248,824
Surplus for the Year	-	51,272,463	51,272,463
At 30 June 2023	127,976,492	107,544,795	235,521,287
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

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: 12/03/2025



Dr. Jabiri K. Bakari

DIRECTOR GENERAL

DATE: 12/03/25

5.4. CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

		2023/24 TZS ("000")	2022/23 TZS ("000")
Cash Flows from Operating Activities	Note		
Receipts			
Regulatory Fees	31(a)	253,238,727	465,919,671
Revenue From CMS Operations	31(b)	6,891,811	14,714,134
Other Revenue	31(c)	3,307,185	3,837,865
Total Receipts		263,437,723	484,471,670
Payments			
Employee Costs	31(d)	(48,886,030)	(49,878,246)
Payments on behalf of Government	17,1 8&19	(57,100,422)	(304,327,220)
Administration & other Expense	31(e)	(86,503,854)	(75,163,965)
Total Payments		(192,490,306)	(429,369,431)
Net Cash Flows from Operating Activities		70,947,417	55,102,239
Cash Flow from Investing Activities			
Acquisition of PPE	31(f)	(27,797,184)	(5,808,510)
Investment Properties Acquisition	31(g)	(4,302,364)	-
Acquisition of WIP	31(h)	(39,444,004)	(13,930,756)
Movement in TCRA Contribution to PAPU		-	(11,372,239)
Movement in Asset in Transit		-	(2,814,108)
Net Cash Flow used in Investing Activities		(71,543,552)	(33,925,613)
Net increase in cash and cash equivalents		(596,135)	21,176,626
Cash & its Equivalent at beginning of period		32,935,378	11,471,803
Effect of foreign currency translation		1,211,415	286,949
Cash & its Equivalent at end of period	3	33,550,658	32,935,378



Dr. Jones A. Killimbe
CHAIRMAN OF THE BOARD

DATE: 13/03/2025



Dr. Jabiri K. Bakari

DIRECTOR GENERAL

DATE: 12/03/25

TANZANIA COMMUNICATIONS REGULATORY AUTHORITY (TCRA)

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

	ORIGINAL BUDGET TZS ("000")	FINAL BUDGET TZS ("000")	ACTUAL AMOUNT TZS ("000")	VARIANCE TZS ("000")	%	REMARKS (Note 30)
RECEIPTS						
Regulatory Fees	213,078,291	213,078,291	253,238,727	40,160,436	19%	A
Other Revenue	608,687	608,687	3,307,185	2,698,498	443%	B
Revenue from CMS Operations	7,480,059	7,480,059	6,891,811	(588,248)	-8%	C
TOTAL RECEIPTS	221,167,037	221,167,037	263,437,723	42,270,686	19%	
PAYMENTS						
Operational and Administrative Costs	79,519,592	79,519,592	86,461,854	(6,942,262)	-9%	D
Staff Expenses	33,063,189	33,063,189	48,886,030	(15,822,841)	-(48%)	E
Contributions to International Organizations	1,440,833	1,440,833	1,260,345	180,488	13%	F
Disbursement on Behalf of Government	35,863,047	35,863,047	50,688,047	(14,825,000)	-41%	G
Disbursement on CMS operations	8,610,044	8,610,044	5,152,030	3,458,014	40%	H
Directors Fees	85,000	85,000	42,000	43,000	51%	I
Capital Expenditure	62,585,332	62,585,332	71,543,552	(8,958,220)	-14%	J
TOTAL PAYMENTS	221,167,037	221,167,037	264,033,858	(42,866,821)		
SURPLUS FOR THE YEAR			(596,135)	(596,135)		

Notes form an integral part of the financial statements.

Dr. Jones A. Killimbe
CHAIRMAN OF THE BOARD

DATE: 12/03/2025

Dr. Jabiri K. Bakari
DIRECTOR GENERAL

DATE: 12/03/25