



**THE UNITED REPUBLIC OF TANZANIA**

**NATIONAL AUDIT OFFICE**



**UONGOZI INSTITUTE**

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE  
FINANCIAL AND COMPLIANCE AUDIT FOR THE FINANCIAL YEAR  
ENDED 30 JUNE 2023**

Controller and Auditor General,  
National Audit Office,  
Audit House,  
4 Ukaguzi Road,  
P.O. Box 950,  
41101 Tambukareli,  
Dodoma, Tanzania.  
Tel: 255 (026) 2161200,  
Fax: 255 (026) 2321245,  
E-mail: [ocag@nao.go.tz](mailto:ocag@nao.go.tz)  
Website: [www.nao.go.tz](http://www.nao.go.tz)

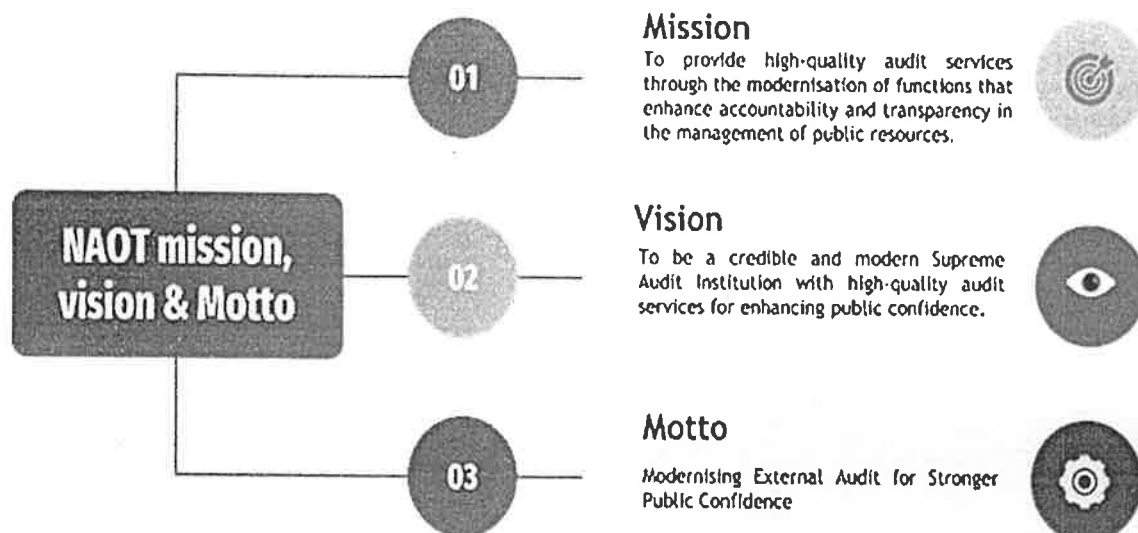
March 2024

AR/CG/UONGOZI/2022/23

## 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[R.E 2021]



### Independence and objectivity

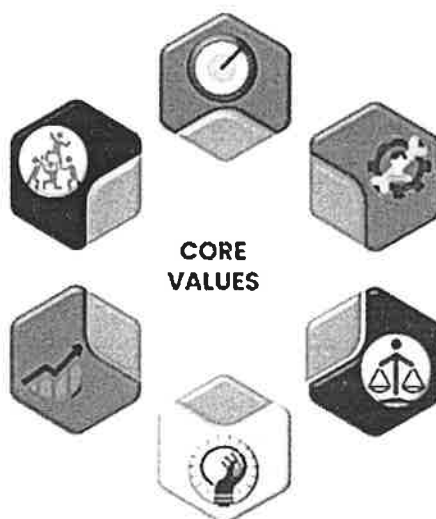
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

### 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 UONGOZI Institute 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 .....	iii
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 FINANCIAL STATEMENTS.....	6

## Abbreviations

CAG	Controller and Auditor General
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
PSSSF	Public Service Social Security Fund
TZS	Tanzania Shilling's

## **1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL**

Chief Executive Officer,  
Institute of African Leadership for Sustainable Development,  
P. O. Box 105753,  
DAR ES SALAAM, TANZANIA.

### **1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS**

#### **Unqualified Opinion**

I have audited the financial statements of UONGOZI Institute, which comprise the statement of financial position as at 30 June 2023, 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 UONGOZI Institute as at 30 June 2023, 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 UONGOZI Institute 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, 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 [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 the procurement of works, goods, and services in the UONGOZI Institute for the financial year 2022/23 as per the Public Procurement laws.

#### **Conclusion**

Based on the audit work performed, I state that procurement of goods, works and services of UONGOZI Institute 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 UONGOZI Institute for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.





### Conclusion

Based on the audit work performed, I state that Budget formulation and execution of the UONGOZI Institute 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 2024

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**

**STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR  
ENDED 30 JUNE 2023**

The Instrument which established the Institute of African Leadership for Sustainable Development (UONGOZI Institute) as per Government Notice No. 310 published on 16/09/2011 Section 6 requires the Institute to keep proper records and books of account, which should lead to the preparation of financial statements. The Board of Directors is required to prepare financial reports for each financial year that give a true and fair view of the state of affairs of the Institute, its operations and sources and applications of the funds obtained during the period.

The Board of Directors accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimate in conformity with International Public Sector Accounting Standards (IPSASs) and in the manner required by applicable laws.

The Board of Directors is of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Institute and of its operating results. The Board further accept responsibility for the maintenance of the accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial controls.

Nothing has come to the attention of the Board to indicate that the Institute will not remain a going concern for the foreseeable future from the date of this statement.

**BY ORDER OF THE BOARD**



**Amb. Ombeni Sefue  
CHAIRPERSON OF THE BOARD**

Date: 09/02/2024



**Kadari Singo  
SECRETARY OF THE BOARD &  
CHIEF EXECUTIVE OFFICER**

Date: 09-02-2024

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**

**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 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 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 on an earlier page.

I, Deogratias Usangira, being the Head of Finance of UONGOZI Institute hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 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 UONGOZI Institute as on that date and that they have been prepared based on properly maintained financial records.

Name: Deogratias Usangira

Signature: \_\_\_\_\_

Position: Director of Finance and Administration

NBAA Membership No. ACPA 2106

Date: 02-02-2024

**THE UNITED REPUBLIC OF TANZANIA**  
**THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**  
**COMMENTARY ON THE FINANCIAL STATEMENTS**

**1. Introduction**

The financial statements for the financial year 2022/2023 provide a record of the financial performance, financial position, cash flows, change in net assets/equity, and notes to the financial statements of UONGOZI Institute for the year ended 30<sup>th</sup> June 2023.

**2. Board of Directors**

During the year under review, the members of the Board of Directors of Directors of the Institute were as below.

Name	Position	Other roles
1. Amb. Ombeni Sefue	Chairperson	Former Chief Secretary, Government of Tanzania
2. Dr Laurean Ndumbaro	Deputy Chairperson	Permanent Secretary of the President's Office, Public Service Management & Good Governance.
3. Mr. David Walker	Member	Former Director of the European School of Administration, Belgium
4. Dr Hamis Mwinyimvua	Member	Former Permanent Secretary, Government of Tanzania
5. Ms. Iina Soiri	Member	Education & Science Counsellor of Embassy of Finland in South Africa
6. Prof. Penina Mlama	Member	Professor at the University of Dar es Salaam
7. Amb. Riita Swan	Member	Former Ambassador of Finland in Tanzania
8. Prof. Samuel Wangwe	Member	Principal Research Associate for Economic and Social Research Foundation and Research on Policy Alleviation
9. Ms. Susan Mlawi	Member	Former Permanent Secretary, Government of Tanzania

The Board Members were appointed by the President of the United Republic of Tanzania, H.E. Samia Suluhu Hassan, on 13 May 2021, for a period of three (3) years.

The Board held four (4) meetings during the year.

The Board established the Audit and Risk Committee to support the Board in oversight for the financial statements of the Institute and risk management. The members of the Committee were:

Name	Position	Other roles
1. Dr Hamis Mwinyimvua	Chairperson	Former Permanent Secretary, Government of Tanzania
2. Mr. David Walker	Member	Former Director of the European School of Administration, Belgium
3. Ms. Susan Mlawi	Member	Former Permanent Secretary, Government of Tanzania
4. Mr Kadari Singo	Member	Chief Executive Officer & Ex. Officio Member

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**

**COMMENTARY ON THE FINANCIAL STATEMENTS (Continued)**

**2. Board of Directors (continued)**

The Audit and Risk Committee members were appointed on 19 June 2021. They continued serving during the year under review.

**3. Summary**

The table below shows a snapshot of financial performance or position for the year ended 30 June 2023:

	2022/2023	2021/2022
	TZS	TZS
Revenue	10,405,642,741	7,775,280,856
Expenses	9,575,031,598	7,588,059,357
Total Assets	10,031,369,121	10,725,173,267
Total Liabilities	3,893,026,459	5,417,441,748
Net Assets	6,138,342,662	5,307,731,519

**4. Financial performance**

**4.1 Income**

During the year that ended 30 June 2023, the Institute received grant revenues of TZS 9,146,228,421 compared with TZS 6,806,438,694 collected in the previous year. There is an increase of TZS 2,339,789,727 which is due to an increase in the grant received from the Government of Tanzania during the year under review.

Other income collected was TZS 1,259,414,320 in 2022/23. In 2021/22, TZS 968,842,162 was collected. There is an increase of TZS 290,572,158 attributed to an increase in receipts from training fees.

**4.2 Expenses**

In the financial year 2022/23 expenses incurred were TZS 9,575,031,598 compared to TZS 7,588,059,357 during the year 2021/22.

Expense incurred in capacity development programs in 2022/23 was TZS 3,815,524,672 (2021/22: TZS 2,985,199,084). There is an increase of TZS 830,325,588, due to the higher number of training events conducted to respond to growth in demand for training during the year. The training events included the cohorts 1 and 2 of the Women Leadership Programme, which were implemented during the year under review.

In the financial year 2022/23, research projects and policy forums consumed TZS 1,444,779,443, which is an increase of TZS 380,196,430 from TZS 1,064,583,013 utilized in the previous year 2021/22. The rise in expenditure was attributed to an increase in dialogues held during the year, which included regional forums.

The Institute continued to strengthen its internal institutional capacity and communication of its results; TZS 2,037,648,119 was utilised in 2022/23, compared to TZS 1,618,671,594, the amount spent in the preceding year.

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**

**COMMENTARY ON THE FINANCIAL STATEMENTS (Continued)**

The Institute incurred TZS 2,168,143,142 in 2022/23 (2021/22: TZS 1,811,544,746) in support personnel costs, office running costs, premises and board related costs.

**5. Financial position**

**5.1 Cash and cash equivalents**

Cash and cash equivalents were TZS 5,333,594,746 as at 30 June 2023. The balance was TZS 6,540,369,208 as at 30 June 2022.

**5.2 Debtors, receivables and prepayments**

Debtors, receivables and prepayments are recorded at TZS 7,646,200 as at 30 June 2023. The balance was TZS 32,223,542 as at 30 June 2022. The decrease in value was attributed to the reduction in outstanding receivables at the end of the year under review.

**5.3 Inventories**

Inventory value was TZS 27,368,298 as at 30 June 2023. The item had a balance of TZS 31,356,419 as at 30 June 2022.

**5.4 Property, furniture and equipment**

The carrying value of property, furniture and equipment as at 30 June 2023 was TZS 4,661,117,391 compared to TZS 4,118,326,112 as at 30 June 2022. The increase in value was primarily due to asset additions made during the year under review, with the most significant being the acquisition of land in Mkonze, Dodoma City.

**5.5 Intangible assets**

Intangible assets were TZS 1,643,486 at the end of the financial year 2022/2023 while in 2021/22 it was TZS 2,897,986. The decrease is on account of the amortisation charge recorded in the year under review.

**5.6 Liabilities and accrued charges**

Provision for liabilities and accrued charges was TZS 263,616,880 as at 30 June 2023. The balance was TZS 580,457,126 in the previous year. The decrease is due to payments made during the year under review.

**5.8 Provision for staff gratuity**

At the end of the financial year 2022/23, the current liability for staff gratuity stood at TZS 349,941,452 which is an increase from the previous year's balance of TZS 224,560,527. The increase is due to the expense incurred during the year under review.

The non-current liability for staff gratuity at the end of the year 2022/23 amounted to TZS 312,967,895, while the previous year's balance was TZS 398,368,482.

**5.9 Deferred grant**

At the end of the financial year 2022/23, the deferred grant amounted to TZS 856,649,812, which is a decrease from the previous year's balance of TZS 2,104,205,193. The decrease is primarily attributed to the increased utilization of grant during the year.

**THE UNITED REPUBLIC OF TANZANIA**  
**THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**

**COMMENTARY ON THE FINANCIAL STATEMENTS (Continued)**

**5.10 Operating reserve**

At the end of the financial year 2022/23, the balance of the operating reserve remained at TZS 2,109,850,420 similar to the previous year.

**6. Cash flow statement**

**6.1 Cashflow from operating activities**

Cash utilized in operating activities was TZS 577,111,889 in the year 2022/23. In the previous year cashflow from operating activities was TZS 327,100,026.

**6.2 Cashflow from investing activities**

Cashflow utilized in investing activities was TZS 650,473,001 in the year 2022/23. In the previous year TZS 35,149,453 was used for this purpose.

**7. Restated balance and amounts in the financial statements**

Financial statements amounts and balances shown below were restated in the year under review (All amounts in TZS).

S/N	Item	Original amount 30 June 2022	Restated amount	Difference	Reason for restatement
1	Revenue grants	6,806,438,694	6,634,309,244	172,129,450	Revision of the estimate in revenue grants upon reassessment of the deferred grant.
2	Surplus	187,221,499	15,092,049	172,129,450	Change resulting from the change on revenue grants above.
3	Deferred grant	2,104,205,193	783,893,557	1,320,311,636	Increase in balance upon reassessment compared to balance in cash and bank balances.
4	Operating reserve	2,109,850,420	-	2,109,850,420	Reclassification of the balance from Net Assets.
5	Current Liabilities	5,019,073,266	1,588,911,210	3,430,162,056	Total of the changes in the deferred grant balance and the operating reserve balance above.
6	Total Liabilities	5,417,441,748	1,987,279,692	3,430,162,056	Change in total liabilities driven by change in total current liabilities.
7	Operating reserve	-	2,109,850,420	(2,109,850,420)	Reclassification of the balance to current liabilities as it is non-financing item.
8	Accumulated surplus	1,713,914,666	3,034,226,302	(1,320,311,636)	Decrease of the balance due to reassessment of the deferred grant.
9	Total Net Assets	5,307,731,519	8,737,893,575	(3,430,162,056)	Total change in Total Net Assets (items 7 & 8 above).



**COMMENTARY ON THE FINANCIAL STATEMENTS (Continued)**

**8. Auditors**

The Controller and Auditor General (CAG) is the statutory auditor for UONGOZI Institute, which is under the President's Office pursuant to the provision of article 143 of the Constitution of United Republic of Tanzania of 1977 (revised 2005) and sections 10(1) of the Public Audit Act No. 11 of 2008.

**9. Conclusion**

The Institute is committed to ensuring that financial management is continuously improved to enhance accountability and efficient utilisation of resources. It will continue to strengthen the internal control system over assets and expenditures by minimizing and directing all expenditures to activities that eventually generate the outcome set by the strategic plan. In so doing, the Institute has continued to implement IPSASs for the preparation and presentation of financial statements. These financial statements should be read in conjunction with the underlying notes and schedules for better understanding

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2023

ASSETS	Notes	2022/2023 TZS	2021/2022 Restated TZS
<b>Current Assets</b>			
Cash and cash equivalents	12A	5,333,594,746	6,540,369,208
Debtors	13	7,646,200	32,223,542
Inventories	14	27,368,298	31,356,419
<b>Total Current Assets</b>		<b>5,368,608,244</b>	<b>6,603,949,169</b>
<b>Non-Current Assets</b>			
Property and equipment	20	4,661,117,391	4,118,326,112
Intangible assets	21	1,643,486	2,897,986
<b>Total Non-Current Assets</b>		<b>4,662,760,877</b>	<b>4,121,224,098</b>
<b>Total Assets</b>		<b>10,031,369,121</b>	<b>10,725,173,267</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Liabilities & accrued charges	15	263,616,880	580,457,126
Provision for staff gratuity	16	349,941,452	224,560,527
Deferred grant	17	856,649,812	2,104,205,193
Operating reserve	18	2,109,850,420	2,109,850,420
		<b>3,580,058,564</b>	<b>5,019,073,266</b>
<b>Non-Current Liabilities</b>			
Provision for staff gratuity	16	312,967,895	398,368,482
		<b>312,967,895</b>	<b>398,368,482</b>
<b>Total Liabilities</b>		<b>3,893,026,459</b>	<b>5,417,441,748</b>
<b>NET ASSETS</b>		<b>6,138,342,662</b>	<b>5,307,731,519</b>
<b>TOTAL OF NET ASSETS AND NET LIABILITIES</b>			
<b>NET ASSETS</b>			
Taxpayers' funds	19	3,593,816,853	3,593,816,853
Accumulated surplus		2,544,525,809	1,713,914,666
<b>TOTAL NET ASSETS</b>		<b>6,138,342,662</b>	<b>5,307,731,519</b>

The financial statements on pages 13 to 33 were approved and authorised for issue by the Board of Directors on 9 February 2024 and signed on its behalf by:

ORIBENI SEFUE  
Chairperson  
Signature: [Signature]  
Date: 09/02/2024

HAMISI MWINYIMUUA  
Director  
Signature: [Signature]  
Date: 09/2/2024

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 30 JUNE 2023

Income	Notes	2022/2023 TZS	2021/2022 Restated TZS
Revenue grants	5	9,146,228,421	6,806,438,694
Other income	6	1,259,414,320	968,842,162
<b>Total Income</b>		<b>10,405,642,741</b>	<b>7,775,280,856</b>
<b>Expenses</b>			
Capacity Development	7	3,815,524,672	2,985,199,084
Research and Policy Dialogue	8	1,444,779,443	1,064,583,013
Institutional Building & Communications	9	2,037,648,119	1,618,671,594
Office Expenses	10	2,168,143,142	1,811,544,746
Amortisation and Depreciation Expenses	11	108,936,222	108,060,920
<b>Total Expenses</b>		<b>9,575,031,598</b>	<b>7,588,059,357</b>
<b>Surplus</b>		<b>830,611,143</b>	<b>187,221,499</b>

DIRKELI SEFUE

Chairperson

Signature: [Signature]

Date: 09/02/2024

HAMISI MWINYIMVU

Director

Signature: [Signature]

Date: 09/02/2024

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 30 JUNE 2023

Cashflow from Operating Activities	Note	2022/2023 TZS	2021/2022 TZS
<b>Receipts</b>			
Grants received from Governments	17	7,898,673,040	6,051,085,989
Receipts from other income sources		1,238,603,893	968,842,163
<b>Total receipts</b>		<b>9,137,276,933</b>	<b>7,019,928,152</b>
<b>Payments</b>			
Capacity Development		(3,714,534,932)	(2,641,142,120)
Research and Policy Dialogue		(1,564,757,756)	(863,393,669)
Institutional Building & Communications		(2,197,938,276)	(1,367,260,934)
Office Expenses		(2,237,157,858)	(1,821,031,403)
<b>Total payments</b>		<b>(9,714,388,822)</b>	<b>(6,692,828,126)</b>
<b>Net cash from operating activities</b>		<b>(577,111,889)</b>	<b>327,100,026</b>
<b>Cash flows from investing activities</b>			
Purchase of property, furniture and equipment	20	(650,473,001)	(35,149,453)
<b>Net cash used in investing activities</b>		<b>(650,473,001)</b>	<b>(35,149,453)</b>
<b>Cash flows from financing activities</b>			
Funding of operating reserve		-	-
<b>Net cash used in financing activities</b>		<b>-</b>	<b>-</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(1,227,584,890)</b>	<b>291,950,573</b>
Cash & cash equivalents at the start of the year		6,540,369,208	6,271,723,247
Unrealized foreign currency gain / (loss)		20,810,428	(23,304,612)
<b>Cash and cash equivalents at the end of the year</b>		<b>5,333,594,746</b>	<b>6,540,369,208</b>

DNBENI SEFUE  
Chairperson  
Signature: [Signature]  
Date: 09/02/2024

HAMIZI MWINYIMWA  
Director  
Signature: [Signature]  
Date: 09/2/2024

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF CHANGES IN NET ASSETS  
FOR THE YEAR ENDED 30 JUNE 2023

	Taxpayers' funds	Accumulated Surplus	Total
	TZS	TZS	TZS
Balance as at 1 July 2022	3,593,816,853	1,713,914,666	5,307,731,519
Surplus for the year		830,611,143	830,611,143
Balance as at 30 June 2023	<u>3,593,816,853</u>	<u>2,544,525,809</u>	<u>6,138,342,662</u>
Balance as at 1 July 2021	3,593,816,853	1,526,693,167	5,120,510,020
Deficit for the year		187,221,499	187,221,499
Balance as at 30 June 2022	<u>3,593,816,853</u>	<u>1,713,914,666</u>	<u>5,307,731,519</u>

OMIBENI SEFUE

Chairperson

Signature: [Signature]

Date:

09/02/2024

HAMISI MWINYAMWA

Director

Signature: [Signature]

Date:

09/2/2024

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT  
FOR THE YEAR ENDED 30 JUNE 2023**

Income	Budget 2022/23 TZS	Actual 2022/23 TZS	Difference TZS	Var.	Note
Revenue Grants	10,754,257,006	7,898,673,040	2,855,583,966	27%	(a)
Other income	1,305,659,940	1,238,603,893	67,056,047	5%	
<b>Total Income</b>	<b>12,059,916,946</b>	<b>9,137,276,933</b>	<b>2,922,640,013</b>	<b>24%</b>	
<b>Expenditure</b>					
Capacity Development	4,542,177,406	3,714,534,932	827,642,474	18%	(b)
Research & Policy Dialogue	1,989,184,730	1,564,757,756	424,426,974	21%	(c)
Institutional Building & Communications	2,211,916,408	2,197,938,276	13,978,132	1%	
Office Expenses	2,316,638,402	2,237,157,858	79,480,544	3%	
Property & equipment	1,000,000,000	650,473,001	349,526,999	35%	(e)
<b>Total Expenditure</b>	<b>12,059,916,946</b>	<b>10,364,861,823</b>	<b>1,695,055,123</b>	<b>14%</b>	
<b>Deficit</b>	<b>-</b>	<b>(1,227,584,890)</b>	<b>1,227,584,890</b>		

**Notes**

- (a) The actual grants received during the fiscal year 2022/23 amounted to TZS 7,898,673,040. The difference is largely attributed to the non-receipt of grants that were expected from the Government of Finland due to delays in processing and signing the grant agreement.
- (b) Higher demand from clients, in Capacity Development, contributed to success of training events through in-kind cost sharing. They covered expenses such as travelling, accommodation and conference facilities. This had the effect of lower cost of the program events to the Institute than anticipated.
- (c) Research and policy activities included national and regional policy dialogues, action research projects and advisory assignments. Others include acquisition of resource centre materials and development of memoirs. Action studies were on preparation stages and did not utilise fully the budget allocation.
- (d) The actual costs incurred for the acquisition of land in Dodoma were lower than the estimated costs. Furthermore, a portion of the acquisition costs was deferred to the subsequent year, on fulfilment of transfer conditions. These two factors account for the lower spending.

OMBENI SEFUE  
Chairperson  
Signature: [Signature]  
Date: 09/02/2024

HAMISI MWINYIMVUA  
Director  
Signature: [Signature]  
Date: 09/2/2024

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES**

**1. General Information**

The Institute of African Leadership for Sustainable Development also known as UONGOZI Institute was set up jointly by the Government of Finland and Tanzania to address the capacity constraints of the public sector in dealing with global, regional and bilateral negotiations and international agreements governing trade, investments, development and the environment.

The Institute was formerly established in July 2010 under the presidential decree and gazetted on 6 August 2010 issue no ISSN 0856-032 Government Notice No 274 published on 30 July 2010.

The Institute has been created to provide, among others, leadership programmes for Tanzania and the rest of countries in Africa on contemporary themes relevant to development and sustainability with a view of providing a lasting legacy that will bring tangible benefits and sustainable development of Tanzania and the rest of countries in Africa.

**2. Summary of Significant Accounting Policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**2.1 Basis of Preparation**

The financial statements of UONGOZI Institute have been prepared in accordance with International Public Sector Accounting Standards (IPSASs) - Accrual Basis. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IPSASs - Accrual requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Institute's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are separately disclosed in a note.

The Financial Statements are presented in Tanzania Shillings (TZS).

**2.2 Revenue Recognition**

Revenue is recognized on accrual basis. Government grants shall be recognized when there is reasonable assurance that the Institute will comply with the conditions attaching to them and the grants will be received. Government grants whose primary condition is that the Institute should purchase, construct or otherwise acquire non-current assets shall be recognized as deferred income in the statement of financial position and transferred to statement of financial performance on a systematic and rational basis over the useful lives of the related assets. Other government grants shall be recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

**2.3 Employment benefits**

Employee benefits include salaries, pensions and other related - employment costs. Employee benefits are recognized on accrual basis. The Institute subscribes to a defined benefit plan, administered by the Public Service Social Security Fund

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

(PSSSF). The employer and employees each contribute ten percent (10%) of basic salary towards social security plan.

The Institute subscribes to a health insurance scheme run by the National Health Insurance Fund (NHIF), where both the employer and employee each contribute 3% of the employee's basic salary. Additionally, the Institute supports a supplementary health benefit package operated by the NHIF to cater to services that are not availed in the NHIF standard health scheme. The Institute is registered with the Workers Compensation Fund (WCF) and contributes 1% of employee's basic income to be eligible for the protection offered.

#### **2.4 Operating expenses**

These include expenses that produce economic benefits on consumption during the current accounting period. They do not produce future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statement of financial position as an asset. Such expenses are recognised immediately in the statement of financial performance in the accounting period that the cost has been incurred. These include maintenance, transport and travelling, meetings, conference and seminars, water and electricity, fees, rates and security expenses, telecommunication and postage, board expenses, audit fees, budget and annual accounts preparation, hospitality, legal and subscription expenses. In addition, administrative expenses include expenses whose economic benefits are expected to arise over several accounting periods and the association with benefit can only be broadly or indirectly determined. Such expenses are recognised in the statement of financial performance in the accounting period in which the economic benefits are consumed or have expired. They may include stationery and office supplies.

#### **2.5 Property and equipment**

All property and equipment are initially recorded at cost and thereafter stated at historical cost less depreciation, less any cumulative asset impairment.

Depreciation on assets is calculated on the straight-line method to write off the cost of each asset, over their estimated useful lives. The depreciation rates are as follows:

Office Equipment	20%
Computers	25%
Furniture and Fittings	20%
Motor Vehicle - Used	25%
Motor Vehicle - New	20%
Books & Periodicals	20%

Newly acquired assets are depreciated on pro-rata basing on their period of use. Similarly, depreciation on fixed assets disposed of is charged on pro-rata basis, basing on period of use during the year.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of assets) is included in the Statement of Financial Performance in the year the asset is derecognized.



**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

Depreciation rates, useful lives and methods of depreciating property and equipment are reviewed, and adjusted if appropriate, at the end of each financial year.

**2.6 Impairment of non-financial assets:**

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Financial Performance. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

**2.7 Foreign currency translation**

**(a) Functional and Presentation Currency**

The financial statements are presented in Tanzania Shillings, which is the functional and presentation currency.

**(b) Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Financial Performance.**

**2.8 Cash and cash equivalents**

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less and is measured at amortized cost. For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and bank balances net of outstanding bank overdrafts.

**2.9 Prepayments and receivables**

Prepayments are expenditures paid for in one accounting period, but that will not be recognized until a later accounting period. Prepayments or prepaid expenses are initially recorded as assets, because they have future economic benefits, and are expensed at the time when the benefits are realized.

Receivables shall be recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision shall be made in the financial statements against receivables considered to be doubtful of recovery.

**2.10 Inventories**

Inventories of stationeries and general stores are stated at the lower of the cost and net realizable value. Cost is determined by the First-In-First-Out (FIFO) method. Net realizable value is the estimate of the selling price in the ordinary course of business, less the selling expenses.

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

**2.11 Intangible assets**

Computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives, using the straight-line method, to the Statement of Financial Performance. The amortisation rate is 33%.

**2.12 Provisions**

Provisions are recognized when the Institute has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Institute expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in surplus/deficit net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**2.13 Operating reserve**

The Institute has established an operating reserve to ensure the seamless functioning of its ongoing operations. The purpose of this reserve is to provide an internal source of funds for unforeseen one-time, non-recurring expenses. Operating reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. It is the intention of the Institute that operating reserves be used and replenished within a reasonably short period of time.

The reserve is intended to support the goals and strategies outlined in the Institute's policies, strategic, and operational plans. The financial records of the Institute record the operating reserve as the Board designated operating reserve. The reserve is funded and available in cash or cash equivalent funds. Operating reserves are deposited and maintained in a separate bank account.

**2.14 Taxpayers' funds**

Taxpayers' funds are the monies invested by the Government to satisfy individual or collective needs or to create future economic benefits. It includes all monies from the invested capital expenditure (i.e., procurement of fixed assets). Previously, the item was termed Grants and Development Funds.

In the Statement of Financial Position, Taxpayers' Fund is reported as one of the components of the Net Asset which changes due to acquisitions or disposal of property and equipment.

**2.15 Taxes**

**Value added tax**

Expenses and assets are recognized gross of the amount of value added tax except:

- (i) Where the value added tax incurred on a purchase of assets or services is recoverable from the Tax Authority, in which case the value added tax is recognized as a receivable; and
- (ii) Receivables and payables that are stated with the amount of value added tax included.

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

The net amount of value added tax recoverable from, or payable to, the Taxation Authority is included as part of receivables or payables in the statement of financial position.

**2.16 Related party transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. They include relationships with subsidiaries, associates, joint ventures and key Management personnel. Key Management of the Institute includes the Chief Executive Officer and heads of departments. Some of the Institute's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements.

**2.17 Events after the reporting date**

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorised for issue. Two types of events can be identified:

- (i) Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- (ii) Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

**2.18 Comparison figures**

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

**3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS**

The preparation of the Institute's financial statements requires Management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

**3.1 Judgments**

In the process of applying the Institute's accounting policies, Management has made the following judgment, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

Determination of the useful lives of property, plant and equipment

Management uses reasonable judgment in determining the useful lives and hence depreciation rates of the items of property, plant and equipment.

**3.2 Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date, that have a significant risk

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

*Impairment of non-financial assets*

The Institute assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. When value in use calculations is undertaken, Management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

**4. RISKS MANAGEMENT**

The Government is subject to a number of financial and operational risks, hazards and strategic risks and is responsible for ensuring appropriate risk management strategies and policies are in place within any mandate provided by legislation. The Institute experiences some of the risks as explained in the section that follows.

**4.1 Foreign exchange risk**

Foreign exchange risk refers to the risk of loss due to adverse movements in foreign exchange rates. The Institute minimizes the risk by maintaining foreign currency accounts. The Institute does not engage in foreign currency swaps or speculations.

**4.2 Liquidity risk**

Liquidity risk refers to the loss due to the lack of liquidity preventing quick or cost-effective liquidation of products, positions or portfolios. Liquidity risk is managed by ensuring that the Institute holds assets of appropriate quantity and quality to meet its obligations as they fall due.

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)

CODE	DESCRIPTION	2022/2023 TZS	2021/2022: TZS RESTATED
<b>NOTE 5:</b>	<b>REVENUE GRANTS</b>	<b>9,146,228,421</b>	<b>6,806,438,694</b>
100300	Grant from the Government of Tanzania	9,146,228,421	5,302,545,137
100300	Grant from the Government of Finland	-	1,503,893,557
	<b>AMORTISED GRANT REVENUE</b>		
	Total expenses less depreciation	9,466,095,376	7,479,998,437
	Less expenses from exchange transactions	(997,708,255)	(740,065,615)
	Acquisition of property and equipment	650,473,001	35,149,453
	Advances paid during the year	-	-
	Prepayments made during the year	-	-
	Inventories acquired during the year	27,368,298	31,356,419
		<b>9,146,228,421</b>	<b>6,806,438,694</b>
<b>NOTE 6:</b>	<b>OTHER INCOME</b>	<b>1,259,414,320</b>	<b>968,842,162</b>
100100	Training fees	1,072,455,530	732,675,000
100500	Other Income	161,328,362	234,677,162
100600	Resource Centre Subscription Fees	4,820,000	1,490,000
	Exchange Rate Gain	20,810,428	-
<b>NOTE 7: CAPACITY DEVELOPMENT</b>		<b>3,815,524,672</b>	<b>2,985,199,084</b>
	<b>Fees Experts</b>	<b>1,655,701,615</b>	<b>1,293,676,818</b>
229922	Consultancy Fees	321,802,289	438,856,810
229910	Honorariums (expert opinion)	477,500,159	324,603,218
220802	Tuition fees	856,399,167	530,216,790
	<b>Travel local &amp; International</b>	<b>255,085,461</b>	<b>303,103,824</b>
220809	Ground and Air Travel Tickets	255,085,461	303,103,824
	<b>Accommodation and meals</b>	<b>352,318,884</b>	<b>242,949,521</b>
220801	Accommodation	86,049,021	30,115,673
221105	Per Diem	266,269,863	212,833,848
	<b>Salaries &amp; related costs</b>	<b>755,857,547</b>	<b>555,903,810</b>
210208	Local Staff Salaries	707,904,172	508,584,015
210605	Medical Health Insurances	9,014,144	17,355,005
210608	Employ Contr. (PSSF)	38,939,231	29,964,790

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)

CODE	DESCRIPTION	2022/2023 TZS	2021/2022: TZS
	<b>Meetings &amp; Workshops</b>	<b>796,561,164</b>	<b>578,202,412</b>
220709	Conference Facilities	486,841,830	335,935,004
220807	Training Allowances	-	28,343,400
220808	Training Materials	37,291,942	47,746,984
221404	Food and Refreshments	54,133,050	73,012,024
221213	Publicity & Advertising	218,294,342	93,165,000
<b>NOTE 8: RESEARCH AND POLICY DIALOGUE</b>		<b>1,444,779,443</b>	<b>1,064,583,013</b>
	<b>Fees Experts</b>	<b>99,894,700</b>	<b>165,506,760</b>
229910	Honorariums (expert opinion)	99,894,700	82,250,200
229922	Consultancy Fees	-	83,256,560
	<b>Travel local &amp; International</b>	<b>390,570,874</b>	<b>31,123,300</b>
220809	Ground and Air Travel	390,570,874	31,123,300
	<b>Meetings &amp; Workshops</b>	<b>276,500,133</b>	<b>284,774,327</b>
220808	Production & Printing Training Materials	-	12,500
220709	Conference Facilities	226,372,279	14,355,000
221601	Printing Services & Circulation	6,794,000	-
221406	Gifts and Prizes	531,000	-
221213	Publicity	37,932,193	230,406,827
221204	Programme Transmission	-	40,000,000
221205	Advertising and Publication	4,870,661	-
	<b>Accommodation and meals</b>	<b>63,626,991</b>	<b>120,867,187</b>
220801	Accommodation	2,500,000	1,929,500
221005	Subsistence Allowance	61,126,991	118,937,687
	<b>Salaries &amp; related costs</b>	<b>614,186,745</b>	<b>462,311,439</b>
210208	Local Staff Salaries	570,538,514	419,480,079
210605	Medical Health Insurances	8,059,082	15,842,815
210608	Employ Contr. (PSSSF)	35,589,149	26,988,545
<b>NOTE 9: INSTITUTIONAL BUILDING &amp; COMMUNICATIONS</b>		<b>2,037,648,119</b>	<b>1,618,671,594</b>
	<b>Fees Experts</b>	<b>329,608,278</b>	<b>151,517,071</b>
229922	Consultancy Fees	287,636,735	107,180,785
220802	Tuition Fees	41,971,543	44,336,286
	<b>Travel local &amp; International</b>	<b>75,747,839</b>	<b>49,281,209</b>
220901	Ground and Air Travel Tickets	75,747,839	49,281,209

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)

CODE	DESCRIPTION	2022/2023 TZS	2021/2022 TZS
	<b>Resource Centre</b>	<b>46,288,244</b>	<b>43,350,231</b>
220105	References and periodicals, books	46,288,244	43,350,231
	<b>Computer supplies</b>	<b>114,083,360</b>	<b>72,159,996</b>
220111	Software licence fees	28,563,684	20,850,455
220102	Computer Supplies and Accessories	82,842,396	51,309,541
220101	Office Consumables and stationaries	2,677,280	-
	<b>Communications &amp; publicity</b>	<b>-</b>	<b>33,366,657</b>
220104	Tapes, films and materials	-	33,366,657
	<b>Meetings &amp; Workshops</b>	<b>556,055,761</b>	<b>395,765,628</b>
220709	Conference Facilities	22,871,774	6,574,389
221404	Food and Refreshments	6,258,400	12,230,096
229914	Sundry Expenses	75,408,434	3,245,000
221205	Advertising and Publication	8,753,589	141,746,277
221213	Publicity	300,635,947	221,418,842
221005	Subsistence Allowance	142,127,617	10,551,024
	<b>Salaries &amp; related costs</b>	<b>915,864,637</b>	<b>873,230,802</b>
210208	Local Staff Salaries	817,496,671	754,451,092
210605	Medical Health Insurance	19,508,218	39,431,495
210608	Employ Contr. (PSSSF)	78,859,748	79,348,215
<b>NOTE 10:</b>	<b>OFFICE EXPENSES</b>	<b>2,168,143,142</b>	<b>1,811,544,746</b>
	<b>Travel local &amp; international</b>	<b>64,711,304</b>	<b>81,750,811</b>
221101	Air Travel Tickets	64,711,304	81,750,811
	<b>Office Supplies &amp; Consumables</b>	<b>106,587,668</b>	<b>78,528,998</b>
220101	Office Consumables and stationaries	16,743,303	33,751,946
220102	Computer Supplies and Accessories	2,245,520	24,506,672
220103	Printing and Photocopy paper	58,221,274	396,000
220108	Newspapers and Magazines	2,655,000	2,173,500
220113	Cleaning Supplies	26,722,571	17,700,880
	<b>Utilities</b>	<b>121,525,119</b>	<b>147,026,188</b>
220201	Electricity	66,220,989	55,060,929
221201	Internet and telephone charges	37,355,824	75,369,520
220112	Outsourcing costs (cleaning services)	17,948,306	16,595,739

THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)

CODE	DESCRIPTION	2022/2023 TZS	2021/2022 TZS
	<b>Motor vehicle running expenses</b>	<b>42,139,105</b>	<b>20,907,136</b>
220301	Diesel and lubricants	21,997,750	18,173,104
230409	Spare Parts	20,141,355	2,734,032
	<b>Meetings &amp; Workshops</b>	<b>35,799,750</b>	<b>39,200,184</b>
221005	Conference Facilities	35,799,750	30,705,174
221104	Lodging/Accommodation		8,495,010
	<b>Fees &amp; Allowances</b>	<b>275,204,480</b>	<b>193,370,888</b>
229908	Audit Fees	25,000,000	22,520,000
229922	Board allowances and fees	164,014,545	119,653,518
229922	Board transport (air and ground)	71,114,135	18,566,000
211303	Subsistence and duty allowances to staff	15,075,800	32,631,370
	<b>Salaries &amp; related costs</b>	<b>936,898,980</b>	<b>811,467,323</b>
210208	Local Staff Salaries	745,045,101	704,381,665
210501	Housing and Electricity Allowance	10,740,000	10,740,000
210605	Medical Health Insurances	100,053,027	27,781,524
220106	Worker Compensation Fund	9,318,064	8,333,842
210608	Employ Contr. (PSSSF)	56,624,588	60,230,292
210301	Leave Travel	15,118,200	
	<b>Other Office Expenses</b>	<b>372,265,995</b>	<b>349,413,311</b>
220905	Health Insurance	280,400	21,620,000
221404	Food and Refreshments	116,327,969	117,387,489
229914	Sundry Expenses	207,118,970	140,577,458
229918	Insurance Expenses	23,628,710	32,981,672
229919	Bank Charges and Commissions	24,909,946	13,542,080
290000	Exchange Rate Loss		23,304,612
	<b>Office Rent</b>	<b>213,010,741</b>	<b>89,879,907</b>
220703	Office Rent	213,010,741	89,879,907
<b>NOTE 11:</b>	<b>AMORTISATION AND DEPRECIATION</b>	<b>108,936,222</b>	<b>108,060,920</b>
	<b>Depreciation Expense</b>	<b>107,681,722</b>	<b>106,474,962</b>
229913	Depreciation of Office Equipment	20,263,091	17,408,580
229913	Depreciation of Computers	20,901,884	30,840,203
229913	Depreciation of Furniture	13,968,180	13,688,173
229913	Depreciation of Motor Vehicles	5,500,472	2,897,733
229913	Depreciation of Books	47,048,095	41,640,273
	<b>Amortization Expense</b>	<b>1,254,500</b>	<b>1,585,958</b>
229913	Amortization of intangible assets	1,254,500	1,585,958



THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)

CODE	DESCRIPTION	2022/2023 TZS	2021/2022 TZS
<b>NOTE 12A:</b>	<b>CASH AND CASH EQUIVALENTS</b>	<b>5,333,594,746</b>	<b>6,540,369,208</b>
301000	Cash in hand	2,141,099	2,338,045
302000	Cash at bank	5,331,453,647	6,538,031,163
<b>NOTE 12B:</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	Cash balances from Non-Exchange Transactions	3,629,409,579	4,836,984,622
	Cash balances from Exchange Transactions	1,704,185,167	1,703,384,586
	<b>Movement in cash balances from exchange transactions</b>		
	Opening cash balances from exchange transactions	1,703,384,586	1,361,294,574
	Receipts during the year	1,259,414,320	968,842,163
	Payments during the year	(1,258,613,739)	(626,752,151)
	Closing cash balances from exchange transactions	<b>1,704,185,167</b>	<b>1,703,384,586</b>
<b>NOTE 13:</b>	<b>DEBTORS</b>	<b>7,646,200</b>	<b>32,223,542</b>
310150	Staff imprest - Capacity Development	-	7,274,422
310150	Staff imprest - Research & Policy Dialogue	-	15,310,000
	Receivable - Institutional Building	7,646,200	9,639,120
	Current	7,646,200	32,223,542
	Non-current	-	-
<b>NOTE 14:</b>	<b>INVENTORIES</b>	<b>27,368,298</b>	<b>31,356,419</b>
350000	Inventories - Office Expense	27,368,298	31,356,419
<b>NOTE 15:</b>	<b>LIABILITIES &amp; ACCRUED CHARGES</b>	<b>263,616,880</b>	<b>580,457,126</b>
530100	<b>Creditors &amp; accrued charges</b>		
	Capacity development	190,855,280	194,861,381
	Research and Policy Dialogue	72,761,600	250,457,851
	Institution Building & Communications	-	92,473,159
	Office Expenses	-	42,664,735
	Current	263,616,880	580,457,126
	Non-current	-	-
<b>NOTE 15 &amp; 16:</b>	<b>PROVISION FOR STAFF GRATUITY</b>	<b>662,909,347</b>	<b>622,929,009</b>
600200	Capacity Development	253,213,183	155,491,764
600200	Research and Policy Dialogue	141,797,609	99,389,671
600200	Institutional Building & Communications	141,838,497	211,649,414
600200	Office Expenses	126,060,058	156,398,160
	Current	349,941,452	224,560,527
	Non-current	312,967,895	398,368,482

**THE UNITED REPUBLIC OF TANZANIA**  
**THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

<b>CODE</b>	<b>DESCRIPTION</b>	<b>2022/2023 TZS</b>	<b>2021/2022 TZS</b>
	<b>Non-current</b>		
	Capacity Development	122,698,931	156,180,195
	Research and Policy Dialogue	46,395,079	59,055,058
	Institutional Building & Communications	72,942,517	92,846,584
	Office Expenses	70,931,368	90,286,646
		<b>312,967,895</b>	<b>398,368,482</b>
<b>NOTE 17:</b>	<b>DEFERRED GRANT</b>		<b>RESTATED</b>
	Opening deferred grant	2,104,205,193	2,859,557,898
	Grant received - Tanzania	7,898,673,040	5,130,415,687
	- Finland		920,670,302
	<b>Total grant received</b>	<b>7,898,673,040</b>	<b>6,051,085,989</b>
	Grant utilized (Note 3)	(9,146,228,421)	(6,806,438,694)
	<b>Closing deferred grant</b>	<b>856,649,812</b>	<b>2,104,205,193</b>
<b>NOTE 18:</b>	<b>OPERATING RESERVE</b>	<b>2,109,850,420</b>	<b>2,109,850,420</b>
600300	Special fund to provide an internal source of funds for unforeseen one-time, non-recurring expenses to maintain the going concern of the Institute.	2,109,850,420	2,109,850,420
<b>NOTE 19:</b>	<b>TAXPAYERS' FUNDS</b>	<b>3,593,816,853</b>	<b>3,593,816,853</b>
	Funds invested by the Government to satisfy individual or collective needs or to create future economic benefits. It includes all monies invested on capital expenditure (i.e., procurement of fixed assets). Previously, the item was termed Grants and Development Funds.		
600100		3,593,816,853	3,593,816,853

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

**NOTE 20: PROPERTY AND EQUIPMENT**

	<sup>1</sup> Land TZS	Office Equipment TZS	Computers TZS	Furniture TZS	Motor Vehicle TZS	Books TZS	Total TZS
<b>Year ended 30 June 2023</b>							
Cost							
At 1 July 2022	3,699,083,256	342,091,308	370,387,034	289,145,888	253,431,138	722,545,592	5,676,684,216
Additions	430,880,000	79,910,647	68,864,800	40,660,380	-	30,157,174	650,473,001
At 30 June 2023	4,129,963,256	422,001,955	439,251,834	329,806,268	253,431,138	752,702,766	6,327,157,217
<b>Depreciation</b>							
At 1 July 2022	-	318,823,710	299,821,534	242,358,424	237,634,740	459,719,696	1,558,358,104
Charge for the year	-	20,263,091	20,901,884	13,968,180	5,500,472	47,048,095	107,681,722
At 30 June 2023	-	339,086,801	320,723,418	256,326,604	243,135,212	506,767,791	1,666,039,826
<b>Net Book Value</b>							
At 30 June 2023	4,129,963,256	82,915,154	118,528,416	73,479,664	10,295,926	245,934,975	4,661,117,391
<b>Year ended 30 June 2022</b>							
Cost							
At 1 July 2021	3,699,083,256	336,337,058	346,211,831	283,925,888	253,431,138	722,545,592	5,641,534,762
Additions	-	5,754,250	24,175,203	5,220,000	-	-	35,149,453
At 30 June 2022	3,699,083,256	342,091,308	370,387,034	289,145,888	253,431,138	722,545,592	5,676,684,216
<b>Depreciation</b>							
At 1 July 2021	-	301,415,130	268,981,331	228,670,251	234,737,007	418,079,423	1,451,883,142
Charge for the year	-	17,408,580	30,840,203	13,688,173	2,897,733	41,640,273	106,474,962
At 30 June 2022	-	318,823,711	299,821,534	242,358,423	237,634,740	459,719,696	1,558,358,104
<b>Net Book Value</b>							
At 30 June 2022	3,699,083,256	23,267,597	70,565,500	46,787,465	15,796,398	262,825,896	4,118,326,112

**THE UNITED REPUBLIC OF TANZANIA**  
**THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

**NOTE 20: PROPERTY AND EQUIPMENT (continued)**

**<sup>1</sup>Land**

The Institute holds the certificate of title (CT No. 129622 and Land Office No. 490994) for a 490-acre land plot in Kondo village, Bagamoyo District Council, issued by the Government of Tanzania on 10 March 2014. The property's value amounts to TZS 3,699,083,256.00. The Council managed the property acquisition process, including the administration of compensation payments to the previous landowners. However, the Council has yet to compensate one previous owner of 11.2 acres, whose claim is estimated to be worth TZS 214,999,800.00. The Council acknowledges the receipt of the sum from the Institute. The Institute has engaged government authorities to resolve the matter. The Directors do not anticipate additional liabilities to the Institute regarding the ownership of the property.

	2022/23 TZS	2021/22 TZS
<b>Note 21: INTANGIBLE ASSETS</b>		
Opening costs	81,217,379	81,217,379
Additions	-	-
<b>Total Costs</b>	<b>81,217,379</b>	<b>81,217,379</b>
<b>Amortisation</b>		
Opening accumulated amortization	78,319,393	76,733,435
Charge for the year	1,254,500	1,585,958
<b>Closing accumulated amortization</b>	<b>79,573,893</b>	<b>78,319,393</b>
<b>Net book value</b>	<b>1,643,486</b>	<b>2,897,986</b>
<b>Note 22: Reconciliation of Surplus to Net Cash Flows from Operating Activities</b>		
<b>Cashflow from Operating Activities</b>		
Surplus	830,611,143	187,221,499
<b>Non-cash movements</b>		
Amortisation and depreciation	108,936,222	108,060,920
Unrealised currency translation (gains)/loss	(20,810,428)	23,304,612
<b>Movement in working capital items</b>		
Increase / (Decrease) in provision for liabilities & accrued charges	(316,840,246)	448,920,079
(Decrease) in deferred income	(1,247,555,381)	(185,028,532)
Increase in provision for staff gratuity	39,980,338	55,213,267
Decrease in debtors and prepayments	24,578,342	(285,162,087)
Decrease / (Increase) in inventories	3,988,121	(25,429,732)
<b>Net cash from operating activities</b>	<b>(577,111,889)</b>	<b>327,100,026</b>

**THE UNITED REPUBLIC OF TANZANIA**  
**THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT**  
**FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023 - NOTES (CONTINUED)**

**NOTE 23: STATEMENT OF RECONCILIATION BETWEEN THE ACTUAL AMOUNTS IN THE STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AND THE ACTUAL AMOUNTS IN THE STATEMENT OF CASH FLOWS**

	Operating	Financing	Investing	Total
Actual Amount on Comparable Basis as Presented in the Budget and Actual Comparative Statement	9,714,388,822	-	650,473,001	10,364,861,823
Basis Differences	-	-	-	-
Timing Differences	-	-	-	-
Entity Differences	-	-	-	-
Actual Amount in the Statement of Cash Flows	9,714,388,822	-	650,473,001	10,364,861,823

**NOTE 24: LIST OF TRANSACTIONS/BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30TH JUNE 2023**

	Goods/services received	Name of entity provided goods/services	Amount Paid TZS	Payable bal. TZS
1	ELECTRICITY	TANZANIA ELECTRIC SUPPLY COMPANY LTD	66,220,989.00	-
2	FUEL (DIESEL)	GOVERNMENT PROCUREMENT SERVICES AGENCY	21,997,750.00	-
3	STATUTORY CONTRIBUTION	PUBLIC SERVICE SOCIAL SECURITY FUND	210,012,716.00	-
4	STATUTORY CONTRIBUTION	WORKERS COMPENSATION FUND	9,318,064.00	-
5	OFFICE RENTAL	PUBLIC SERVICE SOCIAL SECURITY FUND	213,010,741.00	-
6	INTERNET & EMAILS CONNECTIONS	TANZANIA TELECOMMUNICATIONS CORPORATION	37,355,824.00	-
7	AUDIT FEES	NATIONAL AUDIT OFFICE OF TANZANIA	25,000,000.00	-
8	HEALTH INSURANCE	NATIONAL HEALTH INSURANCE FUND	136,634,471.00	-
9	PROPERTY INSURANCE	NATIONAL INSURANCE CORPORATION (NIC)	23,628,710.00	-
10	SECURITY SERVICES	SUMA JKT GUARD LTD	17,948,306.10	-
11	CLEANING SERVICES	SUMA JKT CLEANING SERVICES	28,601,634.61	-
	<b>TOTAL</b>		<b>789,729,205.71</b>	<b>-</b>

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

**APPENDIX 1:**

**WORKINGS FOR THE CASH FLOW AMOUNTS USED IN THE CASH FLOW STATEMENT FOR THE YEAR ENDED ON 30 JUNE 2023**

	<b>2022/23</b>
	<b>TZS</b>
<b>Capacity Development</b>	
Expense in the Statement of Financial Performance	3,815,524,672
Less staff imprest opening	(7,274,422)
Add staff imprest closing	
Add payables opening	194,861,381
Less payables closing	(190,855,280)
Add gratuity opening	155,491,764
less gratuity closing	(253,213,183)
Add gratuity Payable	
Less gratuity Payable	
<b>Cash flow amount in the Cash Flow Statement</b>	<b>3,714,534,932</b>
<b>Research and Policy Dialogue</b>	
Expense in the Statement of Financial Performance	1,444,779,443
Less staff imprest opening	(15,310,000)
Add staff imprest closing	
Add payables opening	250,457,851
Less payables closing	(72,761,600)
Add gratuity opening	99,389,671
less gratuity closing	(141,797,609)
<b>Cash flow amount in the Cash Flow Statement</b>	<b>1,564,757,756</b>

**THE UNITED REPUBLIC OF TANZANIA  
THE INSTITUTE OF AFRICAN LEADERSHIP FOR SUSTAINABLE DEVELOPMENT  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

**2022/23**

**TZS**

**Institutional Building & Communications**

Expense in the Statement of Financial Performance	2,037,648,119
Less staff imprest o/p	(9,639,120)
Add staff imprest closing	7,645,200

Add payables opening	92,473,159
Less payables closing	

Add gratuity opening	211,649,414
less gratuity closing	(141,838,497)

Add operating reserve opening	2,109,850,420
less Operating reserve closing	(2,109,850,420)

<b>Cash flow amount in the Cash Flow Statement</b>	<b>2,197,938,276</b>
--	----------------------

**Office Expenses**

Expense in the Statement of Financial Performance	2,168,143,142
Less staff imprest opening	
Add staff imprest closing	

Add payables opening	42,664,735
Less payables closing	

Add gratuity opening	156,398,160
less gratuity closing	(126,060,058)

Less inventory opening	(31,356,419)
Add inventory closing	27,368,298

<b>Cash flow amount in the Cash Flow Statement</b>	<b>2,237,157,858</b>
--	----------------------