



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



INSTITUTE OF SOCIAL WORK

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

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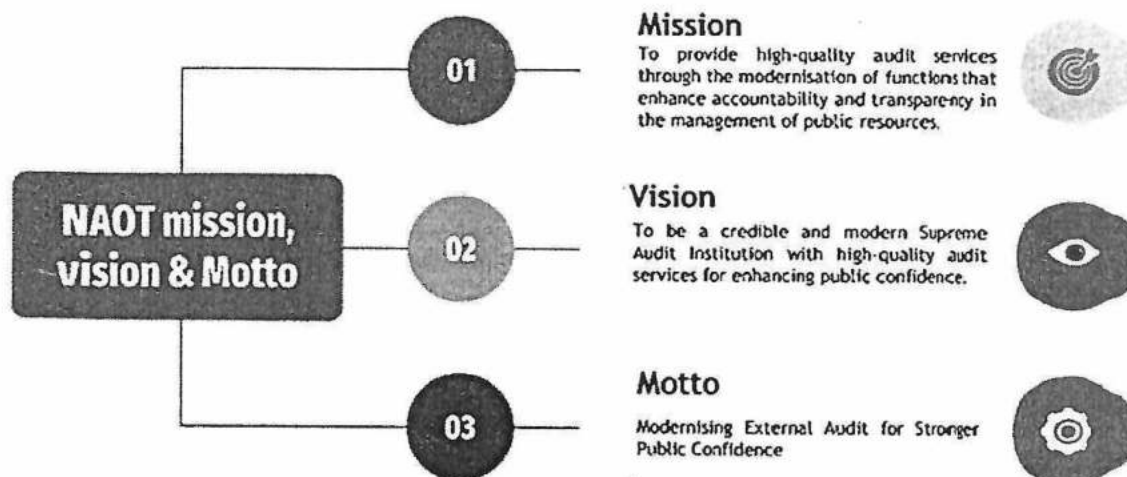
March 2024

AR/PA/ISW/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.



Independence and objectivity

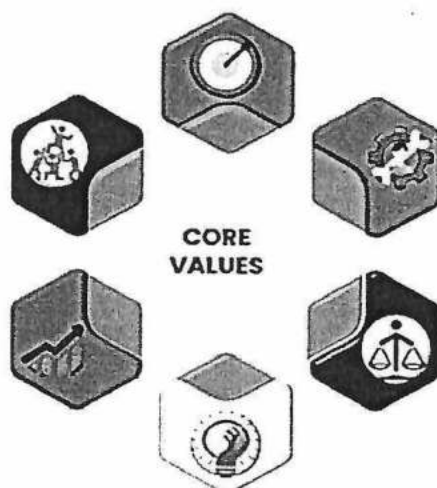
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

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

| | |
|----------|---|
| CAG | Controller and Auditor General |
| CBET | Competence Based Education and Training |
| CD | Capital Development |
| GACS | Government's Accounting Consolidation System |
| GePG | Government Electronic Payment Gateway |
| HCMIS | Human Capital Management Information System |
| ICT | Information and Communication Technology |
| IPSAS | International Public Sector Accounting Standards |
| IPSASB | International Public Sector Accounting Standards Board |
| IRC | Information Resource Centre |
| ISSAIs | International Standard of Supreme Audit Institutions |
| ISW | Institute of Social Work |
| KOICA | Korea International Cooperation Agency |
| MCDGWSGs | Ministry of Community Development, Gender, Women and special groups |
| MVC | Most Vulnerable Children |
| MTEF | Medium-Term expenditure Framework |
| NACTVET | National Council for Technical and Vocational Education and Training |
| NBAA | National Board of Accountants and Auditors |
| NCPA | National Costed Plan of Action |
| NORHED | Norwegian Programme for Capacity Development in Higher Education and Research Development |
| OC | Other Charges |
| OSHA | Occupational Safety and Health Authority |
| OTRMIS | Treasury Registrar Management Information System |
| PCCB | Prevention and Combating Corruption Bureau |
| PE | Personal Emoluments |
| PESTEL | Political, Economic, Social, Technological, and Legal |
| PLANREP | Planning And Reporting System |
| PPR | Public Procurement Regulations |
| PPRA | Public Procurement Regulatory Authority |
| RAAWU | Researchers Academician and Allied Workers Union |
| SDG's | Sustainable Development Goals |
| SIMS | Student Information Management System |
| TAYOA | Tanzania Youth Alliance |
| TCU | Tanzania Commission for Universities |
| TFRS | Tanzania Financial Reporting Standards |
| THTU | Tanzania Higher Learning Institutions Trade Union |

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Hon. Chairperson,
Board of Governors,
Institute of Social Work,
P.O. Box 3375,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of the Institute of Social Work (ISW), 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 Institute of Social Work 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 the Institute of Social Work (ISW) 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 the 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

The Management of the Institute of Social Work (ISW) is responsible for the other information. The other information comprises the Report by the board of governors' responsibility and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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.

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 Institute'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 [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 Institute of Social Work for the financial year 2022/23 as per the Public Procurement laws.

Conclusion

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

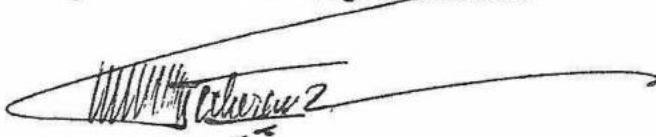
1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Institute of Social Work 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 Institute of Social Work 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



INSTITUTE OF SOCIAL WORKS (ISW)

2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE

2.1 INTRODUCTION

Those Charged with Governance at the Institute of Social Works (ISW) present this report together with the financial statements for the financial year ended 30 June 2023, which provides the results of ISW operations and its state of affairs. The Governing Board's Report prepared this report in compliance with the Tanzania Financial reporting Standards (TFRS) No.1, The report by those charged with governance issued by NBAA and became effective on 1 January 2021 for use by all public Institutions.

2.2 ESTABLISHMENT

The Institute of Social Work (ISW) was established by the National Social Welfare Training Institute Act No. 26 of 1973, which received Presidential assent on 06 December 1973. The main objective of the Institute is to provide facilities for training, research and consultancy in the principles, procedures and techniques of community development, social welfare and such other related subjects as the Board may from time to time decide.

The Institute was renamed the Institute of Social Work by the Written Laws (Miscellaneous Amendments) Act No. 3 of 2002 which received Presidential assent on 14 December 2002. The Institute is operating under the Ministry of Community Development, Gender, Women and Special groups (MCDGWSGs).

2.3 ISW PROFILE

The Institute started operating in 1974 in rented buildings of the Tanzania Episcopal Conference at Kurasini before moving to the present location at campuses in Kijitonyama, Dar es Salaam in 1978 and Kisangara, Mwanza Kilimanjaro in 2020. The first program was the Ordinary Diploma in Social Work which was designed for addressing the problem of Social Welfare manpower shortage that was facing the Social Welfare Department. In 1977, the Institute began offering the Advanced Diploma in Social Work.

The Institute continued to establish various programs such as Certificate course in Labour Studies (1982), Advanced Diploma in Labour Studies (1990), Postgraduate Diploma in Social Work and courses (2002), Postgraduate Diploma in Law, Mediation and Arbitration (2004). The Institute has grown gradually and currently has 26 academic programs from NTA level 4 (Basic Technician Certificate) to NTA level 9 (master's degree) in areas of Social Work, Business Administration, Human Resource Management and Labour relation and Public Management.

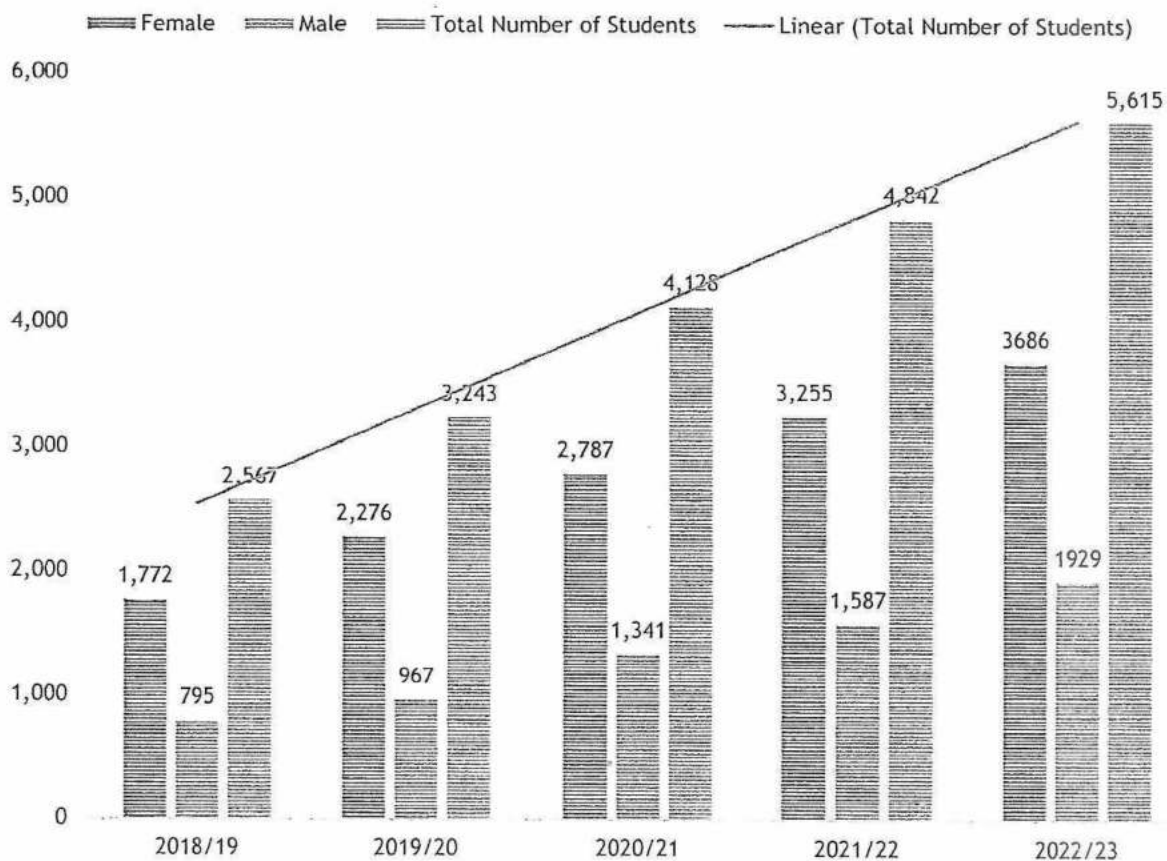
All training programs offered by the Institute are competency based, aiming at equipping the trainees with requisite professional knowledge, skills, and competence in their areas of specialization. They also focus on demands of the larger community which is the key stakeholder and macro target for service offered by our graduates.

INSTITUTE OF SOCIAL WORKS (ISW)

The Institute has also grown in terms of infrastructures and now has infrastructural facilities including buildings (Offices and Lecture rooms), ICT facilities, Hostel buildings and staff houses. The number of staff has also been increasing in order to ensure that it provides quality educational services to the public. In order to ensure the quality of services and research activities it has sponsored its staff to undertake master's degree and PhD studies where in the past five years 10 academic staff graduated PhD.

The number of students has been increasing over time and in the past five years the number of students has increased by 118.7% from 2,567 in 2018/19 to 5,615 in 2022/23. Figure 1 below portrays enrolment trend during that period.

Figure 1: Enrolment trend 2018/19 to 2022/23



2.3.1 Vision

ISW vision statement provides the outlook and direction of the Institute to enable employees carry out their responsibilities with a common purpose. The Institute's vision is:

"To become the leading provider of high-quality training, research and consultancy services in social work and other areas responsive to societal, national and global needs".

INSTITUTE OF SOCIAL WORKS (ISW)

2.3.2 Mission

ISW mission statement summarizes the Institute's purpose of existence and how customers' expectations will be met. The Institute's mission is: -

"To transform individuals' and community's life by conducting high quality training programs, research and consultancy services that lead to socio-economic development of the country".

2.3.3 Core Values

ISW core values represent moral boundaries within the Institute. They define personality and ethical standards by which the Institute's employees would be measured. The values are Institute's commitment to its stakeholders.

Therefore, in day-to-day operations, the ISW's employees are guided by the following Core values: -

- i) **Diligence**
Employees shall strive to achieve the highest standards in work and will not engage in politics at the workplace.
- ii) **Loyalty**
Employees shall be loyal to the Government, other employees, and clients.
- iii) **Integrity**
Employee shall not seek, accept, or offer inducements in the course of discharging their duties.
- iv) **Courtesy**
Employees shall treat clients and co - workers with dignity and courtesy. They shall be more kind when dealing with vulnerable groups.
- v) **Confidentiality**
Employees shall respect the privacy of clients and hold in confidence all information obtained in the course of service provision.
- vi) **Professionalism**
Employees shall observe ethical issues and adhere to professional code of conduct.
- vii) **Quality**
Employees shall offer quality service to all clients.

2.3.4 The Culture Statement

The Institute culture is customer-focused with the view of delighting all customers by meeting and/or exceeding their expectations through competent and highly motivated employees who work collaboratively as a team, support one another, and fetch the best results in all undertakings on services delivery while observing applicable legislation and established procedures. This culture brings every ISW employees to a common goal.

INSTITUTE OF SOCIAL WORKS (ISW)

2.4 NATURE OF OPERATIONS

The Institute of Social Work (ISW) was established by the National Social Welfare Training Institute Act No. 26 of 1973, which received Presidential assent on 06 December 1973. The main objective of the Institute is to provide facilities for training, research and consultancy in the principles, procedures and techniques of community development, social welfare and such other related subjects as the Board may from time to time decide.

The Institute was renamed the Institute of Social Work by the Written Laws (Miscellaneous Amendments) Act No. 3 of 2002 which received Presidential assent on 14 December 2002. The Institute is operating under the Ministry of Community Development, Gender, Women, and special groups (MCDGWSGs).

The Institute is Governed by Board of Governors (hereinafter the Board) established under the ISW Establishment Act, while the day-to-day activities are under the direction of the Rector. The Institute head office is Kijitonyama Dar es salaam with one campus at Kisangara in Mwanga district, Kilimanjaro region.

2.5 PRINCIPLE FUNCTIONS AND OBJECTIVE OF THE INSTITUTE

2.5.1 Principle function of the Institute

The principal objectives and functions of the Institute of Social Work as per Section 4 of the Act No. 26 of 1973 (as amended by miscellaneous amendments No 3 of 2002) include: -

- a) To provide facilities for study of, and for training in, the principles, procedures and techniques of community development, and social welfare and such other related subjects as the Board may from time to time decide.
- b) To conduct training programs leading to professional qualification in generic and multifunctional, social practice and development and such other related subjects as the Board may from time to time decide.
- c) To stimulate and promote the pursuit of students of specialized and higher professional course of study in social work in accordance with national policies and development requirements.
- d) To create a sense of responsibility in the student and to prepare them to work with the people of Tanzania for the benefit of the nation.
- e) To co-operate with Government of the United Republic of Tanzania and other persons or organizations in the carrying out any of the purposes for which the Institute was established.
- f) To sponsor and arrange facilities for conferences and seminars to discuss matters relating to welfare and social development.
- g) To conduct examination and to grant diploma, certificates, and other awards of the Institute.
- h) To arrange for the publication and general dissemination of materials produced in connection with the work and activities of the Institute.

INSTITUTE OF SOCIAL WORKS (ISW)

2.5.3 Managing Operations of the Corporation

The overall management of the Institute is conferred to the Board of Directors which is required to ensure adherence to the governing laws and procedures. The Board delegates the day-to-day management of the Institute to Rector who is assisted by senior management team. Senior management team was being invited to attend Board meetings and facilitates effective control of all operational activities, acting as medium of communication and coordination between various operational areas.

In managing the external environment of the Institute, the Board has established the system where the Management engages key stakeholders by holding consultative meetings with them and receive their comments or views on the Institute's performance and other issues relevant for effective regulation of the Institute's operations. In addition, the Board had established a Risk Management Policy & Framework (2019) and a Risk Policy and Risk Appetite (2022) which guide management on risk management process including monitoring of external environment which may impact the business process of the Institute.

2.6 STATEMENT OF SERVICE PERFORMANCE INFORMATION

The Tracer Study conducted in 2018 observed that graduates from the Institute are performing well in the Labour market. A good number of them are employed in the public and private sector, whereas others are self-employed and have started their own NGOs, a case in point is the Rising up Friendship Foundation that trains children in life skills, self-protection and awareness. Graduates from ISW display high competences in their respective fields and possess high professionalism and high sense of responsibility. The psychosocial support services have enabled survivors of calamities and various social problems to restore their self-worth and desire to excel in life.

The Institute's service performance information discloses information needed for accountability and decision-making purpose, primarily to help users of the report by Those Charged with Governance to understand what the Institute had set out to achieve (target) and what it has achieved (results). The service performance information is generally a mix of qualitative and quantitative reporting. The reporting of service performance information is base around two elements;

- (i) Outcomes: what the Institute seeks to achieve in terms of its impact on society; and
- (ii) Outputs: the goods or services that the Institute delivers during the financial year.

The Institute reporting of service performance information is provided in this report under Table: 11 Key Performance Indicators.

2.7 ISW OPERATING MODEL

The Institute's operating model is the system of transforming inputs, through its operating activities, into outputs and outcomes that aims to fulfil ISW's strategic purposes and create

INSTITUTE OF SOCIAL WORKS (ISW)

value over the short, medium, and long term. Being a government educational institution aiming at providing quality graduates, the operational model of the Institute is as follows; -

2.7.1 Inputs

(a) Enrolment Capital

The inputs to the Institute academic programs are advanced and ordinary level graduates from secondary schools in Tanzania and other countries, in addition the inputs are also the certificate, Diploma and bachelor students.

(b) Human Capital

The Institute has employed staff with adequate skills and competence to ensure delivery of quality services. Employees are well motivated and perform their duties responsibly and in ethical manner. ISW staff are vitally important input towards realizing the mission and vision of the Institute.

(c) Financial Capital

Financial capital is composed of financial resources obtained from Treasury and academic business activities. ISW as academic Institution collects fees mainly from services provided in areas of academic, research and consultancy.

(d) Social and Relationship Capital

In executing its functions, ISW has established an ethical and transparent relationship with government institutions, customers, suppliers, policy makers and the society in general. The Institute conducts stakeholders' meetings to provide awareness and receive feedback on various corporate issues. ISW engaged actively on social work activities, each year, the Institute set aside funds directed to contribute to the socio-economic development of the country.

(e) Intellectual Capital

The Institute has developed billing system and also using available e-government and financial systems to ensure effective and efficient services delivery.

2.7.2 Operating Activities

The admitted students are trained by highly qualified lecturers who undergo various capacity building programs to equip them with new skills and knowledge in their area of speciality. Revenue generated from the operations is used to improve infrastructures like lecture theatres and classrooms as well as statutory payments and training employees. Among the trainings provided to academic staff is a Competency-based Education and Training (CBET) course which enhances their teaching capabilities. Course offered by the Institute are a one-year certificate,

INSTITUTE OF SOCIAL WORKS (ISW)

two-year diploma, three-year bachelor's degree, one-year postgraduate diploma and two years master's degree. The Institute through its staff has also implemented a number of programs including the community engagement, apprenticeship, digital innovation and psychosocial support services.

2.7.3 Outputs

The Institute outputs are graduates at the level of master's degree, Postgraduates diplomas, bachelor's degrees, Ordinary Diploma and certificates in speciality of Social Works, Community Work with Children and Youth, Human Resources Management, Business Administration and Labour Studies. Having highly qualified lecturers, the Institute strive to produce the best graduates in the labour market. In addition to that, the Institute has provided psychosocial support services to a number of individuals and communities in need, engaged communities in realizing their potentials for self-development.

2.7.4 Outcomes

The Tracer Study conducted in 2018 observed that graduates from the Institute are performing well in the labour market. A good number of them are employed in the public and private sector, whereas others are self-employed and have started their own NGOs, a case in point is the Rising up Friendship Foundation that trains children in life skills, self-protection and awareness. Graduates from ISW display high competences in their respective fields and possess high professionalism and high sense of responsibility. The psychosocial support services have enabled survivors of calamities and various social problems to restore their self-worth and desire to excel in life.

2.8 CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

The Institute's current and future development and performance are explained hereunder:

2.8.1 Significant Aspects of the Statement of Financial Position

- a) The Financial position of the Institute is as shown in the Statement of Financial Position.

The Net Asset of the Institute increased from TZS 54,813,728,490 (2021/22) to TZS 56,687,289,613. The increase in Net Asset was due to increase in accumulated surplus from TZS 15,692,905,834 (2021/22) to TZS 17,566,466,957 (2022/23) resulted from surplus for the year under review.

- b) Ratio analysis

The ratio of total assets to total liabilities was 32.3:1 which indicated strong solvency. The current ratio was 2.3:1 which showed normal liquidity indicating that the Institute can handle its short-term commitments as at 30 June 2023. The Institute remains in a

INSTITUTE OF SOCIAL WORKS (ISW)

very comfortable and solvent position. The financial ratios of the Institute over the past two years are set out in Table 1 below.

Table 2: The Financial Ratios of the Institute over the past three years

| Description of ratio | 2022/23 | 2021/22 | 2020/21 |
|--------------------------------|---------|---------|---------|
| Current ratio | 2.7:1 | 3.0:1 | 0.5:1 |
| Total assets/total liabilities | 32.3:1 | 40.3:1 | 38.2:1 |

The current ratio has been at the required standards of 2:1 which implies that the Institute is able to pay its current liabilities as they fall due.

2.8.2 Significant Aspects of Statement of Financial Performance

During the year 2022/23, the Institute reported total revenue of TZS 12,200,827,945, TZS 10,739,629,907 (2021/22) against total expenses of TZS 10,326,994,123 (2022/23) and TZS 9,481,965,865 (2021/22) resulting into a surplus of TZS 1,873,833,822 (2022/23) and TZS 1,257,661,042 (2021/22).

The increase in reported surplus during the year 2022/23 as compared to the previous year 2021/22 was mainly due to increase in number of students which led to increase in revenues compared to year 2021/22. The increase was also attributed by a slight increase in subvention from the Government.

During the year 2022/23, the Institute reported expenses amounting to TZS 10,326,994,123 as compared to TZS 9,481,965,865 in 2021/22 and this increase in expenses was mainly attributed by the increase in employment costs due to staff promotion, newly recruited staff, writing off long outstanding bad debts and increase in depreciation due to increases in addition of number of assets.

The Institute reported a surplus of TZS 1,873,833,822 in 2022/23 compared to TZS 1,257,661,042 (2021/22). The increase in surplus was attributed to increase in revenue as explained above.

2.8.3 Statement of changes of Net Assets

The Net Asset of the Institute increased from TZS 54,813,728,490 (2021/22) to TZS 56,687,562,312. The increase in Net Asset was due to increase in accumulated surplus from TZS 15,692,905,834 (2021/22) to TZS 17,566,739,656 in 2022/23

2.8.4 Cash flows

The cash flow movement of the Institute provided in the cash flows statement as at 30 June 2022 shows the cash and cash equivalent increased from TZS 2,248,979,873 (2021/22) to TZS 2,721,051,734 (2022/23). The increases in cash and cash equivalent were attributed to increases in collection of revenue as well as decrease in investment fund.

INSTITUTE OF SOCIAL WORKS (ISW)

Supplementary information on cashflows

The closing cash and cash equivalent was the balance to implement projects carried over to the next financial year. The Management requested and received an approval to carry over the fund from Office of the Treasury Registrar.

The cash and cash equivalent at the end of period can manage to cover the operations of the Institute for the period exceeding three months as per the ISW Cash policy. There are no needs for the Institute to engage in borrowing in nearest future for the purpose of meeting operational obligations as the collection done are enough to meet cash demand. The Board has reviewed the current financial position of the Institute. On the basis of the review, the members of the Governing Board are of the opinion that the Institute's position is as expressed in the Financial Statements and that it has been prepared on an on-going concern basis. The Institute has enough resources to enable it to run its operations for the foreseeable future.

2.8.5 Budget Performance

The Institute prepare its budget in accordance with the Medium-Term expenditure Framework (MTEF) contained in the Guideline for the preparation of budget and plans issued each year by the Ministry responsible for Finance and Planning.

During the year under review, the Institute had a budget on revenue to the tune of TZS 14,333,537,957 as compared to the actual receipt of TZS 11,360,025,889 which is 79%. Similarly, the expenditure budget was TZS 14,753,904,757 Compared to the actual expenditure amounting to TZS 10,887,954,030 which is 74%.

2.8.6 Environmental Scanning and operational Performance

The internal environmental analysis assessed the status of the Institute's main operations. The external environmental scanning assessed political, economic, social, technological, and legal (PESTEL) environment and its influence on realization of the Institute's vision and mission. The followings are details of both internal and external environmental scanning.

(i) Political Environment

Tanzania experiences peace and harmonious environment that creates an avenue for the Institute to achieve its vision and mission. The sixth phase Government is actively committed towards improving the education sector in terms of quality and quantity (Five-Year Development Plan III 2021/22 - 2025/26).

The focus of the Government on improving the education sector increases the relevance and recognition of the Competence-Based Education and Training (CBET) which creates more recognition of the technical higher learning institution such as ISW and their relevance in the industrialization initiatives process. Therefore, the Institute will take advantage of the calm political environment to realize its vision and mission. Furthermore, the implementation of

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President's directive to decentralize admission procedures to the Institutions from the regulatory authorities.

The focus of the Government on improving the education sector increases the relevance and recognition of the Competence-based Education and Training (CBET) which creates more recognition of the technical higher learning institution such as ISW and their relevance in the industrialization initiatives process.

Therefore, the Institute will take advantage of the calm political environment to realize its vision and mission. Furthermore, the implementation of President's directive to decentralize admission procedures to the Institutions from the regulatory authorities (TCU and NACTE) provides opportunity for the Institutions to increase enrolment.

(ii) Economic Environment

Tanzania intends to industrialize her economy and transform it to the middle-income level. The Tanzania Development Vision 2025 and Sustainable Development Goals (SDG's) clearly stipulates the need for having an educated population in order to foster the industrialization process. Therefore, the Institute's role is more recognized in the current macro-economic environment which provides an opportunity for the Institute to grow by conducting training programs, research and consultancy which fit into the nation economic activities.

(iii) Social environment

Tanzania is now embarking on the industrial transformation including the extraction and exploitation of oil and gas. The transformation may result into several social challenges such as HIV/AIDS transmission, labour mobility and cultural changes. This increases the demand for psycho-social care and support services, social work professionals, and research and consultancy in the social work areas. ISW has significant role by conducting research, short courses and consultancy services that address challenges facing the Community, Ministry, and the Government.

(iv) Legal Environment

The Institute's academic programs are well supported by laws and guidelines. Tanzania has introduced several Laws and guidelines to promote the society's well-being which include the National Guideline for Improving Quality of Care, National employment policy, Support and Protection for Most Vulnerable Children (MVC) of 2009 (NCPA II) and National Coasted Plan of Action for MVC, 2013-2017.

Furthermore, Child Act of 2009, the Guideline for Child Protection for Approved Schools, and Retention Homes of 2013; the Guide to Rehabilitation and Reintegration Services and Programs for Approved Schools of 2013; the National Guideline for Economic Strengthening of Most Vulnerable Households of 2014 and the National Poverty Eradication Strategy II support on the improvement of society's wellbeing.

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Tanzania has also introduced the National Economic Empowerment Policy of 2004, National Entrepreneurship Training and Education Framework that support the existence of Institute academic programs. The Institute will use these laws and regulations in order to amplify its ability to fulfil the vision and mission.

2.8.7 Environmental Scanning

The internal environmental analysis assessed the status of the Institute's main operations. The external environmental scanning assessed political, economic, social, technological, and legal (PESTEL) environment and its influence on realization of the Institute's vision and mission.

2.8.8 Internal Environment and Operational Performance

The internal environmental scanning was done on the provision of academic training programs, research, consultancy and short courses, physical infrastructure development, links and cooperation, Institute financial resource mobilization, marketing of Institute services, human resource management, and Information and Communication Technology (ICT). The outcome of internal environmental scanning was as follows: -

(i) Academic Training Programs

Currently, the labour market needs graduates who are job creators and not job seekers. The main focus of the Institute was to design academic programs that produce job creators and not job seekers. Also, the Institute ensured the graduates acquire relevant and practical skills to enable them to excel in their careers and in the labour market.

(ii) Physical Infrastructure Development

The analysis shows that the available infrastructures are inadequate to cope with the changing Institute's operating environment. In order to address the challenge, the Institute has focused on improving physical infrastructures by continuing with the construction of the Information Resource Centre (IRC) and construction of two classroom and students hostels at Kisangara campus. It also plans to embark on improving infrastructures through soliciting funds from government of partners to facilitate construction of student's hostel and lecture theatres, diversification of sources of funds and proper use of internally generated funds to implement development activities.

(iii) Human Resources Management

The Institute human resource management Policies emphasize on the employment of optimum number of employees with the required skills. Currently, the Institute has 153 staff, among them 80 are academicians and 73 are non-academic staff. The standard teacher student ratio is 1:55 which the Institute is still operating under. To bridge the gap the Institute is using part time lecturers in order to ensure smooth operations, however the Institute obtained permit for recruiting 52 academic staff.

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(iv) Capacity and Application of ICT

For improvement of operations of the Institute efficient ICT application in both academic and administrative purposes is inevitable. The Institute is faced with a challenge of integrating ICT into its operations. To overcome this, the Institute has installed reliable Internet services for students, academic and administrative staff.

The Institute has the Student Information Management System (SIMS) and processes are under way to integrate the system with an accounting system so that to simplify the management of students' records and accounting operations. The Institute has also embarked in the use of electronic procurement through use of Tanzania National Electronic Procurement System (TANePS) which was later changed to National E- Procurement System (NeST) Tanzania and installed library management system KOHA in order to ensure efficient and effective use of the library. The Institute installed the government network and increased bandwidth in order to facilitate new developed systems of planning (PLANREP), accounting (MUSE), Government Asset Management Information System (GAMIS), Human Capital Management Information System (HCMIS), Government Electronic Payment Gateway (GePG) and Office of Treasury Registrar Management Information System (OTRMIS). The Institute will continue with its efforts of mainstreaming ICT in its operations especially in Kisangara campus where there are limited ICT infrastructural facilities.

2.9 PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

2.9.1 Risk Management and Internal Controls

The Board accepts final responsibility for risk management and internal control systems of the Institute.

2.9.2 Risk Management

The Board uses Risk Management Framework and Risk Register to guide risk management of the Institute. The evaluation of Institute operation indicates that the Institute may face four types of risks which are stipulated in the table below and explanation that follows thereafter: -

Table 3: Key ISW risks

| SN | Risk category | Risk title | Control measures (Mitigation) |
|----|----------------|--|---|
| 1 | Financial risk | Possibility of misappropriation of funds | <ul style="list-style-type: none">• Prepare and implement whistle blowing policy.• Sanction staff who abuses their power as per available rules and regulations |
| 2 | Strategic risk | Possibility of change in market demand | <ul style="list-style-type: none">• Capacity building to staff on developing and review of curricula.• Capacity building to students on self-employment programs |
| | | Possibility of providing low quality education | <ul style="list-style-type: none">• Increase employment of academic staff• Provide internship vacancies for the elite Institute graduates. |

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| SN | Risk category | Risk title | Control measures (Mitigation) |
|----|------------------|--|---|
| | | Possibility of having low enrolment of students | <ul style="list-style-type: none"> • Building of infrastructure • Improve customer care services • Increase the number of academic programs. • Increase advertisements in order to curb competition from sister Institutions. • To review marketing reports quarterly |
| | | Possibility of inadequate research and consultancy activities | <ul style="list-style-type: none"> • Integrate Performance measurement with research and consultancy. • Conduct two research capacity building programs |
| | | Possibility of potential damage to the image (reputation) of the procuring entity | <ul style="list-style-type: none"> • Emphasis adequate time devoted for preparation and review of tender documents by PMU before issued for external use. • Frequency professional training to cope with amendments and application and interpretation of laws and regulations |
| 3 | Operational risk | Possibility of cyber attack | <ul style="list-style-type: none"> • Organizing awareness sessions for password use and encryption. • Assessing Security vulnerabilities and applying patches • Restricting administrative privileges • Updating systems and software • Developing ICT Security Policy |
| | | Possibility of employee strike | <ul style="list-style-type: none"> • Adherence to rules, laws and regulations • Record and handling grievances on time |
| 4 | Compliance risk | Possibility of students cheating in examinations and plagiarism in research and projects | <ul style="list-style-type: none"> • Prepare ant plagiarism policy. |

Source: Risk register 2022/23

(i) Strategic Risks

The Institute is managing its strategic risks in order to achieve its set objectives. The following risks from the register are closely managed by the institute; Possibility of change in market demand, students cheating in examinations and plagiarism in research and projects, low enrolment of students and skills in research and consultancy.

(ii) Compliance risks

The Institute complies with guidelines from the governing bodies such as PPRA, NACTE, TCU and government directives. In its register the risk of selecting a supplier who has no capacity of delivering the required output is closely monitored.

(iii) Financial Risks

The Institute categorizes financial risks into three groups which are: -

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(iv) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Institute is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. However, The Institute does not regard that there is significant concentration of credit risk. The Institute mitigates the credit risk by maintaining cash and cash equivalents with reputable financial institutions; and recovering staff debts in terms of the applicable regulations directly from the employee's salary.

The age analysis of trade and other receivables is as shown below: (Amounts in TZS)

| | 3 - 6 months TZS | Total TZS |
|-----------------------------|---------------------|--------------|
| <u>30 June 2023</u> | | |
| Trade and other receivables | 956,552,701 | 956,552,701 |
| <u>30 June 2022</u> | | |
| Trade and other receivables | 591,406,051 | 591,406,051 |

The maximum exposure to credit risk is as shown below:

| | <u>30 June 2023</u> TZS | <u>30 June 2022</u> TZS |
|-----------------------------|----------------------------|----------------------------|
| Cash and Cash Equivalents | 2,721,051,734 | 2,248,979,873 |
| Trade and Other Receivables | 956,552,701 | 591,406,050 |
| | <u>3,677,604,435</u> | <u>2,840,385,923</u> |

(v) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet obligations associated with financial instruments. The Institute manages its liquidity risk to ensure it is able to meet estimated expenditure requirements. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents.

The Institute's main sources of income are the annual budget allocation from the Ministry of Finance and Planning and other sources of income. The income is used to fund The Institute's operational and capital requirements. The annual budget is allocated by the Ministry in accordance with the provisions governing the Medium-Term Expenditure Framework (MTEF). The Institute uses Activity Based Budgeting approach with an extensive planning and governance process focused on the Strategic Plan to determine its operational and capital requirements. This is considered to be adequate mitigation for liquidity risk.

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Table 4: Summaries of the maturity profile of financial liabilities

| | 1 to 3 months | 3 to 12 months | Over 1 year | Total |
|---------------------|---------------|----------------|-------------|---------------|
| | TZS | TZS | TZS | TZS |
| 30 June 2023 | | | | |
| Payables | - | 1,561,962,331 | - | 1,561,962,331 |
| 30 June 2022 | | | | |
| Payables | - | 975,155,043 | - | 975,155,043 |

(vi) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Some of the Institute's operations utilize various foreign currencies and consequently, are exposed to exchange rate fluctuations that have an impact on cash flows and financing activities. Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies and accepting the local currency invoices only. The loss on foreign currency fluctuation during the year arose from the translation of bank balances.

2.9.3 Risk Policy, Risk Appetite and compliance

The risk policy defines the risk appetite and level of risk tolerance in various departments and units. Generally, the Institute has low risk appetite with regards to any potential threats that may hamper its capacity to deliver quality services to its customer and community.

The Institute has low risk appetite with risk that are related to fiduciary, reputation, compliance and quality while it maintains medium risk appetite with issues regards to Human resource and information technology.

2.9.4 Reliability of Accounting Records

The Institute adopted various systems such as MUSE, GePG and Billings system (SIMs) to minimize human errors and increasing reliability of accounting records. Furthermore, the Institute has competent staff who also upgrades their knowledge in accounting standards by attending seminars and workshops provided by the National Board of Accountants and Auditors (NBAA).

2.9.5 Internal Controls

It is the task of the Management to ensure that adequate internal financial and operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance on effectiveness and efficiency of operations, safeguarding of the Institute's assets, compliance with applicable laws and regulations, reliability of accounting records, business sustainability under normal as well as under adverse conditions and responsible behaviours to all stakeholders.

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Efficiency of any internal control system is dependent on the strict observance of prescribed rules and regulations. There is always a risk of non-compliance of such rules and regulations by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the internal control system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively. The Board assessed the internal control systems throughout the financial year ended 30 June 2020 and is of the opinion that they met accepted standards. The Board conducts risk and internal control assessment through the Audit Committee. Key elements of the system of internal control are as follows: -

a) Delegation

The overall objectives of the Institute are approved by the Board of Governors, which delegates the day-to-day operations to Management for execution. There was a clear organization structure, detailing lines of authority.

b) Budgets

Detailed annual budget emanated from the Institute's Strategic Plan was prepared by the Management for review and approved by the Board of Governors and Parliament of United Republic of Tanzania in June 2022.

c) Competence

Staff skills were maintained both by a formal recruitment process and a performance appraisal system. Training needs of ISW were identified and necessary training both in house and external helps to strengthened staff skills and competences.

d) Internal Audit

An Internal Audit Unit is in place and performed its functions as per requirements. The Unit assessed risks and reviewed controls over various functions and operations. The Unit ensured that recommendations to improve controls are followed up by the Management. The Head of Internal Audit reports functionally to the Audit Committee and administratively to the Rector in line with the mandate of the internal audit.

2.10 STAKEHOLDERS RELATIONSHIP

2.10.1 Stakeholder Relationships

The The Institute of Social Work is owned and supported by the Government through provision of subvention, Capital Development, and other charges. The Institute creates value to the Government by producing high quality and competent graduates to solve existing and emerging issues in the areas of social work, labour relations and human resources management.

The Institute has strong relationship with our stakeholders, the internal and external stakeholders include students, NACTIVET, TCU, suppliers, TRA, Ministry of Community

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Development, Gender, Women and Special Groups (MoCDGWS-Parent Ministry), employees and others. The strong relationship results into improved quality of our graduates which in turn strengthen goodwill of the Institute and hence number of applicants increases yearly.

The Institute conducted the stakeholders' analysis in order to identify their needs. The results of the analysis identified 4 categories of stakeholders. The list of categories of the stakeholder with their expectation/interests and their influence against their interest of the Institute are provided in Table 5.

Table 5: Analysis of stakeholders Expectation

| Sn | Stakeholder | Expectation (value we create) | Potential Effect |
|----|-------------|---|---|
| 1 | Customers | <ul style="list-style-type: none"> Good and conducive learning environment e.g., good quality and spacious lecture rooms, spacious modern Library, computer laboratory, seminar rooms etc. | <ul style="list-style-type: none"> Decline of number of student's enrolment Decline of the Institute income from course fees |
| 2 | Suppliers | <ul style="list-style-type: none"> Transparency in tender/jobs award Prompt settlement of claims | <ul style="list-style-type: none"> Poor service delivery i.e., untimely deliveries Low reputation of the Institute uncalled for complaints from bidders |
| 3 | Employees | <ul style="list-style-type: none"> Conducive, safe and comfortable working conditions Training and career development | <ul style="list-style-type: none"> High labor turnover Increased resentment Job dissatisfaction and low morale |
| 4 | Regulators | <ul style="list-style-type: none"> Provision of quality and competence -based training Compliance with NACTE and other professional standards | <ul style="list-style-type: none"> Lack of recognition of the Institute programs and acceptance of the Institute graduates Lowering the credibility of the Institute Closure of programs |

Table 6: Analysis of stakeholders Expectation

| Sn | Stakeholder | Expectation | Potential Effect |
|----|-------------|---|--|
| 1 | Customers | <ul style="list-style-type: none"> Good and conducive learning environment e.g., good quality and spacious lecture rooms, spacious modern Library, computer laboratory, seminar rooms etc. | <ul style="list-style-type: none"> Decline of number of student's enrolment Decline of the Institute income from course fees |
| 2 | Suppliers | <ul style="list-style-type: none"> Transparency in tender/jobs award Prompt settlement of claims | <ul style="list-style-type: none"> Poor service delivery i.e., untimely deliveries Low reputation of the Institute uncalled for complaints from bidders |
| 3 | Employees | <ul style="list-style-type: none"> Conducive, safe and comfortable working conditions Training and career | <ul style="list-style-type: none"> High labor turnover Increased resentment. Job dissatisfaction Low morale |

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| Sn | Stakeholder | Expectation | Potential Effect |
|----|-------------|---|--|
| | | development | |
| 4 | Regulators | <ul style="list-style-type: none"> • Provision of quality and competence -based training • Compliance with NACTE and other professional standards | <ul style="list-style-type: none"> • Lack of recognition and acceptance of the Institute graduates • Shortage of recognition of the Institute programs • Lowering the credibility of the Institute • Closure of programs |

2.10.2 Staff Welfare

a) Employee relationship

Good relationship between employees and Management of the ISW was observed through feedback mechanism regarding staff complains. During the period under review there was no crisis reported. The Management of ISW, Workers' Council and Trade Unions (Tanzania Higher Learning Institutions Trade Union (THTU) and Researchers Academician and Allied Workers Union (RAAWU)) work together to ensure staff matters are dealt with timely.

b) Disabled Persons and Gender Balance

i. Disabled Persons

The Institute has a disability policy that guide the Institute to gives equal opportunities to all persons irrespective of their disabilities experienced prior or during the course of their employment. Among the available opportunities are employment, training and promotion. ISW is an equal employer and as a matter of policy, recruitment processes are transparent and competitive. In case of applications for employment by persons with disabilities will be considered bearing in mind the aptitudes of the applicant concerned. In an event of members of staff becoming disabled, every effort shall be made to ensure that their employment with the Institute continues, and appropriate training is arranged. It is the policy of the Institute that training, career development and promotion in case of persons with disabilities should, as far as possible, be identical to that of other employees.

ii. Gender Balance

The Institute gives equal opportunities to persons irrespective of their gender in both employment and training. It gives equal access to employment opportunities and ensures that the qualified person is appointed to any given position without discrimination of any kind in accordance with its gender policy. The number of employees as at 30 June 2023 is as shown in Table 7 and distribution of staff per departments/ units as Table 8:

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Table 7: Number of Employees per gender

| Gender | Year | Percentage | Year | Percentage |
|--------|------|------------|------|------------|
| | 2023 | % | 2022 | % |
| Male | 95 | 57.6 | 76 | 54 |
| Female | 70 | 42.4 | 65 | 46 |
| Total | 165 | 100 | 141 | 100 |

Table 8: Distribution of staff per departments/ units

| Departments / units | 2023 | | | 2022 | | |
|---------------------------|-----------|-----------|------------|-----------|-----------|------------|
| | Male | Female | Total | Male | Female | Total |
| Academic | | | | | | |
| Social Work Department | 22 | 22 | 44 | 12 | 15 | 27 |
| Human Resource Department | 20 | 12 | 32 | 16 | 16 | 32 |
| Labor Studies Department | 11 | 4 | 15 | 11 | 3 | 14 |
| Administration | | | | | | |
| Accounting and Finance | 6 | 4 | 10 | 6 | 4 | 10 |
| Internal Audit | 2 | 1 | 3 | 1 | 1 | 2 |
| Human Resource | 15 | 16 | 31 | 16 | 13 | 29 |
| ICT | 2 | 1 | 3 | 2 | 1 | 3 |
| Library | 3 | 6 | 9 | 2 | 7 | 9 |
| Dean | 1 | 3 | 4 | 1 | 2 | 3 |
| Registrar | 4 | 3 | 7 | 3 | 2 | 5 |
| Legal | 2 | 0 | 2 | 2 | - | 2 |
| Planning | 1 | 0 | 1 | 1 | - | 1 |
| Public Relations | 1 | 0 | 1 | 1 | - | 1 |
| Procurement | 2 | 1 | 3 | 2 | 1 | 3 |
| Total | 92 | 73 | 165 | 76 | 65 | 141 |

c) Health and Safety

The Institute through Human Resources Department Administration facilitated staff training on Health and Safety at workplace. The training was conducted by Occupational Safety and Health Authority (OSHA). It's the policy of the Institute to ensure the trainings are conducted periodically to ensure staff health and safeties are priority.

d) Financial Assistance

The ISW Financial regulations provide with salary advance to the staff as a financial assistance to enable staff to overcome short-term liabilities. In addition, the Institute assists its staff to obtain loan from authorized bank.

e) Medical benefits

The Institute does not have any separate medical scheme. The Institute's employees subscribe to the National Health Insurance Fund which is taking care of medical consultation and treatment.

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f) Defined benefits plan

The institute employees belong to Public Social Security Service Fund and in addition the Institute has an incentive policy to pay retiring employees who have served for ten (10) years and above, an amount of TZS 40,000,000. In complying with IPSAS 25, the ISW has determined entitled employees as per the policy and provided for their benefit during the year under review.

2.10.3 Staff Training

The Institute has in place a policy and programs guiding staff training. The Institute offers sponsorship to its employees both for short and long-term courses within and outside the country on the basis of staff training programme. It also facilitates and/or encourages its employees to acquaint with professional seminars and various workshops that are undertaken within and outside the Institute and the Country. For the financial year ended 30 June 2023, a total of 41 staff were sponsored to undertake further trainings at different levels at a total cost of TZS 47,144,963 as indicated in the Table 9 below:

Table 9: Number of staff sponsored for further studies during the year ended 30 June 2023

| S/N | Level of Study | Academic | | Administration | | Total |
|-------|----------------|----------|----|----------------|---|-------|
| | | F | M | F | M | |
| 1 | PhD | 9 | 20 | - | - | 29 |
| 2 | Master | 2 | 1 | 2 | 1 | 6 |
| 3 | Degree | - | - | 3 | - | 3 |
| 4 | Diploma | - | - | 2 | - | 2 |
| 5 | CPA | - | - | 1 | - | 1 |
| Total | | 11 | 21 | 8 | 1 | 41 |

2.10.4 HIV and AIDS Policy

HIV and AIDS is a potential challenge to the Institute and possess operational and health risk. ISW has adopted the following core principles as a basis for its HIV and AIDS policy: -

- It has HIV/AIDS sensitization programs aimed at providing preventive strategies against new infections among employees and students.
- Ensure employees and students living with HIV and AIDS are aware of their rights and that the rights are respected and protected.
- Provide care and support to employees and students living with HIV and AIDS.

2.10.5 Owner of the Institute

The government of United Republic of Tanzania is the sole owner of Institute of Social Work

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2.10.6 Stock Exchange Information

The Institute is not listed in the stock exchange market since it is a non-profit Institution as it only delivers services to the public.

2.10.7 Fight against corruption

The Institute has in place mechanisms to enable it fight against corruptions as it has an Integrity Committee that works to ensure staff work following code of ethics and conduct. It also sets in its budget funds to provide seminars and trainings conducted by Prevention and Combating Corruption Bureau (PCCB) to staff annually.

2.10.8 Corporate Social Responsibility

The Institute has conducted a number of Social Responsibilities during the year among them being: -

- a) Community work conducted to Maasai at Msomera village
- b) Community work conducted at Machinga complex after fire outbreak
- c) Community work conducted at Mpakani village
- d) Training to Bodaboda and housekeeping.

2.10.9 Key Strength and Resources

The Institute has the following key strengths and resources, some are tangibles and others are intangibles: -

(a) Board of Directors

The Institute has an effective Board of Governors that serves as the focal point and custodian of corporate governance. It does provide direction and oversight to Management and employees. The Board's roles and responsibilities included Policy Development, Strategic Planning, and Financial and Operational oversight. Generally, Board members are effective and responsible leaders.

(b) Business and Regulatory Instruments

The governance process is being effective due to the presence of various Law, policy, and guideline. In the discharge of its functions, the Institute is guided by the establishment Act and other respective Regulations, staff regulations, financial regulations, Standing Orders for the Public Service. These instruments were key in the Institute's discharge of its functions judiciously and fairly during the financial year under review.

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(c) Human Resource

The Institute has skilled and experienced employees who are considered as a key resource in pursuing its business objectives and continues to encourage open and honest communication in decision making. As at 30 June 2023, the Institute had 165 staff (2021: 141 staff) in various operational areas among them 92 (55.8%) are male while 73 (44.2%) females. Details of the key staff educational are tabulated as follows.

Table 10: Number of staff by level of educations and gender

| SN. | Qualification | Academic staff | Administration staff | | Total |
|-----|---|----------------|----------------------|----|-------|
| | | F | M | F | |
| 1 | PhD | 9 | 14 | 1 | 25 |
| 2 | Master degree | 33 | 42 | 10 | 100 |
| 3 | Postgraduate Diploma | - | - | 1 | 1 |
| 4 | Bachelor Degree | 9 | 5 | 9 | 37 |
| 5 | Professional Qualificativo (CPA, CPSP etc.) | 1 | - | 3 | 8 |

(d) Financial Sustainability

The Institute financial resources include funds generated from internal sources (fees and other revenues), government subvention and development partners. The funds enable it to meet its short- and long-term obligations. The Institute's internal revenues have been increasing yearly due to increase in student's enrolment and capacity of its infrastructures. The government has also strengthened its support of Institute activities by providing funds for Personal Emoluments (PE), Other charges (OC) and Capital Development (CD). Internal revenue has increased by 13.5% from TZS 5,806,407,626 (2021/2022) to TZS 6,559,526,109. (2022/2023). The Internal revenue of TZS 6,559,526,109 for 2022/2023 comprises of other revenue TZS 6,425,411,020 (Tuition fee TZS 5,911,608,423 and other income of TZS 513,802,597): and fines and penalties TZS 134,115,089.

(e) ICT Application Systems

The Institute continues to invest in advanced technology so as to realize operational excellence and better service delivery to our customers. Most of the Institute's operations have been automated by acquisition of accounting system (Pastel), Student Information Management System (SIMS), accountings Package MUSE which is integrated with Government electronic Payment Gateway (GePG), GAMIS, e-Office, HCMIS, OTRMIS, PlanRep, Government Mailing System and GACS. The Institute has stable internet connectivity from Government authorities including Tanzania Telecommunications Company Limited (TTCL) and TERNET and it has ICT steering Committee to monitor ICT activities.

2.10.10 Policies, guidelines Regulation and Manuals for safeguarding Institute properties

The Institute prepare, review and uses various policies, guidelines, regulation, and manual, to facilitate implementation of its mandate. These policies, guidelines, regulation, and manual are reviewed regularly as may be directed by the authorities and whenever need arises. These

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polices are used as an important tool for directing day to day activities, performance measurements and internal control. These policies, guidelines regulation and manual include quality assurance policy, ICT policies and guidelines, Research and consultancy policy, Risk policy, HIV/AIDS policy, financial regulation, accounting manual, and client service charter.

2.10.11 Organizational structure, system, and processes

The Institute organization structure comprises Board of governors, Rector, Deputy Rectors (Academic Research and consultancy and Planning Finance and administration), Head of departments and units. The Institute has one campus at Kisangara Headed by Campus Manager. A three-way communication system is in use with information flowing in all directions; top-down, bottom-up and laterally.

2.10.12 Institution collaborations, networking, and partnership

The institute maintains internal and external links and collaborations with many other Institutions from Tanzania and outside such as NORHEAD-Norway, TAYOA, KOICA and Coca-Cola Kwanza Limited. Makerere University -Uganda, Rwanda University, University of Carinthia-Austria, Africa-Austria University Network (Afri-UniNet).

2.10.13 Environmental Control Programme

The Institute believes that environmental awareness plays a vital role in Teaching and Learning. Public education inculcates the habits of preservation and conservation of nature in the public. The Institute learning and teaching environment is very important in ensuring the quality of the graduates are of top notch. This includes having good quality assurance units which ensure the teaching and learning environment is conducive as well as having a strategic plan with clear target and performance indicators regarding teaching and learning environment.

2.10.14 Events after Reporting Period

There were no material event adjusting or non-adjusting, which have occurred between the reporting date and the date when financial statements were authorized for issue.

2.11 MAJOR ACTIVITIES UNDERTAKEN BY THE INSTITUTE.

During the year, the Institute invested heavily in building infrastructures to accommodates increases in students, it constructed classrooms at Kisangara, finalized administrations block at Main campus to accommodates staff office, and paid various staff benefits to motivates staff morale, details is provided under Table 11 below: -

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Table 11: Major activities undertaken during the year

| Item | Note | 2023 | 2022 |
|---------------------------------------|------|---------------|---------------|
| Use of Goods and Service | 22 | 2,502,903,359 | 2,318,245,106 |
| Wages, Salaries and Employee Benefits | 23 | 6,387,638,775 | 5,563,594,375 |
| Work in Progress | 8 | 717,226,061 | 634,218,973 |
| Total | | 9,607,768,195 | 8,516,058,454 |

2.12 CAPITAL STRUCTURE AND TREASURY POLICIES

2.12.1 Capital Structure

The Institute is whole owned by the Government and the capital of the Institute comprises of shareholders' fund. The Institute has not acquired any Loan to facilitate its operations and as well there is no Interest paid to any Institution as loan Interest, the main source of financing the Institute is Tuition fee from students hence the long and short terms plan of the Institute is to increase number of students by building more lecture theatres and classrooms, this will increase revenue of the Institute to finance its operations, in addition the Institute has developed various funds raising proposal to the government to request for fund to help building of lecture theatres and student hostels.

No changes were made in the objectives during the year ended 30 June 2023.

| | 30 June 2023 | 30 June 2022 |
|---------------------|-----------------------|-----------------------|
| | TZS | TZS |
| Taxpayer's Fund | 39,120,822,656 | 39,120,822,656 |
| Accumulated Surplus | 17,566,739,656 | 15,692,905,834 |
| Total capital | <u>56,687,562,312</u> | <u>54,813,728,490</u> |

2.12.2 Capital management.

The capital of the Institute is comprised of accumulated surplus TZS 17,566,466,957 and Taxpayer Fund TZS. 39,120,822,656. The Institute is whole owned by the Government and the capital of the Institute comprises of shareholders' fund. The Institute has not acquired any loan to facilitate its operations and as well as there is no Interest paid to any Institution as loan Interest. The primary objective of the Institute capital management is to ensure that it maintains strong assets base in order to support its objectives and optimize achievement of stakeholder' expectation.

2.12.3 Treasury Policies and Objectives

The Institute design, implements and monitors all arrangements for the identification, management and controls of the following's treasury management risks.

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a) Liquidity Management

The Institute ensure it has sufficiency cash to meet its short terms obligations when fall due, the financial regulation of the Institute limit petty cash to the tune of One Million while the bank accounts remain with cash limit to support the daily settlements.

b) Exchange rate management

Foreign currency risk is managed at an operational and it is monitored by the directorate of finance. Losses that arise from foreign liabilities are managed through timely payment of outstanding liabilities. During the year the Institute assessed its exchange rate risk and, in its opinion, there are no risks involved

c) Credit management

The risk of failure by counterparty to meet its contractual obligations as results of the counterparty's diminished creditworthiness. The policy of the Institute is to pay the creditors within seven days of receiving the invoice after the inspection of invoices and attachments is completed. During the year the Institute assessed its creditors, and, in its opinion, all creditors are manageable.

d) Debtors' management

The main source of debtors at the Institute is student's fee, to manage it the Institute has designed a policy of ensuring students fee is divided into four instalments of which each instalment is demanded before examinations session. This policy has helped to ensure students fee are paid on time. During the year the Institute assessed its debtors, and, in its opinion, all debtors are manageable.

2.13 ACCOUNTING POLICIES AND JUDGEMENT

The accounting policies used in preparing the financial statements have been disclosed in Note 6 to the financial statements. These policies are all considered to be critical to an understanding of the performance and financial position of the Institute and are subject to annual review to ensure continuing compliance with International Public Sector Accounting Standards (IPSASs). The financial statements have been prepared using International Public Sector Accounting Standards (IPSASs) on accrual basis issued by International Public Sector Accounting Standards Board (IPSASB) and the requirements of the: -

- i) Treasury circulars and guideline issued from time to time.
- ii) Provision of section 30(2) of the Public Finance Act CAP 348 (R.E 2020)
- iii) Tanzania Financial reporting Standards (TFRS 1)
- iv) Public procurement Act 2011 and its regulations

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2.14 KEY PERFORMANCE INDICATORS

Key Performance indicators (both financial and non-financial) were used by the Institute to assess the Institute's performance. The indicators derived from the Institute's Strategic Plan were used to assess actual performance against strategic objectives. A brief analysis of the performance indicators is shown in table 12 below:

Table 12: Key Performance Indicators

| Objective | Strategy | Target | Performance Indicators | 2022/23 | 2021/22 |
|--|---|---|---|--|---|
| Accessibility and Quality of academic programs offered by the Institute Enhanced | Demand-driven academic programs established | Three (3) academic programs established by June 2026 | Number of academic programs established at the main campus. | Prepared and received approval of the curriculum for Early Childhood Care and Development for NTA level 4, 5 and 6. The program is expected to start in academic year 2023/24 | The Institute was approved to offer two academic programs which are Basic Technician Certificate in Community Work with Children and Youth and its Technician Certificate. |
| | | Curriculum review of all programs conducted by June 2025 | Number of curriculums reviewed | The review was not scheduled in the financial year 2022/23. | Curriculum review of all 22 academic programs was approved by NACTVET. |
| | | Ten (10) innovation programs conducted by June 2026 | Number of innovation programs conducted | The Institute was able to unearth 17 groups of young innovators of which 15 participated in digital innovation challenge at Institute level and 2 were approved for scrutinization at national level. The Institute in collaboration with Digital Opportunity Trust (DOT) conducted conference that was attended by 243 youths to enhance awareness in digital innovation among youth in Dar es Salaam region. | The Institute conducted three (3) innovation programs which are capacity building to students on how to be innovative, incubation of two students' innovation ideas and signed MoU with DoT to implement daring for shift in enhancing digital skills to 8,000 graduates. |
| | | 500 students facilitated to attend apprenticeship programs by June 2026 | Number of students enrolled into apprenticeship programs | Allocated 79 students into apprenticeship programs. Twelve of the students were placed in MSOMERA village to offer Social Work services to the Community. The program is conducted in collaboration with the Ministry of Community Development, Gender, Women and Special Groups. The other 67 graduates were placed in various public and | The Institute facilitated 56 students to be placed in various internship agencies. |

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| Objective | Strategy | Target | Performance Indicators | 2022/23 | 2021/22 |
|--|---|--|---|---|--|
| | | | | private agencies to gets hands on training in line with their professions. | |
| | Teaching and learning environment improved | Four (4) lecture rooms at Kisangara Campus constructed and furnished by June 2026 | Number of lecture rooms constructed and furnished at Kisangara campus | Construction of classrooms was not planned for during the year under review. | The Institute has completed construction of two (2) classrooms and two (2) staff offices in Kisangara campus costing TZS 210,682,380.00. with capacity of accommodating a total of 500 students and six (6) staff respectively. |
| Accessibility and Quality of academic programs offered by the Institute Enhanced | Teaching and learning environment improved | IRC building phase eight (VIII) constructed | 100 % completion of IRC building phase VIII | The Institute accomplished the construction of IRC building phase VIII. Four (4) classrooms with capacity of 800 students, thirteen (13) offices for 60 staff were completed. Activities conducted include plumbing, electrical, lift, ICT and finishing. | At the closure of the financial year 2021/22 the construction of IRC phase VII was at 80% of completion. Activities that were on-going are finalizing the installation of ICT facilities, electricity, plumbing, internal walls, elevator and finishing's. It is expected the construction will be finished by end of the first quarter of the financial year 2022/23. |
| | | Increase number of Books in the library | 1,000 books purchased | The Institute procured 429 books during the year. | The Institute did not plan to procure books in the financial year 2021/22. |
| | | Two (2) conference rooms at the Institute main campus constructed and furnished | Number of conference facilities in place and furnished | The Institute finished construction of one conference facility during the year. | The Institute is finalizing the construction of IRC building phase VIII and one (1) conference facility has been designated. |
| | | Institute Hostel, classrooms and Counselling Centre at the Institute main campus by 2023 | Rehabilitated buildings | The Institute renovated three (3) classrooms and procured roofing material for renovation of six (6) staff quarters buildings. | The Institute fully rehabilitated its Counselling Centre. The funds for the activity amounting to TZS 34,057,455.00 were obtained from Korea International Cooperation Agency (KOICA). |
| Accessibility and Quality of academic programs offered by the Institute Enhanced | ICT mainstreamed in teaching and learning environment | Public Address System in six (6) lecture rooms at the Institute main campus | Number of procured and installed Public Address System at main campus | The Institute procured and installed CCTV cameras and public address systems in four (4) lecture rooms. | The Institute installed public address systems in two (2) lecture rooms that can accommodate 300 students each. It also installed 6 CCTV |

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| Objective | Strategy | Target | Performance Indicators | 2022/23 | 2021/22 |
|---|---|--|--|--|---|
| | | procured and installed by June 2024 | | | cameras in Library and server room. |
| | | Five (5) special needs computers at the main Campus installed by June 2026 | Number of Special Needs computers | The Institute is in the process of procuring two (2) tricycles 'Bajajis' to support students with special needs. | Bought equipment's for students with special need i.e., one (1) wheelchair; talking computer software to use in 4 computers. |
| Research, Consultancy and Publications Enhanced | Links and partnership strengthened | Three (3) links and partnership established by June, 2024 | Number of links and partnership established | The Institute continued with two (2) partnership projects with Carinthia University and Norwegian Program for Capacity Development in Higher Education and Research for Development (NORHED). It also entered into MoU with Children in Crossfire. | The Institute has two (2) partnership projects. The partnership is with Carinthia University and Norwegian Program for Capacity Development in Higher Education and Research for Development (NORHED). |
| | Conduct demand-driven research, consultancy, and short courses. | Publish Journal and books by June 2020. | Two (2) books produced | Published six academic papers in the Institute of Social Work Journal Volume 2 (1), 2023 (Hard copy with ISSN 1821-7494 and Electronic Copy with ISSN 2738-9057). In addition, one paper was published in the Journal of Education Technology and Online Learning. 6 (2), 2023 pp 362-383. | A chapter in a book titled How Can Tanzania move from poverty to prosperity ISBN 9789976605850 was published. The Institute is also finalizing one book manuscript titled "Effective Management of Social Agencies in Tanzania". |
| | | To conduct short term training programs annually | Ten (10) short term training programs established annually | Conducted eleven (11) short courses in areas of customer care, grievances resolution, code of conduct, mental health, effective disciplinary handling procedures, guidance and counselling and emotional intelligence. | The Institute conducted ten (10) short courses on Guidance and Counselling, positive parenting skills, and another on labour relation. |
| Research, Consultancy and Publications Enhanced | Research and publications activities strengthened | Forty (40) research projects conducted and disseminated by June 2026 | Number of research projects conducted and disseminated | Data collection in progress on research titled: Barriers to Help Seeking Behaviour among Children Who Experience Sexual Violence in Tanzania: The Case of Dar es Salaam, Tanga and Coast Regions. | The Institute disseminated two (2) research projects which were (i) "Eradicating Sexual Violence among Higher Learning Students in Tanzania: The role of social media and (ii) "Realization of Decent Work Objectives in Small and Medium Enterprises (SMEs) in Tanzania. |

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| Objective | Strategy | Target | Performance Indicators | 2022/23 | 2021/22 |
|---|--|--|---|---|---|
| | Consultancy activities enhanced | Thirteen (13) consultancies conducted by June 2026 | Number of consultancies conducted | Capacity program was conducted, and it conducted consultancy activity focusing on the Independent Evaluation of Mtoto Kwanza Project in Tanzania under Children in Crossfire. | The Institute conducted two consultancies for the financial year 2021/22. Also, in Kisangara campus the Institute conducted a one (1) year consultancy program of childhood care and development to mother caregivers to SoS children village in Mwanza and Dar es Salaam. |
| Image and visibility of Institute Strengthened | Marketing of Institute products enhanced | Twenty (20) advertisement and marketing programs conducted by June 2026 | Number of advertisement and marketing programs | Conducted 28 TV advertisements, 222 radio advertisements, issued 3,700 brochures, sixteen (16) education theme programs on issues like Gender based violence and its contribution to spreading of HIV, impacts of single parenting to Children, parenting and family instability and the contribution of SGR project to economic revolution in Tanzania. Also, four (4) exhibitions and Education to Women Food Vendors, education, and counselling at Kibiti Boys Secondary School, TCAA, TBS and Youth Digital Summit were conducted. | Promoted, through marketing, advertisement, and publications ISW activities using 7 TV, 75 radio advertisements and 3,908 brochures. In addition, five (5) education theme programs were conducted and ISW also participated in three (3) exhibitions which are TCU, NACTVET and Higher learning education. |
| Governance and Management of Resources Enhanced | Institute human resource capacity enhanced | Recruitment of seventy-three (73) staff (Main and Kisangara Campus) facilitated by June 2026 | Number of staff recruited | Recruitment of 52 academic staff was facilitated. Among them 27 reported on duty a further 25 are expected to report in the first quarter of 2023/24. | The Institute recruited a total of nine (9) staff of which 6 are academicians and 3 are administrative. Among them 3 are females and 6 are males. |
| | | Fifty (50) staff to attend long term training facilitated by June 2026 | Number of staff facilitated in long term training | The Institute facilitated a total of 44 staff in long term training. Among them 29 PhD, 6 Masters, 4 bachelor's degree, 3 Diploma, 1 CPST and 1 CPA. | The Institute continued to support 38 staff in long term training programs, 31 in PhD training and 7 in master's degree training. |
| | | To achieve NACTE's Teacher-Student Ratio (1:25) Standard by June, 2020 | Lecturer student ratio reduced to 1:25 | The Institute recruited 27 academic staff and improved the lecture student ratio to 1:48 from 1:51 in the previous year. | The Institute recruited a total of six (6) academic staff and obtained recruitment permit for recruitment of further 52 academic staff. The |

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| Objective | Strategy | Target | Performance Indicators | 2022/23 | 2021/22 |
|---|---|--|---|--|--|
| | | | | | expected academic staff will improve the lecturer student ratio significantly. |
| | | Ensure all staff are provided with necessary working tools/facilities by June 2026 | Percent of Staff facilitated with working equipment | Procured ICT equipment i.e., 40 desktop computers, 11 tablets, 22 laptop computers and two heavy-duty printers. | The Institute procured computers for staff and office furniture that are OSHA approved in order to ensure healthy working environment. |
| | | Attendance of short terms training (seminar, conference, and workshop) to all staff facilitated by June 2026 | Number of staff facilitated in short term training | Forty-five staff was facilitated in short course training. Further to that training on CBET to all academic staff was conducted and another to all staff on issues of corruption, gender-based violence and NCD's was conducted. | The Institute facilitated a total of 101 staff in short course trainings, workshops and professional trainings on accounting, auditing, CBET, tax issues, MUSE, records management, Library, project management, Competency-based Education and Training (CBET), Research and consultancies. |
| Governance and Management of Resources Enhanced | Institute human resource capacity enhanced | Ensure 100% provision of recurrent running costs by June 2026 | Percentage of recurrent cost covered | The annual recurrent costs were provided as planned. The costs covered for utilities, staff entitlements, and security, cleaning services, insurance, leave and travels. | The Institute covered utility bills, salary expenses, leave pay and other staff allowances. |
| | Institute's financial sustainability strengthened | Four (4) project proposals for funding secured by June 2024 | Number of project proposals prepared | The proposal requesting of funds from donors was prepared. The Institute receive donation of TZS 16,000,000/= from Tanzania Communication Regulatory Authority (TCRA) for purchases of two (2) tricycles 'Bajajis' to support students with special needs. | The Institute prepared project proposals for construction of lecture theatre and students' hostels. These proposals were submitted to the Ministry of Community Development, Gender, Women and Special groups for further procedures. |
| | | Enrolment from 4,500 to 8,000 increased by June 2026 | Number of students increased | The Institute enrolled a total of 5,341 students during the year which is an increase of 13.3% from 4,712 in 2022/23. | The Institute enrolled a total of 4,712 as compared to 2,505 students enrolled in 2020/21. |
| | Internal control mechanisms strengthened | 100% of ISW Policies, Operational Manuals and Regulations reviewed by June 2026 | Percentage of review of ISW Policies, Operational Manuals and Regulations | Research agenda, training policy, library policy, anti-plagiarism policy and ICT security policy were prepared and approved. | The Institute developed ICT security policy. Other policies that were on progress are repair and maintenance policy, risk policy and anti-plagiarism policy. |

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| Objective | Strategy | Target | Performance Indicators | 2022/23 | 2021/22 |
|--|--|--|---|---|--|
| Implementation of National Anti-Corruption Strategy Enhanced and Sustained | National anti-corruption strategy mainstreamed | Two (2) awareness programs on anti-corruption to members of Board of Governors facilitated by June, 2026 | Number awareness programs facilitated members of Board of Governors | The Institute conducted awareness program to its staff on issues of corruption and gender-based violence. | The Institute conducted capacity building to the Board of Governors and Secretariat on issues of good governance, conflict of interest and issues of transparency. |
| HIV & AIDS and Non-communicable Diseases (NCDs) infection reduced and supporting services improved | ISW response to HIV/AIDS and NCDs intensified | HIV/AIDS testing and counselling services to 5,000 ISW members and neighbouring community conducted by June 2026 | Number of people tested and counselled HIV/AIDS | The Institute conducted awareness sessions on issues of HIV/AIDS to new students and the community. Among the participants 65 voluntarily tested for HIV/AIDS and no one tested positive. | Provision of education, counselling, and psychosocial services to 1,132 community members such as children, street vendors and primary school students. |
| | | Five (5) staff sports and recreation events (Bonanza) facilitated by June, 2026 | Number of sports bonanzas | The Institute staffs have a program of attending physical exercises every Saturday. During the year football team participated in SHIMUTA competitions. | The Institute conducted a sport bonanza on celebration of the new year. It also procured sports gears for its staff and conducted two sports games. |

Source: Institute of Social Work Strategic Plan 2021/22-2025/26

2.15 APPROPRIATION OF SURPLUS /RESERVE

The Institute is a not profit oriented hence it does not declare dividend and if any surplus is generated it finances future operational and development activities.

2.16 CORPORATE GOVERNANCE MATTERS

2.16.1 Corporate Governance Statement

The Board of Governors of the Institute consists of ten (10) Governors. Apart from Rector, no other Governors hold executive position in the Institute. The Board takes overall responsibility for the Institute, including responsibility for identifying key risk areas, considering, and monitoring academic matters, considering significant financial matters, and reviewing the performance of management. The Board is also responsible for ensuring that a comprehensive system of internal control, policies and procedures is operative, and for compliance with sound corporate governance principles.

The Board is scheduled to meet on quarterly basis. The Board delegates the day-to-day management of the business to the Rector assisted by Deputy Rectors and management team. Management team is invited to attend Board meetings and facilitates the effective control of all the Institute's operational activities, acting as a medium of communication and coordination

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between departments and units. The Institute is committed to the principles of effective corporate governance. The Governors also recognize the importance of integrity, transparency, and accountability. During the year the Board had sub-committees to ensure a high standard of corporate governance throughout the Institute. These are Audit, Academic, Planning and Finance and Staff Development.

2.16.2 Membership of the Board of Governors

The Board of Governors of the Institute consists of eleven Governors. The Board met five times during the reporting year (four ordinary and one extra ordinary) and endorsed admission of students for the academic year 2022/23, approved students' examination results, academic prospectus, appointment of the external examiners, Annual Procurement Plan 2022/23 and its review, Annual and quarterly implementation Reports of Procurement Plan 2022/23, Statement of Financial Performance for 2022/23, budget and budget review of 2022/23, quarterly financial performance reports for 2022/23, Performance contracts for 2022/23, Performance contracts implementations reports for 2022/23, quarterly budget implementation reports for 2022/23, approved audited Financial Statement 2022 and endorsed recruitment of 27 new staff. Also approved confirmation and promotion of employees, transfers, long-term training, and verification of academic certificates.

Table 13: List of Board Members

| S/N | Name | Gender | Position | Age | Appointed | Tenure Expiry | No of meetings | Qualification | Nationality |
|-----|-------------------------|--------|-------------|-----|-----------|---------------|----------------|--|-------------|
| 1. | Hon. Sophia M. Simba | Female | Chairperson | 73 | 13-04-22 | 12-4-25 | 5 | Master of Community Development | Tanzanian |
| 2. | Dr. Joyce E. Nyoni | Female | Secretary | 54 | 11-04-22 | 10-4-25 | 5 | PhD in Sociology | Tanzanian |
| 3 | Dr. Adolf B. Rutayuga | Male | Member | 60 | 11-04-22 | 10-4-25 | 3 | PhD in Education | Tanzanian |
| 4. | Dr. Lulu S. Mahai | Female | Member | 48 | 11-04-22 | 10-4-25 | 4 | PhD in Education | Tanzanian |
| 5. | Mr. Privatus C. Kihanga | Male | Member | 64 | 11-04-22 | 10-4-25 | 5 | MA in Political Science and Public Administration | Tanzanian |
| 6. | Ms. Maida W. Juma | Female | Member | 52 | 11-04-22 | 10-4-25 | 5 | Bsc. Marketing | Tanzanian |
| 7. | Mr. Mark E. Mulwambo | Male | Member | 45 | 11-04-22 | 10-4-25 | 1 | LL.M in Democratic Governance and Rule of Law | Tanzanian |
| 8. | Ms. Alesia A. Mbuya | Female | Member | 47 | 11-04-22 | 10-4-25 | 4 | LL.M in International Development Law and Human Rights | Tanzanian |
| 9. | Dr. Nandera | Female | Member | 49 | 11-04-22 | 10-4-25 | 4 | PhD in Social | Tanzanian |

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| S/N | Name | Gender | Position | Age | Appointed | Tenure Expiry | No of meetings | Qualification | Nationality |
|-----|--------------------------|--------|----------|-----|------------|---------------|----------------|---|-------------|
| | E. Mhando | | | | | | | Anthropology | |
| 10 | Dr. Fidelice M. Mafumiko | Male | Member | 60 | 11-04-22 | 10-4-25 | 4 | PhD in Science Education | Tanzanian |
| 11 | Ms. Jane John | Female | Member | 31 | 15-06-2022 | 01-7-23 | 4 | Student BA in Human Resource Management | Tanzanian |

2.16.3 Committees of the Board of Governors

There were four Committees of the Board. The composition and responsibilities of each committee were as hereunder.

a) Academic Committee

The list of Academic Committee members as at 30 June 2022 is as shown in Table 14.

Table 14: Members of the Academic Committee of the Board

| S/N | Name | Position | Qualification | No of meetings | Responsibilities |
|-----|--------------------------|-------------|--|----------------|---|
| 1. | Dr. Fidelice M. Mafumiko | Chairperson | PhD in Science Education | 3 | Responsible for advising the Board on academic issues relating to technical, regulation and compliance to Government, NACTVET and TCU standards and directives. |
| 2. | Dr. Lulu S. Mahai | Secretary | PhD in Education | 3 | |
| 3. | Dr. Joyce E. Nyoni | Member | PhD in Sociology | 3 | |
| 4. | Mr. Privatus C. Kihanga | Member | MA in Political Science and Public Administration | 3 | |
| 5. | Ms. Jane John | Member | Student-bachelor's degree in human resource management | 2 | |

The Committee met four times during the year and discussed academic issues relating to technical, regulations and compliance. It approved admission of students for the academic year 2022/23, establishment of the department of psychology, anti-plagiarism policy, and library policy, admission report of March intake, examination regulations and academic prospectus and appointment of the external examiners.

It also reviewed, deliberated, and recommended for approval of examination results for the year 2022/23 including appeals, postponements, deferred and special examinations.

b) Audit Committee

The list of Audit Committee members as at 30 June 2023 is as shown in Table 15.

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Table 15: Members of the Audit Committee of the Board

| S/N | Name | Position | Qualification | No of meetings | Responsibilities |
|-----|-------------------------|-------------|--|----------------|--|
| 1 | Mr. Mark E. Mulwambo | Chairperson | LL.M in Democratic Governance and Rule of Law | 4 | Responsible for advising the Board on all matters on the internal controls, risk management and good governance. |
| 2 | Ms. Alesia A. Mbuya | Secretary | LL.M in International Development and Human Rights | 2 | |
| 3 | Dr. Lulu S. Mahai | Member | PhD in Education | 6 | |
| 4 | CPA. Sayumwe B. Kayanda | Member | CPA (T) | 5 | |
| 5 | CPA. Mohamed M. Nussra | Member | CPA(T) | 6 | |

The Committee met six times during the year under review. During the meetings the quarterly internal audit reports were discussed which assessed internal controls, risk management, and good governance of the Institute. It also approved Internal Audit annual plan 2022/23, Internal Audit Manual, Internal Audit strategic Plan, Reviewed Internal audit Charter and Risk register. The committee approved ISW Financial Statement 2021/22 to be submitted to CAG, Conducted Entrance and Exit meeting with CAG and received and discussed Audit Report for the year 2021/22 from CAG and commended the Management for obtaining a clean audit opinion.

c) Planning and Finance Committee

The list of Planning and Finance Committee members as at 30 June 2022 is as shown in Table 16.

Table 16: Members of the Planning and Finance Committee of the Board

| S/N | Name | Position | Qualification | No of meetings | Responsibilities |
|-----|--------------------------|-------------|--------------------------|----------------|--|
| 1 | Dr. Adolf B. Rutayuga | Chairperson | PhD in Education | 4 | Responsible for advising the Board on all financial and planning issues to ensure financial sustainability and the highest standards of financial management controls. |
| 2 | Dr. Joyce E. Nyoni | Secretary | PhD in Sociology | 3 | |
| 3 | Dr. Fidelice M. Mafumiko | Member | PhD in Science Education | 2 | |
| 4 | Ms. Maida W. Juma | Member | BSc. Marketing | 5 | |

The Committee met five times during the year under review. During the meetings the procurement, budget and financial management issues were discussed. The Committee reviewed and approved 2023/24 budget, 2022/23 budget review, 2023/24 Annual Procurement Plan, 2022/23 Annual Procurement Plan review, quarterly implementation Reports of Procurement Plan 2022/23, Statement of Financial Performance for 2022/23, and quarterly financial performance report for 2022/23, Performance contracts for 2022/23, Quarterly Strategic Plan/Performance contracts implementations reports for 2022/23 and annual Strategic Plan implementation report for 2022/23.

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d) Staff Employment, Development and Disciplinary Committee

The list of Staff Employment, Development and Disciplinary Committee members as at 30 June 2022 is as shown in Table 17.

Table 17: Members of the Staff Employment, Development, Disciplinary Committee of the Board

| S/N | Name | Position | Qualification | No of meetings | Responsibilities |
|-----|-------------------------|-------------|---|----------------|--|
| 1 | Mr. Privatus C. Kihanga | Chairperson | MA in Political Science and Public Administration | 4 | Responsible for advising the Board on all matters concerning with staffing, employment, discipline, and human resources development. |
| 2 | Dr. Joyce E. Nyoni | Secretary | PhD in Sociology | 3 | |
| 3 | Dr. Nandera E. Mhando | Member | PhD Social Anthropology | 4 | |
| 4 | Ms. Maida W. Juma | Member | BSc. Marketing | 3 | |
| 5 | Mr. Mark E. Mulwambo | Member | LL.M in Democratic Governance and Rule of Law | 2 | |

The Committee met four times during the year under review. During the meetings employees' matters and policies were discussed. It recommended for approval of confirmation, Re-categorization, Disciplinary matters, promotion of employees, transfers, long-term training, and verification of academic certificates.

The committee also endorsed people with disability policy, incentive scheme, organization structure, committee charter and filling positions of directors as per approved organization structure.

2.17 COMMITMENTS

The Institute commits funds that arises from contractual obligations and pays for commitments when invoices are raised. As at 30 June 2023 the Institute commitments amounted to TZS 1,956,964,693 as illustrated in Note 32.

2.18 STATEMENT OF COMPLIANCE

The Report by Those Charged with Governance is prepared in compliance with the Tanzania Financial Reporting Standard No. 1 (TFRS No. 1) as issued by the National Board of Accountants and Auditors (NBAA) which became effective from 1 January 2021. The Institute's financial statements have been prepared in compliance with the International Public Sector Accounting Standards (IPSASs) as issued by the International Public Sector Accounting Standards Board (IPSASB).

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2.19 APPOINTMENT OF AUDITOR

The Controller and Auditor General is the Statutory Auditor of the Institute of Social Work (ISW) by virtue of Article 143 of the Constitution of the United Republic of Tanzania as amplified under Section 10(1) of the Public Audit Act No. 11 of 2008. However, in accordance with section 33(1) of the Public Audit Act No 11 of 2008 M/s KEPLER Consultant with NBAA Registration number PF 250, Tax Identification Number (TIN) 116-257-238 of P.O Box 33310 Mlimani City, Office Park, Block 4, First Floor, Sam Nujoma Road, Dar es salaam was appointed by the Controller and Auditor General (CAG) to be an auditor of the Institute of Social Work (ISW) for three years effective from financial year 2022/23 to financial year ending on 30 June 2025. and is eligible for reappointment.

2.20 RESPONSIBILITY OF THE AUDITOR

The Controller and Auditor General (CAG) has a statutory responsibility to report to the stakeholder as to whether, in his opinion, the financial statements of the Corporation present fairly the financial position, financial performance and cash flows for the year then ended in accordance with the International Public sector Accounting Standards (IPSASs), the Tanzania Financial Reporting Standard (TFRS 1) and in the manner required by the National Social Welfare Training Institute Act No. 26 of 1973 and Miscellaneous Amendments Act No. 3 of 2002 which received Presidential assent on 14 December 2002 and the Public Finance Act, Cap. 348.

2.21 STATEMENT OF RESPONSIBILITY BY BOARD OF GOVERNORS

The Board of Governors accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of the financial statements, pursuant to the National Social Welfare Training Institute Act No. 26 of 1973 and Miscellaneous Amendments Act No. 3 of 2002. Furthermore, Those Charged with Governance accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with the International Public Sector Accounting Standards (IPSAS), the Public Finance Act, Cap. 348, NBAA's Pronouncements, and the requirements of the National Social Welfare Training Institute Act No. 26 of 1973 and Miscellaneous Amendments Act No. 3 of 2002.

Therefore, the Board of Governors are of the opinion that the financial statements of the Institute give a true and fair view of the Institute's state of the financial affairs and of its operating results for the year ended 30 June 2023.

2.22 POLITICAL AND CHARITABLE DONATIONS

During this year the Institute donated TZS 2,640,000.00 of which TZS 2,000,000 was for supporting NACTIVET Gala Dinner and TZS 640,000 facilitated blood donation exercise. There was no political donation during the year.

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2.23 Related Party Transactions

The entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the entity, or vice versa. ISW is an academic Institution owned by the Government and operates under the Ministry of Community Development, Gender, Women and Special Groups (MoCGWGs).

Key Management Personnel and Board Remunerations

During the year under review the Institute did not conduct any business with key management personnel and Board members as well as their associates and companies.

Key management short term benefits which were paid during the year included salaries, allowances and social security contributions which amounted to TZS 1,552,265,090 (TZS 1,381,827,890: 2021/22). The personnel include both permanent employed and board members. During the year there were 22 permanent employees, 11 Board Members and two co-opted Board Members.

Table 18: key Management Personnel and Board Remunerations

| | 30-Jun-23 TZS | 30-Jun-22 TZS |
|--|----------------------|----------------------|
| Key Management remuneration | | |
| Salaries | 1,044,612,000 | 886,392,000 |
| Allowances | 233,480,960 | 255,960,000 |
| Social security contribution | 156,691,800 | 159,550,560 |
| Sub total | <u>1,434,784,760</u> | <u>1,301,902,560</u> |
| Board of Governors remuneration | | |
| Board fees | 85,000,000 | 50,870,000 |
| Board allowances | 32,480,330 | 29,055,330 |
| Subtotal | <u>117,480,330</u> | <u>79,925,330</u> |
| Grand Total | <u>1,552,265,090</u> | <u>1,381,827,890</u> |

Payments to Board members and executives are paid in accordance with the Government Standing Orders and the approved human resources management policy and incentive scheme of the Institute of Social Work.

Payments to Management personnel, Board members and executives were paid in accordance with the Government Standing Orders and the approved Human Resources Management Policy and Incentive Scheme of the Institute of Social Work. Related party transactions are disclosed in note 30 of the financial statements.

INSTITUTE OF SOCIAL WORKS (ISW)

2.24 SERIOUS JUDICIAL ISSUES

There was no prejudicial issue during the period under review.

2.25 SOLVENCY

The Board has reviewed the current financial position of the Institute. On the basis of the review, the members of the Governing Board are of the opinion that the Institute's position is as expressed in the Financial Statements and that it has been prepared on an on-going concern basis. The Institute has enough resources to enable it to run its operations for the foreseeable future.

2.26 Supplementary information on financial statements

2.26.1 Financial and Operational Overview

During the financial year 2022/23, the final approved budget was TZS 14,333,537,957 and the Institute reallocated budget within departments/Units. The approved operational and development budget for the year was TZS 14,333,537,957 as compared to TZS 11,408,162,500 allocated in the year 2021/22 while the approved budget for Personnel Emolument was TZS 6,013,262,800 as compared to TZS 4,676,304,000 allocated in the year 2021/22.

2.26.2 Revenue from government grants

The Institute earned TZS 5,494,293,871 as revenue grants from the Government during the year received from the government as compared to TZS 5,018,076,462 in the year 2021/22. During the 2022/23 large per cent of this revenue was received from the Government inform of Personnel Emolument, Development Funds and Other Charges (OC). The mentioned amount increased by TZS 476,217,409 due development funds received for construction of hostel at Kisangara Campus as well as staff benefits for newly recruited staff and promotion.

2.26.3 Other revenue

The Institute earned revenue from other transactions amounting to TZS 6,425,411,020 during the financial year 2022/23 compared to the previous year 2021/22 where a total of TZS 5,686,742,584 was earned. The mentioned amount increases by TZS 738,668,436 which was attributed to increases in number of students. This is disclosed in Note 19 of the financial statements.

2.26.4 Staff Benefits Expenses

Staff benefits at the Institute comprises salaries, extra duty, food, and refreshment, NHIF contribution, subsistence allowance, casual labour and other personal allowances. During the financial year 2022/23 the approved budget for staff benefits expenses amounted to TZS 6,013,262,800 while the actual expenditure amounted to TZS 6,387,638,775 as compared to the

INSTITUTE OF SOCIAL WORKS (ISW)

previous year actual which amounted to TZS 5,563,594,375. The variation was attributed to recruitment of new staff as well as promotions.

2.26.5 Social benefits expenses

The actual expenditure for social benefits expenses for the financial year 2022/23 was TZS 17,560,000 as compared to TZS 33,535,000 for 2021/22. The decrease was attributed to the fact most of staff who were sponsored by the Institute for further studies completed their studies in PhD and master's degree levels. This is disclosed in Note 24 of the financial statements.

2.26.6 Use of Goods and Services

The use of goods and services covers ground travel, cleaning, security services, per-diems, remuneration to instructors, supervision in research and dissertation, examination expenses, stationeries, tuition fees, electricity charges and water charges. The actual expenditure for use of goods and services in 2022/23 amounted to TZS 2,502,903,359 as compared to TZS 2,318,245,106. An increase was attributed to reclassification of some expenses from other categories of expenses in 2023 to comply with the reporting requirements in MUSE. This is disclosed in Note 22 of the financial statements.

2.26.7 Other Expenses

Other expenses include insurance expenses, consultancy fees, audit fees, agency fees and bad debts. The actual expenditure was TZS 335,021,474 while the actual expenditure for 2021/22 was TZS 671,550,283. The variation was attributed to reclassification of some expenses to other categories of expenses in 2023. This is disclosed in Note 21 of the financial statements.

2.26.9 Depreciation Charges

Depreciation at the Institute is charges non-current assets which include buildings, office equipment, motor vehicle, library books, generator, graduation gowns, furniture, and fittings. Depreciation during the year 2022/23 was TZS 816,465,696 while in the financial year 2021/22 it was TZS 612,986,290. The variation was attributed to increase in PPE items acquired during the year and adoption of GAMIS system which charge depreciations depending on assets conditions to determine the remaining useful life of the asset. This is disclosed in Note 8 of the financial statements.

2.26.9 Amortization of intangible assets

At the Institute amortization is applied to computer software which is intangible asset. Amortization during the year 2022/23 was TZS 9,752,211 while in the financial year 2021/22 it was TZS 9,752,211. There was no variation on the amount of amortization during the year. This is disclosed in Note 9 of the financial statements.

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2.26.10 Cash and Cash equivalent

These are cash balances at the end of the financial year which includes bank balances of development, deposits, and recurrent accounts. During the financial 2022/23 the cash and cash equivalent was TZS 2,721,051,734 compared to the previous financial year which amounted to TZS 2,248,979,873. The increase was attributed to funds carried over to finance development projects. This is disclosed in Note 10 of the financial statements.

2.26.10 Property, Plant and Equipment

It comprises residential and office buildings. School building, office furniture and equipment, library books, motor vehicle, cement slabs, fence, graduation gowns, water well, Generator and electronic equipment. The net book value of PPE at the end the financial year 2022/23 was TZS 53,522,049,946 while that of 2021/22 was TZS 52,572,375,245. The increase was attributed to acquisition of office furniture, electronic equipment, library books. This is disclosed in Note 8 of the financial statements.

2.26.11 Work in Progress (WIP)

It presents construction of classrooms at Kisangara Campus which is in progress. During the financial year under review, the work in progress was TZS 717,226,061. During the financial year 2021/22 there was TZS 634,219,000 work in progress. This is disclosed in Note 8 of the financial statements.

2.26.12 Deferred revenue

It is an income deferred to the next financial year due to non-completion of the intended activities. The Institute deferred a total of TZS 250,307,474 for 2022/23 as compared to TZS 349,897,425 for 2021/22. The decreases in deferred income were attributed to the finalization of Kisangara hostel project which was the fund reserved for. This is disclosed in Note 41 of the financial statements.

2.26.13 HESLB Loan

The Institute sponsors its staff to undertake master's and PhD studies through the Higher Learning Students Loans Board (HESLB). The Institute at the end of the financial year 2022/23 had no HESLB loan amount compared to the year 2021/22 where the HESLB loan balance was TZS 70,543,925. The decrease was attributed to the Institute paying all the loan amount to the HESLB. This is disclosed in Note 34 of the financial statements.

2.27 Current and Future Development planning

The Institute current and future developments are derived from main Strategic Plan in relation to allocated budget. The budget is prepared annually and monitored on quarterly basis in order to ensure realization of Institute Strategic objectives. The implementation of previous year

INSTITUTE OF SOCIAL WORKS (ISW)

plans, challenges, future development, and factors that may affect future plans are presented hereunder:

i) Implementation analysis of the previous year

During the reporting period, the Institute conducted the following: -

- a) Teaching, examination and learning activities as planned.
- b) Counselling services, work life balance, stress management, psychosocial support and awareness programs was conducted to 3,321 people from the society and Institutions.
- c) Trainings on improvement of mental health, reducing NCD's and gender violence at the workplace to 628 people, 47 Boda Boda riders on how to sensitize others (ToT) on gender violence and 110 House maids on early childhood development.
- d) Prepared and received approval of the curriculum for Early Childhood Care and Development for NTA level 4, 5 and 6 to start in academic year 2023/24.
- e) Eleven (11) short courses in areas of customer care, grievances resolution, code of conduct, mental health, effective disciplinary handling procedures, guidance and counselling and emotional intelligence.
- f) Data collection on progress on research titled: Barriers to Help Seeking Behaviour among Children Who Experience Sexual Violence in Tanzania: The Case of Dar es Salaam, Tanga and Coast Regions.
- g) Published six academic papers in the Institute of Social Work Journal Volume 2 (1), 2023 (Hard copy with ISSN 1821-7494 and Electronic Copy with ISSN 2738-9057). In addition, one paper was published in the Journal of Education Technology and Online Learning. 6(2), 2023 pp 362-383.
- h) Progressed with one consultancy on the Independent Evaluation of the 'Mtoto Kwanza Project' in Tanzania under Children in Crossfire.
- i) Quarterly general maintenance, vulnerability assessment and penetration testing. In addition, it conducted general preventive maintenance to improve the performance and safety of the ICT equipment.
- j) Conducted marketing and advertisements as per its marketing strategy.
- k) Allocated 79 students into apprenticeship programs. Twelve of the students were placed in Msomera village to offer Social Work services to the Community. The program is conducted in collaboration with the Ministry of Community Development, Gender, Women and Special Groups. The other 67 graduates have placed in various public and private agencies to gets hands on training in line with their professions.
- l) Conducted 27 outreach programs.
- m) Conducted geo-technical survey for the area that will be used to construct six storey hostel buildings to accommodate 1,800 students and the area for construction of a four-storey building with a sitting capacity of 1,572 students and 32 offices for 96 staff. In addition, part of the building will be used as an ICT lab with a sitting capacity of 212.
- n) Constructed students Hostel in Kisangara campus with the capacity of accommodating 104 students.

INSTITUTE OF SOCIAL WORKS (ISW)

- o) Procured ICT equipment i.e., 40 desktop computers, 11 tablets, 22 laptop computers, two heavy-duty printers and CCTV cameras for Library.
- p) Renovated Master's classrooms procured furniture and material for renovating staff quarters.

ii) Challenges

In the course of implementation of its activities the Institute encountered a number of challenges that included the following: -

- a) Delay by contractors in implementing projects;
- b) Inadequate teaching space (lecture theatres) and accommodation for students;
- c) Inadequate fund to finance renovation of staff quarters, construction of students' hostel and Lecture theatre building in Kijitonyama campus.

iii) Future plans of the Institute

The Institute plans to: -

- a) Increase students' enrolment by introducing/establishing programs in the new department of psychology and existing departments;
- b) Complete furnishing of Information Resource Centre, rehabilitate staff quarters, classrooms and other facilities in order to improve learning environment;
- c) Continue with construction of students' hostel in Kisangara campus;
- d) Solicit funds from government and partners to finance the construction of lecture theatres and students' hostels at main campus;
- e) Develop zonal campuses starting with Kisangara in the North Zone where infrastructural facilities including classrooms, library, offices, canteen, model day care centre and ECD laboratory will be constructed in collaboration with partners;
- f) Continue diversifying sources of funds by further strengthening research and consultancy activities through PhD trainings and capacity building programs;
- g) Continue mainstreaming ICT into teaching and learning activities by implementing intranet services and E-Technology e.g., online registration and N - computing Technology.

iv) Factors that might affect future Development and Performance of the Business.

a) Unforeseen events

The occurrence/outbreak of events such as pandemic diseases (COVID 19, Ebola, Sars), fire and floods may hinder effective implementation of future plans.

b) Inadequate enrolment of the students

Inadequate number of students who qualify for admission may affect collection of revenues/Cash flow. Low cash-flow collection hinders implementation of planned activities.

INSTITUTE OF SOCIAL WORKS (ISW)

c) **Software malfunctioning and hardware problems**

Software malfunctioning or corrupt and hardware problems which may be caused by virus, hackers or heavy rains may affect systems and ICT infrastructure which in turn affect implementation of the future plan.

d) **Employees/Labour turnover**

Implementation of organization plan depends on motivated and satisfied human resources. If some of employees become unsatisfied and opt to shift to other organizations may result into high employee turnover which might affect implementation of the plan.

2.28 APPROVAL

This Report was approved and authorized for issue by the order of The Board of Governors on 25th March 2024 and signed on its behalf by:

Hon. Sophia M. Simba

Signature: 

Board Chairperson

Date: 25-03-2024

Dr. Joyce E. Nyoni

Signature: 

RECTOR

Date: 25-03-2024

INSTITUTE OF SOCIAL WORKS (ISW)

3.0 STATEMENT OF THE BOARD OF GOVERNORS' RESPONSIBILITY

These financial statements have been prepared by the Management of the Institute of Social Work in accordance with requirement of the International Public Sector Accounting Standards (IPSAS). The Board is responsible for establishing and maintaining a system of effective internal control designed to give reasonable assurance that the transactions recorded in the accounts are within the statutory requirement and that they contain the receipts and use of resources by the ISW.

The Board of ISW is responsible for keeping proper accounting records which at any time disclose with reasonable accuracy the financial position of the Institute and enabled them to ensure that the financial statements comply with the IPSAS. The Board is also responsible for safeguarding the assets and taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The Board confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the year ended 30 June 2023. The Board also confirms that International Public Sector Accounting Standards (IPSAS) Accrual basis have been complied with and that the financial statements have been prepared on the going concern basis hence gives a true and fair view presentation of the Institute.

To the best of Board's knowledge, the internal control system has operated adequately throughout the reporting period and the accounting and underlying records provide a reasonable basis for the preparation of the financial statements for the year ended 30 June 2022. We accept responsibility for the integrity of the Financial Statements, the information they contain and their compliance with IPSAS Accrual basis.

By order of the Board



Chairperson of the Board



Rector

Date 25-03-2024

INSTITUTE OF SOCIAL WORKS (ISW)

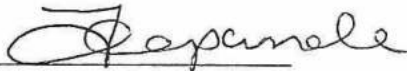
4.0 DECLARATION OF HEAD OF FINANCE

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act, 1972 as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Governors/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with International Public Sector Accounting Standards (IPSAS) and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Governors as under Statement of the Board of Governors' Responsibility on an earlier page.

I, CPA Aisha Ramadhani Kapande, being The Chief Accountant of the Institute of Social Work hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Institute of Social Work as on that date and that they have been prepared based on properly maintained financial records.

Signature: 

Signed by: CPA Aisha Ramadhani Kapande

Position: Chief Accountant

NBAA Membership No.: ACPA 2973

Date: 25.03.2024


INSTITUTE OF SOCIAL WORKS (ISW)

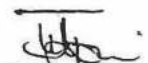
5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

| | Notes | 2022/23 TZS | 2021/22 TZS "Restated" |
|--|-------|-----------------------|------------------------------|
| Assets | | | |
| Current Assets | | | |
| Cash and Cash Equivalents | 10 | 2,721,051,734 | 2,248,979,873 |
| Receivables from exchange transactions | 11-A | 24,197,870 | - |
| Receivables from non-exchange transactions | 11-B | 932,354,831 | 591,406,051 |
| Prepayment | 11-C | 457,166,517 | 7,059,180 |
| Inventories | 12 | 94,768,070 | 114,516,263 |
| | | <u>4,229,539,002</u> | <u>2,961,961,367</u> |
| Non-Current Assets | | | |
| Property, Plant and Equipment | 8 | 53,522,049,946 | 52,572,375,245 |
| Work in Progress | 8 | 717,226,061 | 634,218,973 |
| Intangible Assets | 9 | 31,017,088 | 40,769,298 |
| | | <u>54,270,293,095</u> | <u>53,247,363,516</u> |
| Total Assets | | <u>58,499,832,117</u> | <u>56,209,324,883</u> |
| Net Assets and Liabilities | | | |
| Current Liabilities | | | |
| Payables from exchange transactions | 14-A | 477,246,895 | 310,213,358 |
| Payables from non-exchange transactions | 14-B | 448,332,918 | 117,358,473 |
| Deposits (Project funds) | 35 | 165,481,194 | 70,105,580 |
| Provisions | 15 | 470,901,324 | 477,477,632 |
| | | <u>1,561,962,331</u> | <u>975,155,043</u> |
| Non-Current Liabilities | | | |
| Capital grants | | - | - |
| HESLB loan | 34 | - | 70,543,925 |
| Deferred Income | 36 | 250,307,474 | 349,897,425 |
| | | <u>250,307,474</u> | <u>420,441,350</u> |
| Total Liabilities | | <u>1,812,269,805</u> | <u>1,395,596,393</u> |
| Net assets | | | |
| Taxpayer's Fund | | 39,120,822,656 | 39,120,822,656 |
| Accumulated Surplus | | 17,566,739,656 | 15,692,905,834 |
| | | <u>56,687,562,312</u> | <u>54,813,728,490</u> |
| Total Net assets and Liabilities | | <u>58,499,832,117</u> | <u>56,209,324,883</u> |

The Financial Statements were approved for issue by the Board on 25/03/2024 and were signed on its behalf by:


Chairperson of the Board


Rector

INSTITUTE OF SOCIAL WORKS (ISW)

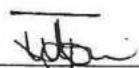
5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

| | Notes | 2022/23 TZS | 2021/22 TZS |
|--|-------|-----------------------|-----------------------|
| Revenue from non-exchange transaction | | | "Restated" |
| Subvention from other government Entities | 16 | 4,951,479,534 | 4,702,236,492 |
| Revenue Grants | 36 | 399,589,951 | - |
| Fees, Fines, Penalties and Forfeits | 18 | 134,115,089 | 119,665,042 |
| Other Revenue | 19 | 6,425,411,020 | 5,686,742,584 |
| | | <u>11,910,595,594</u> | <u>10,508,644,118</u> |
| Revenue from exchange transaction | | | |
| Revenue from Exchange | 17 | 290,232,351 | 230,982,789 |
| | | <u>290,232,351</u> | <u>230,982,789</u> |
| Total Revenue | | <u>12,200,827,945</u> | <u>10,739,626,907</u> |
| Expenses | | | |
| Amortization of Intangible Assets | 9 | 9,752,211 | 9,752,211 |
| Depreciation of Property, Plant and Equipment | 8 | 816,465,606 | 612,986,290 |
| Impairment of Property, Plant and Equipment | 8 | 7,692,112 | 3,129,300 |
| Impairment of Receivables | 11-B | 30,376,857 | 54,409,533 |
| International Contribution | | 231,500 | - |
| Maintenance Expenses | 20 | 139,352,229 | 154,763,768 |
| Other Expenses | 21 | 335,021,474 | 671,550,282 |
| Social Benefits | 24 | 17,560,000 | 33,535,000 |
| Use of Goods and Service | 22 | 2,502,903,359 | 2,318,245,106 |
| Wages, Salaries and Employee Benefits | 23 | 6,387,638,775 | 5,563,594,375 |
| Grants, Subsidies, and other transfer payments | 42 | 80,000,000 | 60,000,000 |
| Total expense | | <u>10,326,994,122</u> | <u>9,481,965,865</u> |
| Surplus for the year | | <u>1,873,833,823</u> | <u>1,257,661,042</u> |

The Financial Statements were approved for issue by the Board on 25/03/2024 and were signed on its behalf by:



 Chairperson of the Board




 Rector

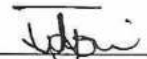
INSTITUTE OF SOCIAL WORKS (ISW)

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

| | Taxpayer's Fund | Accumulated Surplus /(Loss) | Total |
|-------------------------------|-----------------------|--------------------------------|-----------------------|
| | TZS | TZS | TZS |
| Balance as at 01 July 2022 | 39,120,822,656 | 15,692,905,834 | 54,813,728,490 |
| Surplus for the year | - | 1,873,833,822 | 1,873,833,823 |
| Balance as at 30 June 2023 | <u>39,120,822,656</u> | <u>17,566,739,656</u> | <u>56,687,562,312</u> |
| At 01 July 2022 | 39,120,822,656 | 14,435,244,792 | 53,556,067,448 |
| Surplus for the year | - | 1,257,661,042 | 1,257,661,042 |
| As at 30 June 2022 | <u>39,120,822,656</u> | <u>15,692,905,834</u> | <u>54,813,728,490</u> |

The Financial Statements were approved for issue by the Board on 25/03/2024 and were signed on its behalf by:-


Chairperson of the Board



Rector


INSTITUTE OF SOCIAL WORKS (ISW)

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

| CASH FLOW FROM OPERATING ACTIVITIES | NOTE | TZS 2022/23 | TZS 2021/22 "Restated" |
|--|------|------------------------|------------------------------|
| RECEIPTS | | | |
| Subvention from other Government entities | 33-C | 4,192,073,281 | 3,850,459,497 |
| Revenue Grants | 36 | 300,000,000 | 400,000,000 |
| Revenue from Exchange Transactions | 33-F | 266,034,481 | - |
| Fees, Fines, penalties and forfeitures | 18 | 134,115,089 | - |
| Other Revenue | 33-G | 6,028,180,718 | 5,848,927,978 |
| Project Funds | 35 | 439,622,320 | 288,271,834 |
| Total Receipts | | 11,364,240,228 | 10,387,656,309 |
| PAYMENTS | | | |
| Wages, Salaries and Employee Benefits | 33-D | (5,635,993,558) | (4,745,874,835) |
| Use of Goods and Service | 33-B | (2,031,492,578) | (1,995,104,514) |
| Social Benefits | 24 | (17,560,000) | (33,535,000) |
| Other Transfers | 42 | (80,000,000) | (60,000,000) |
| Other Expenses | 33-E | (254,748,774) | (592,537,542) |
| Maintenance Expenses | 20 | (139,352,229) | (154,763,768) |
| Project Payments | 35 | (344,256,941) | (257,460,289) |
| Prepayment Others | 11-C | (457,166,517) | - |
| Total Payments | | (8,960,570,597) | (7,839,275,948) |
| NET CASH FLOW FROM OPERATING ACTIVITIES | 33-A | 2,399,455,293 | 2,548,383,361 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Investing Activities | | | |
| Payment for Work in Progress | 8 | (710,476,281) | (634,218,973) |
| Acquisition of Property, Plant and Equipment | 8 | (1,146,363,227) | (474,558,213) |
| Acquisition of Intangibles | | - | (9,500,000) |
| Total Investing Activities | | (1,856,839,508) | (1,118,277,186) |
| Cash Flow from Financing Activities | | | |
| Loan From HESLB | 34 | - | 22,200,000 |
| Repayment of HESLB loan | 34 | (70,543,925) | (319,305,404) |
| Total Cash Flow from Financing Activities | | (70,543,925) | (297,105,404) |
| Net Increase | | 472,344,561 | 1,133,000,771 |
| Cash and cash equivalent at beginning of period | | 2,248,979,873 | 1,115,979,102 |
| Cash and Cash Equivalent at 30 June | 10 | 2,721,051,734 | 2,248,979,873 |

The Financial Statements were approved for issue by the Board on 25/03/2024 and were signed on its behalf by:


Chairperson of the Board


Rector

Controller and Auditor General

INSTITUTE OF SOCIAL WORKS (ISW)

5.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

Table 19: Budget Prepared on Cash Basis

| Budget Item | Original Budget | Adjustment | Final Budget | Actual | Variance |
|--|-----------------------|----------------------|-----------------------|-----------------------|------------------------|
| RECEIPTS | TZS | TZS | TZS | TZS | TZS |
| Revenue from Exchange Transactions | 548,333,000 | - | 548,333,000 | 266,034,481 | (282,298,519) |
| Other Revenues | 6,868,350,000 | - | 6,868,350,000 | 6,028,180,718 | (840,169,282) |
| Revenue Grants | 550,000,000 | - | 550,000,000 | 300,000,000 | (250,000,000) |
| Subvention from other Government entities | 4,142,200,000 | - | 4,142,200,000 | 4,196,287,620 | 54,087,620 |
| Project Income | 234,784,000 | - | 234,000,000 | 439,622,320 | 205,622,320 |
| Fees, Fines, Penalties and Forfeits | - | - | - | 134,115,089 | 134,115,089 |
| Development activities -Carry over budget | 1,990,654,957 | - | 1,990,654,957 | - | (1,990,654,957) |
| Total Receipts | 14,334,321,957 | | 14,333,537,957 | 11,364,240,228 | (2,969,297,729) |
| PAYMENTS | | | | | |
| Grants and Transfers | 80,000,000 | - | 80,000,000 | 80,000,000 | - |
| Other Expenses | 1,701,243,158 | (25,000,000) | 1,676,243,158 | 254,748,774 | (1,421,494,384) |
| Maintenance Expenses | 591,338,670 | (108,000,000) | 483,338,670 | 139,352,229 | (343,986,441) |
| Use of Goods and Service | 4,801,012,800 | (188,000,000) | 4,613,012,800 | 2,035,706,916 | (2,577,305,884) |
| Wages, Salaries and Employee Benefits | 5,184,200,000 | (170,250,000) | 5,013,950,000 | 5,635,993,558 | (377,269,242) |
| Acquisition of Property, Plant and Equipment | 1,576,527,329 | (120,000,000) | 1,456,527,329 | 1,146,363,227 | (310,164,102) |
| Payment for Work in Progress | 400,000,000 | - | 400,000,000 | 710,476,281 | 310,476,281 |
| Social Benefits | - | - | 31,520,000 | 17,560,000 | (13,960,000) |
| Projects Expenditures | - | - | - | 344,256,941 | 344,256,941 |
| Loan Repayments from HESLB | - | - | - | 70,543,925 | 70,543,925 |
| Advance payments for Acquisition | - | - | - | 457,166,517 | 457,166,517 |
| Total Payment | 14,334,321,957 | (611,250,000) | 14,753,904,757 | 10,892,168,368 | (3,861,736,389) |
| Net Receipts/Payments | | | (420,366,800) | 472,071,860 | 892,438,660 |
| Cash at the Beginning of the period | | | | 2,248,979,874 | |
| Cash at the end of the period | | | | 2,721,051,734 | |

Note: The budget re-allocation was done in the mid budget implementation to reflect the actual expected to revenue to be realized and collected from various source

INSTITUTE OF SOCIAL WORKS (ISW)

5.6 SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURES

1. INSTITUTE INFORMATION

The Institute of Social Work is a higher learning public Institution under the Ministry of Health, Community Development Gender Elderly and Children. It was established under an Act of Parliament No. 26 of 1973 as subsequently amended underwritten laws (Miscellaneous Amendment) No. 25 Act 2002. The Institute is located at Kijitonyama Plot No. 684, Block 44, along New Bagamoyo/Shekilango roads, Dar es Salaam.

2. BASIS OF PREPARATION

The Financial Statements have been prepared on the historical cost basis, except for certain financial instruments which are stated at fair value. The financial statements have been prepared in accordance with International Public Sector Accounting Standard (IPSAS) Accrual basis.

3. ACCOUNTING PERIOD

The Accounting period of the Institute of Social Work for the purpose of preparation of Financial Statement is 1 July to 30 June.

4. CHANGES IN ACCOUNTING POLICIES

Changes resulted from the new or revised standards, interpretations, amendments to the existing standards, interpretations, and improvements to the IPSASs that were effective for the current reporting period from 1 July 2022 did not have any impact on the accounting policies, financial position, or performance of the Institute.

5. ADOPTED ACCOUNTING STANDARDS AND STANDARDS ISSUED BUT NOT YET EFFECTIVE

a) New, amended standards and interpretation issued but not yet effective

The new and amended standards issued but not effective to the date of issuance of the Institute financial statements are not expected to have material impact on the financial statements of the Institute and have not been applied in preparing these financial statements. Those which may be relevant to the Institute are set out below. The Institute does not plan to adopt these standards early. These will be adopted in the period that they become mandatory unless otherwise indicated.

Table 20: New standards not yet effective

| Sn | Approved Standard | Changes | Effective Date |
|----|---------------------------------|--|--|
| 1 | IPSAS 41: Financial Instruments | IPSAS 41 improves financial reporting for financial instruments by: i. Applying a single classification and | Effective for annual periods beginning on or after 1 January |

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| Sn | Approved Standard | Changes | Effective Date |
|----|---------------------------|--|---|
| | | <p>measurement model for financial assets that consider the characteristics of the asset's cash flows and the objective for which the asset is held;</p> <p>ii. Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</p> <p>Applying an improved hedge accounting model that broadens the hedging arrangements in the scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</p> | <p>2023.</p> <p>Earlier application is permitted.</p> |
| 2 | IPSAS 42: Social Benefits | <p>The objective of the standard is to improve the relevance, faithful representativeness, and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial report assess:</p> <p>a) The nature of such social benefits provided by the entity.</p> <p>b) The key features of the operation of those social benefit schemes, and</p> <p>b) The impact of such social benefits provided on the entity's financial performance, financial position, and cash flows.</p> | <p>Effective for annual periods beginning on or after 1 January 2023.</p> <p>Earlier application is permitted</p> |
| 3 | IPSAS 43: Leases | <p>IPSAS 43 is a final product of phase one dealing with lease accounting model (s) for both lessees and lessors on the same definition of a lease as in IFRS 16.</p> <p>Now, IPSAS 43 requires the lease to recognize:</p> <p>a) A right-of- use asset because they control the right to use the underlying compared with IPSAS 13 where the lease recognizes the underlying asset when the lease is classified as a finance lease but not when it is classified as an operating lease.</p> <p>A lease liability because they have a present obligation to make future lease payments in</p> | <p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted for entities that apply IPSAS 41 at or before the date of initial application of this standard.</p> |

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| Sn | Approved Standard | Changes | Effective Date |
|----|--|--|--|
| | | accordance with the lease contract (once the underlying asset has been made available and the lessee has the right to use it). Under IPSAS 13, a lease liability is not recognized when the lessee classifies the lease as an operating lease. | |
| 4 | IPSAS 44: Non - current Assets Held for Sale and Discontinued Operations | <p>The standard specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:</p> <ul style="list-style-type: none"> a) Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and <p>Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p> | <p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted, and it is early applied entities shall disclose that fact and apply IPSAS 43 on leases at the same time.</p> |
| 5 | IPSAS 45: Property, Plant and Equipment | <p>IPSAS 45 intends at updating principles drawn from IPSAS 17, Property, Plant, and Equipment by adding new guidance for heritage assets, infrastructure assets, and measurement of property, plant, and equipment</p> <p>This is after considering responses to the Consultation Paper (CP), Financial Reporting for Heritage in the Public Sector, and constituents' feedback on infrastructure assets the IPSASB concluded that:</p> <ul style="list-style-type: none"> (a) IPSAS 17 should fully apply to heritage assets that are property, plant, and equipment; and <p>Additional authoritative and non-authoritative guidance should be included in IPSAS 45 to clarify its application to heritage and infrastructure assets.</p> | <p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted for entities that apply IPSAS 43, IPSAS 44, and IPSAS 46 at or before the date of initial application of the Standard.</p> |
| | IPSAS 46: Measurement | <p>The objective of IPSAS 46 to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> (a) Providing further detailed guidance on the implementation of commonly used measurement bases, and the circumstances under which they should be used; (b) Clarifying transaction costs guidance to | <p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted.</p> |

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| Sn | Approved Standard | Changes | Effective Date |
|----|-----------------------------|--|--|
| | | enhance consistency across IPSAS; and Amending, where appropriate, guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement-related disclosures | |
| 6 | IPSAS 47: Revenue | The objective of IPSAS 47 is to: (a) Present revenue guidance in a single standard by replacing IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers); (b) Clarify and refine the accounting principles and concepts to account for revenue transactions in the public sector; and Provide non-authoritative guidance to help preparers use professional judgment in applying the accounting principles consistently. | Effective for annual periods beginning on or after 1st January 2026. Earlier application is permitted. If an entity applies this Standard earlier, it shall disclose that fact. |
| | IPSAS 48: Transfer Expenses | The objective of IPSAS 48 is to: (a) Revise the accounting of transfer expenses to move away from the Public Sector Performance Obligation Approach (PSPOA) and to focus on whether the transfer transaction results in the recognition of an asset; (b) Focus on the accounting from the perspective of the transfer provider (the entity); and Streamline the requirements for measurement, as well as presentation and disclosure. | Effective for annual periods beginning on or after 1st January 2026. Earlier application is permitted. If an entity applies this Standard earlier, it shall disclose that fact and shall apply IPSAS 47, Revenue, at the same time |

c) International Public Sector Accounting Standards (IPSAS) not used by the Institute.

Due to the nature of the Institute's operations, some of the International Public Sector Accounting Standards are not applicable, among them are:

Table 21: Standards not used by ISW

| SN | Standards | Descriptions | Effective date |
|----|-----------|--|----------------|
| 1 | IPSAS 10 | Financial reporting in hyperinflationary economies | 1 July 2002 |
| 2 | IPSAS 11 | Construction Contracts | 1 July 2002 |
| 3 | IPSAS 18 | Segment Reporting | 1 July 2003 |
| 4 | IPSAS 27 | Agriculture | 1 April 2011 |

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| | | | |
|----|----------|---|----------------|
| 5 | IPSAS 32 | Service Concession Agreement | 1 January 2014 |
| 6 | IPSAS 34 | Separate Financial Reporting | 1 January 2017 |
| 7 | IPSAS 35 | Consolidated Financial Statement | 1 January 2017 |
| 8 | IPSAS 36 | Investment in Associates and Joint Entities | 1 January 2017 |
| 9 | IPSAS 37 | Joint Arrangements | 1 January 2017 |
| 10 | IPSAS 38 | Disclosure of Interest in other entities | 1 January 2017 |
| 11 | IPSAS 40 | Public Sector Combinations | 1 January 2019 |

6. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) Functional and presentation currency

Items included in the Financial Statements of the Institute are measured using the currency of the primary economic environment in which the Institute operates ("the functional currency"). The Financial Statements are presented in Tanzanian Shilling, which is the Institute's functional and presentation currency.

b) Foreign currency translation

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 (bid price) and liabilities (offer price) denominated in foreign currencies are recognized in the statement of financial performance.

c) Revenue recognition

i. Revenue from non-exchange transactions

Transfers from other Government entities

Revenues from non-exchange transactions with other Government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services, and property) if the transfer is free from conditions, but if there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Fees

The institute recognizes revenues from fees when the event occurs and the asset recognition criteria are met, to the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue.

ii. Revenue from exchange transaction

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The institute recognizes revenues from exchange transactions when the event occurs and the asset recognition criteria are met, to the extent that there is a related condition attached that would give rise to a liability to repay the amount

iii. Rental income

Rental income is recognized on accrual basis. The collection from rental income is apportioned accordingly and the unpaid amount recognized as receivable.

d) Property, Plant and Equipment

Plant and equipment are initially recorded at cost and thereafter stated at historical cost less accumulated depreciation, and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met.

The depreciation rates were calculated on a straight-line basis at annual rates adopted from Accountant General as per Accounting Circular No 1 & 2 of 2017/18 on testing for impairment and charging for depreciation as per standards. The depreciation rates used during the year under review are the same as previous year as shown in Table 212.

Table 22: Property, Plant and Equipment

| Asset Description | Depreciation Rates |
|-------------------------------|--------------------|
| Motor vehicles | 20.00% |
| Furniture and equipment | 20.00% |
| Buildings-School | 1.333% |
| Buildings-Residential | 2% |
| Software/electronic equipment | 14.29% |
| Library books | 20.00% |
| Fence | 4.00% |
| Water well | 6.67% |
| Generator | 6.67% |

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

The assets' residual values and useful lives and methods of depreciation of property, plant and equipment are reviewed and adjusted if appropriate, at each balance sheet date.

During the year, the depreciation was charged using GAMIS system of which each asset was charged separately based on condition/ status of assets as a result some assets 'useful life were either increased or decreased thus led to a significant increase / (decrease) in charge for the year for some assets.

Impairment of Property, Plant and Equipment

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Two residential buildings at main campus and two school buildings at Kisangara campus were identified to have indicators for impairments. The assessment confirm that the identified buildings have been further impaired as compared to last financial year due to physical damage, idleness, deteriorations, and obsolescence. The management is satisfied that the impairment status does not remains the same as previous year hence re calculated and find the value of Impairment be TZS 7,692,112.

e) Budget Information

i. Budget approval

The Institute's budget for the year 2022/23 was approved by the National Assembly in June 2022. It was prepared on the accrual basis, that is, all planned costs and income are presented in a single statement to determine the needs of the Institute. Explanatory comments are provided in the notes to the annual financial statements; first, the reasons for overall growth or decline in the budget are stated in the statement of comparison of budget and actual amount, followed by details of overspending or under spending online items.

ii. Basis and classification budget

The Institute budget was prepared on accrual basis and the classification of the budget items were done based on the Institute objectives except for the few items such as Audit fee, Legal cases, Salary and staff benefits which were separately disclosed.

f) Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate Method (EIR) less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of Financial Performance. The losses arising from impairment are recognised in the statement of Financial Performance in finance costs.

g) Employee's benefits

i. Retirement benefit obligation

The Institute's employees are members of state-owned pension scheme Public Service Social Security Fund (PSSSF). These schemes will bear all pension obligations. Both employer and employees contribute the statutory fee to the pension fund and the amounts are charged to the statement of comprehensive income when due.

ii. Defined Employee Benefit Plan

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The Institute has a policy to pay retiring employees who have served for at least ten years an amount of TZS 40,000,000. In complying with IPSAS 25, the ISW has determined entitled employees as per the policy and provided for their benefit during the year under review.

iii. Other entitlements

The estimated monetary liability for employees accrued annual leave entitlement at the balance sheet date is recognized as an expense accrual. The Institute also accrues and pays gratuity of 25% of basic salary to its employees who employed in contract terms. Termination benefits are payable when employment is terminated before the normal retirement/contract expiry date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

h) Prepayments

Prepayments are recognized as assets when payment for goods or services has been made in advance of obtaining right to access those goods or service.

i) Cash and cash equivalent

Cash and cash equivalents are carried in the balance sheet at face value. For the purpose of cash flow statements cash and cash equivalents, comprise cash at bank, Cash in hand and petty cash. The cash and cash equivalent presented in the statement of financial position are available for use and such no cash is not available for use.

j) Intangible assets - Computer software costs

The policy for the recognition of intangible assets when the following criteria are met;

- It is probable that the expected future economic benefits attributable to the assets will flow to the institute.
- The cost of the assets can be measured reliably.

Costs incurred on computer software are initially accounted for at costs as intangible assets and subsequently at cost less any accumulated amortization and accumulated impairment losses. Amortization is calculated on a straight-line basis over the estimated useful lives. The Institute's intangible assets have useful life of five years. The residual value and expected useful lives are reassessed annually.

k) Impairment on Non-Financial Assets

- i. Basis of separating cash and non-cash generating assets

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The basis of categorizing ISW assets into non-cash generating assets was due to the fact that they are primarily held for service delivery and not for generating commercial return. In accordance with IPSAS 21, these assets are categorized as non-cash generating assets.

ii. Impairment of Cash-Generating Assets

At each reporting date, the entity assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the entity estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of assets or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset or the Cash-Generating Unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of financial performance in those expense categories consistent with the nature of the impaired asset.

l) Inventories

Inventories are valued at cost or net realizable value/current replacement cost whichever is lower. The costs comprise purchase price, direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realizable value is the estimated selling price less cost to make the sale.

Inventories are recognized as an expense when deployed for consumption in ordinary course of the Institute operations, for the period that ended on June 30, 2023, the institute has written down inventory expenses with the amount of TZS 20,020,866. The Institute inventories at the Statement of Financial Position date comprises of stationeries and other consumables that will be expenses in the subsequent year.

m) Accounts Payables

Accounts payables are non-interest bearing and are stated at their nominal value.

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n) Comparative figures

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

o) Provisions

The institute policy is to recognize Provisions when the following conditions are met:-

- It 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 or service potential will be required to settle the obligation and
- Reliable estimate can be made of the amount of the obligation.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement. Table 13 indicates the total provision during the year.

Table 23: Summary of Provision

| Description | 30 June 2023 TZS | 30 June 2022 TZS |
|---|---------------------|---------------------|
| Advance Received | 280,039,354 | 286,615,662 |
| Provision for gratuity and other employees' benefit | 59,900,600 | 59,900,600 |
| Provision for Untaken leave | 130,961,370 | 130,961,370 |
| Provision for Bad and Doubtful debts | 470,901,324 | 477,477,632 |
| Total | | |

7. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Institute's Financial Statement requires the 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. Uncertainty about these assumptions and estimates could require a material adjustment to carrying amount of the asset or liability affected in the future periods.

Judgments

In the process of applying the Institute's accounting policies, no significant judgments were made by management.

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Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Asset Useful Lives

The useful lives of items of Property Plant and equipment are estimated annually and are in line with the rate at which they are depreciated. The carrying values of the Plant, property and Equipment shown on note No 51. During the period, the Institute reviewed useful life of Library books by increasing its useful life from five years to ten years due to the fact that the carrying value of the library books could have been zero if charged during the year without a review.

Impairment of Financial Assets

The Institute assesses annually whether there are any indicators of impairment for all financial assets at each reporting date. If indicators exist, an impairment test is done, and any identified impairment loss is recognized in the Financial Statements. During the year under review management recognized impairment loss amounting to TZS 7,692,112 in respect office and resident building and furniture's & equipment's.

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5.7 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

8. PROPERTY, PLANT AND EQUIPMENT

| Cost | Land | Buildings - Resident & office | School Buildings | Office furniture & equipment | Library Books | Motor vehicles | Cement slabs | Fence | Graduation gowns | Water well | Capital Work-in-Progress | Generator | Electronic Equipment | Total |
|---------------------------------------|------------|-------------------------------|------------------|------------------------------|---------------|----------------|--------------|----------|------------------|------------|--------------------------|-----------|----------------------|------------|
| At 1 July 2022 | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' |
| Additions (Monetary) | 36,528,684 | 8,192,748 | 7,606,040 | 1,775,503 | 553,662 | 423,135 | 16,362 | 296,175 | 96,387 | 13,127 | 634,219 | 265,494 | 939,221 | 57,340,757 |
| Additions (Non-Monetary) | - | 424,026 | 14,822 | 331,033 | - | - | - | - | - | - | 710,476 | - | 376,483 | 1,856,840 |
| Transfer | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Disposal of Asset | - | - | 627,469 | - | - | (45,000) | - | - | - | - | (627,469) | - | - | - |
| At 30 June 2023 | 36,528,684 | 8,616,774 | 8,248,331 | 2,099,033 | 553,662 | 378,135 | 16,362 | 296,175 | 96,387 | 13,127 | 717,226 | 265,494 | 1,315,704 | 59,145,094 |
| Accumulated Depreciation & Impairment | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| At 1 July 2022 | - | 811,180 | 706,808 | 1,327,329 | 380,044 | 275,269 | 16,362 | 121,963 | 52,693 | 6,301 | - | 45,419 | 390,793 | 4,134,161 |
| Accumulated on Disposal | - | - | - | (7,116) | - | (42,000) | - | - | - | - | - | - | - | (49,116) |
| Loss on Disposal | - | - | - | (386) | - | (3,000) | - | - | - | - | - | - | - | (3,386) |
| Charge for the year | - | 197,899 | 101,418 | 200,903 | 27,730 | 34,931 | - | 4,051 | 8,995 | 759 | - | 14,693 | 225,087 | 816,466 |
| Impairment Loss | - | 4,153 | 3,540 | - | - | - | - | - | - | - | - | - | - | - |
| At 30 June 2023 | - | 1,013,232 | 811,766 | 1,520,730 | 407,774 | 265,200 | 16,362 | 126,014 | 61,688 | 7,060 | - | 60,112 | 615,880 | 4,905,818 |
| Carrying Value | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| At 30 June 2023 | 36,528,684 | 7,603,542 | 7,436,565 | 578,303 | 145,888 | 112,935 | - | 170,161 | 34,699 | 6,067 | 717,226 | 205,382 | 699,824 | 54,239,276 |

Controller and Auditor General

INSTITUTE OF SOCIAL WORKS (ISW)

PROPERTY, PLANT AND EQUIPMENT 30th JUNE 2023

| | Land | Buildings - Resident & office | School Buildings | Office furniture & equipment | Library Books | Motor vehicles | Cement slabs | Fence | Graduation gowns | Water well | Capital Work-In-Progress | Generator | Electronic Equipment | Total |
|--------------------------|------------|-------------------------------|------------------|------------------------------|---------------|----------------|--------------|----------|------------------|------------|--------------------------|-----------|----------------------|------------|
| | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' | TZS'000' |
| Cost | | | | | | | | | | | | | | |
| At 1 July 2021 | 36,528,685 | 8,158,690 | 7,606,040 | 1,722,639 | 379,847 | 423,135 | 16,362 | 296,175 | 96,387 | 13,127 | - | 265,495 | 691,341 | 56,197,923 |
| Additions (Monetary) | - | - | - | 52,864 | 173,815 | | | | | | 634,219 | | 247,880 | 1,108,778 |
| Additions (Non-Monetary) | - | 34,057 | - | - | - | | | | | | | | - | 34,057 |
| Impairment Loss | | (3,129) | | | | | | | | | | | | (3,129) |
| At 30 June 2022 | 36,528,685 | 8,189,618 | 7,606,040 | 1,775,503 | 553,662 | 423,135 | 16,362 | 296,175 | 96,387 | 13,127 | 634,219 | 265,495 | 939,221 | 57,337,629 |
| Accumulated Depreciation | | | | | | | | | | | | | | |
| At 1 July 2021 | - | 633,283 | 620,991 | 1,169,156 | 350,639 | 243,252 | 16,362 | 110,116 | 43,054 | 5,426 | - | 28,900 | 296,868 | 3,518,047 |
| Charge for the year | - | 174,768 | 85,818 | 158,173 | 29,406 | 32,017 | - | 11,847 | 9,639 | 876 | - | 16,519 | 93,925 | 612,988 |
| At 30 June 2022 | - | 808,051 | 706,808 | 1,327,329 | 380,044 | 275,269 | 16,362 | 121,963 | 52,693 | 6,301 | - | 45,419 | 390,793 | 4,131,032 |
| Carrying Value | | | | | | | | | | | | | | |
| At 30 June 2022 | 36,528,685 | 7,381,567 | 6,899,232 | 448,173 | 173,617 | 147,866 | - | 174,212 | 43,694 | 6,826 | 634,219 | 220,076 | 548,427 | 53,206,594 |

INSTITUTE OF SOCIAL WORKS (ISW)

| 9. INTANGIBLE ASSETS | 2022/23 | 2021/22 |
|--------------------------------------|---------------|---------------|
| | | "Restated" |
| | TZS | TZS |
| Cost | 232,439,898 | 222,939,898 |
| As at 1 July | - | 9,500,000 |
| Additions | 232,439,898 | 232,439,898 |
| At 30 June | (191,670,600) | (181,918,389) |
| As at 1 July | (9,752,210) | (9,752,211) |
| Charge for the year | (201,422,810) | (191,670,600) |
| At 30 June | 31,017,088 | 40,769,298 |
| Carrying value | | |
| 10. CASH AND CASH EQUIVALENTS | 2022/23 | 2021/22 |
| | TZS | TZS |
| CASH AND CASH EQUIVALENTS | 912,443,901 | 1,741,426,415 |
| Bank of Tanzania (BOT) USD | 205,615,341 | 100,504,310 |
| Bank of Tanzania (BOT)TZS | 659,249 | 654,666 |
| National Bank of Commerce | 286,727,538 | 6,193,250 |
| CRDB 01J1013365500 Student Fees | 497,548,214 | 277,633,012 |
| CRDB 01J1013365501 General Payment | 4,806,771 | 59,940,446 |
| CRDB 01J1013365502 Student Allowance | 1,119,800 | 40,000 |
| CRDB 01J1013365505 UNICEF | 165,470,959 | 60,953,356 |
| CRDB 02J1013365501 Jane Adam Project | 11,958,531 | 10,235 |
| National Micro-Finance Bank | 275,626,202 | - |
| Development Expenditure Account | 1,980,721 | - |
| Imprest Cash Account | 228,278,570 | - |
| Own Source Development Expenditure | 128,537,487 | - |
| Recurrent Expenditure | - | 1,620,783 |
| National Microfinance Bank Kisangara | 278,450 | 3,400 |
| Petty Cash-HQ | 2,721,051,734 | 2,248,979,873 |

The exchange rate used to convert US\$ cash balance to TZS at the end of the years was 1
USD= TZS 2272.38

| 11. TRADE AND OTHER RECEIVABLES | 30 June 2023 | 30 June 2022 |
|---|--------------|--------------|
| | TZS | TZS |
| 11-A Receivable from exchange transactions | 24,197,870 | - |
| Suppliers Receivables | - | - |
| Less: Provision for impairment of receivables | - | - |
| Net receivable from exchange transactions | 24,197,870 | - |

2022/23 2021/22

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| | | | |
|-------------|--|--------------------|--------------------|
| 11-B | Receivable from non-exchange transactions | TZS | TZS |
| | Staff Receivables | 7,098,000 | - |
| | Imprest Receivable | - | 56,281,522 |
| | Other Receivables-Students | 955,633,688 | 589,534,062 |
| | | <u>962,731,688</u> | <u>645,815,584</u> |
| | Less: Provision for impairment of receivables | (30,376,857) | (54,409,533) |
| | Net receivable from non-exchange transactions | <u>932,354,831</u> | <u>591,406,051</u> |
| | At 01 July | 130,961,370 | 76,551,837 |
| | Addition | 30,376,857 | 54,409,533 |
| | At 30 June | <u>161,338,227</u> | <u>130,961,370</u> |

| | | | |
|-------------|---------------------------|--------------------|------------------|
| 11-C | Pre-Payments | TZS | TZS |
| | Prepayment - Expenses | 31,082,008 | - |
| | Prepayments - Assets | 396,700,495 | - |
| | Prepayments - Consumables | 29,384,014 | 7,059,180 |
| | | <u>457,166,517</u> | <u>7,059,180</u> |

| | | | |
|-----------|--|-------------------|--------------------|
| 12 | INVENTORIES | TZS | TZS |
| | Stationery Stocks | 59,994,061 | 81,823,107 |
| | Spare Parts stock | 112,751 | 112,751 |
| | Cleaning Materials stock & Spare parts | 411,100 | 1,540,033 |
| | Fuel | 6,002,129 | - |
| | Building Materials | 3,116,500 | 2,843,800 |
| | Consumables | 25,131,529 | 28,196,572 |
| | | <u>94,768,070</u> | <u>114,516,263</u> |

Inventory Disclosure

The Consumables line items in MUSE include stationery and cleaning materials inventories movements.

13 CAPITAL GRANTS

| | | |
|-----------------------------------|-----------------|-----------------|
| At 01 July | 6,591,899,765 | 6,591,899,765 |
| Reclassification of Capital Grant | (6,591,899,765) | (6,591,899,765) |
| Amortization of Capital Grant | - | - |
| | <u>-</u> | <u>-</u> |

Capital grants relates to capitalization of the constructed Information Resources Centre (IRC) financed by the Government. The building contains both, administrative wing, a Library wing and Lecture halls. The capital grant has been reclassified to Taxpayer's fund account to comply with the requirements of IPSAS 23.

14 PAYABLES

| | | | |
|-------------|--|--------------------|--------------------|
| 14-A | Payables from exchange transactions | | |
| | Students account payables | - | 111,901,999 |
| | Supplies of goods and services (trade creditors) | 477,246,895 | 198,311,359 |
| | | <u>477,246,895</u> | <u>310,213,358</u> |

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| | | | |
|------|---|----------------------|----------------------|
| 14-B | Payables from non-exchange transactions | | |
| | Advanced Received | 58,282,811 | 10,520,000 |
| | Audit Fees Payable | 82,181,143 | 77,181,143 |
| | Miscellaneous Other Account Payable | 307,868,964 | 18,640,515 |
| | Withholding Tax | - | 11,016,815 |
| | Total Payables | <u>448,332,918</u> | <u>117,358,473</u> |
| | | 30 June 2023 | 30 June 2022 |
| | | TZS | TZS |
| 15 | PROVISIONS | | |
| | Provision for untaken leave | 59,900,600 | 59,900,600 |
| | Provisional for doubtful Debts | 130,961,370 | 130,961,370 |
| | Provision for Gratuity and other employees' benefit | 280,039,354 | 286,615,662 |
| | Total | <u>470,901,324</u> | <u>477,477,632</u> |
| | Movement of Provisions | | |
| | (i) Untaken Leave | | |
| | | 30 June 2023 | 30 June 2022 |
| | | TZS | TZS |
| | Year ended 30 June 2022 | | |
| | At start of year | 59,900,600 | 50,506,000 |
| | Addition provision raised | - | 10,818,000 |
| | Provision utilized | - | (1,423,400) |
| | At end of year | <u>59,900,600</u> | <u>59,900,600</u> |
| | (ii) Audit Fees | | |
| | Year ended 30 June 2023 | | |
| | At start of year | 49,038,114 | 56,219,257 |
| | Addition provision raised | 77,000,000 | 70,000,000 |
| | Provision utilized | (82,181,143) | (77,181,143) |
| | At end of year | <u>43,856,971</u> | <u>49,038,114</u> |
| | (iii) Gratuity and Employee Benefit | | |
| | At start of year | 286,615,662 | 192,767,512 |
| | Addition provision raised | - | 93,848,150 |
| | Provision utilized | (6,576,308) | - |
| | At end of year | <u>280,039,354</u> | <u>286,615,662</u> |
| 16 | Subvention from the Government | 2022/23 | 2021/22 |
| | | TZS | TZS |
| | Employer Social Security contribution | - | 687,627,795 |
| | Subvention Capital grants | - | 50,102,575 |
| | Non-Monetary Revenue - Capital | 7,761,035 | 34,057,455 |
| | Subvention for other charges | 133,340,500 | 213,541,667 |
| | Subvention from Personal Emolument | 4,810,377,999 | 3,716,907,000 |
| | | <u>4,951,479,534</u> | <u>4,702,236,492</u> |

INSTITUTE OF SOCIAL WORKS (ISW)

| | | | |
|----|--|----------------------|----------------------|
| 17 | Revenue from Exchange Transactions | 2022/23 TZS | 2021/22 TZS |
| | Graduation Gown Hire | 27,600,000 | 15,460,000 |
| | Provisional Results | 1,408,583 | 770,000 |
| | Receipt from Conference | 5,350,000 | 4,700,000 |
| | Receipts from sales of Publications | 59,945,828 | 127,123,799 |
| | Receipt from sign and Board Fees | 76,740,940 | 74,092,490 |
| | Salary in Lie of notice | 532,000 | - |
| | Student Accommodation Fee | 107,600,000 | - |
| | Transcript Fees | 11,055,000 | 8,836,500 |
| | | <u>290,232,351</u> | <u>230,982,789</u> |
| 18 | Fees, Fine, Penalties and Forfeit | 2022/23 TZS | 2021/22 TZS |
| | Admission Fees | 44,285,500 | 38,680,900 |
| | Sales of Government Asset | 4,295,000 | - |
| | Fine, penalties and Forfeitures | 3,330,018 | 3,780,000 |
| | Registration Fees | 82,204,571 | 77,204,142 |
| | | <u>134,115,089</u> | <u>119,665,042</u> |
| 19 | Other Revenues | 2022/23 TZS | 2021/22 TZS |
| | Hire Services | 2,840,000 | 4,940,000 |
| | Miscellaneous Receipts | 211,449,857 | 123,264,348 |
| | Receipt from Consultancy | 98,414,317 | 1,037,180 |
| | Receipts from Research Fees | 40,645,710 | 35,145,710 |
| | Receipt from training and examination fees | 13,177,000 | 1,354,000 |
| | Receipts from certificate of competence | 250,000 | 389,700 |
| | Receipts from Examination Fees | 4,500,000 | - |
| | Receipts from Identification | 53,882,914 | 50,355,828 |
| | Receipts from Tuition Fees | 5,911,608,422 | 5,276,045,550 |
| | Rent Fee | 12,000,000 | 6,800,000 |
| | Revenue from rent of Government Quarters | 76,642,800 | 80,100,269 |
| | Accommodation | - | 107,274,000 |
| | | <u>6,425,411,020</u> | <u>5,686,742,585</u> |

INSTITUTE OF SOCIAL WORKS (ISW)

| | | | |
|-----------|---|--------------------|--------------------|
| 20 | Maintenance Expenses | 2022/23 | 2021/22 |
| | | TZS | TZS |
| | Air conditioners | 55,451,740 | 31,798,815 |
| | Cement, Bricks and Construction | 1,374,000 | - |
| | Computers, printers, scanners, and other computer related equipment | 12,703,014 | 26,231,969 |
| | Direct Labour (Contracted or Casual Hire) | 15,341,152 | - |
| | Electrical and other Cabling materials | 3,204,000 | - |
| | Fire Protection | 9,583,720 | - |
| | Motor Vehicles and Watercraft | 35,962,637 | 33,455,992 |
| | Outsource maintenance contract services | 5,731,966 | 63,276,992 |
| | | <u>139,352,229</u> | <u>154,763,768</u> |
| | | | |
| 21 | Other Expenses | 2022/23 | 2021/22 |
| | | TZS | TZS |
| | Agency fees | - | 21,855,000 |
| | Audit fees | 80,000,000 | 77,181,143 |
| | Bad and Doubtful expenses | - | 269,335,460 |
| | Bank Charges and Commissions | - | 348,491 |
| | Burial Expenses | 5,830,000 | 6,450,000 |
| | consultancy fees | 199,431,398 | 111,128,487 |
| | Education Supervision Expenses | 1,000,000 | - |
| | Foreign Exchange Differences (Losses) | 272,700 | 1,831,598 |
| | Honorariums (expert opinion) | - | 30,000,000 |
| | Insurance Expenses | 48,487,376 | 40,680,000 |
| | Taxes Levied by another Level of Government | - | 105,726,550 |
| | Vehicles Insurance | - | 7,013,553 |
| | | <u>335,021,474</u> | <u>671,550,282</u> |
| | | | |
| 22 | Use of Goods and Services | 2022/23 | 2021/22 |
| | | TZS | TZS |
| | Advertising and Publication | 46,957,600 | 31,560,320 |
| | Air Travel Tickets | 18,274,000 | 7,091,726 |
| | Capitation Costs | 13,269,000 | 1,400,000 |
| | Classroom Teaching Supplies | - | 1,500,000 |
| | Cleaning Supplies | - | 5,037,251 |
| | Computer Software | 42,000,000 | 5,400,000 |
| | Computer Supplies and Accessories | 78,202,000 | 70,002,467 |
| | Conference Facilities | 18,810,000 | 1,970,000 |
| | Diesel | 82,678,248 | 51,384,855 |
| | Educational Radio and TV broadcasting programming | 21,344,000 | 1,559,000 |
| | Electricity | 84,417,340 | 86,366,210 |
| | Entertainment | 26,193,000 | 14,670,000 |
| | Examination Expenses | 194,985,500 | 217,630,500 |
| | Exhibition, Festivals and Celebrations | 52,358,620 | 50,491,900 |
| | Food and Refreshments | 7,691,900 | 15,700,600 |

INSTITUTE OF SOCIAL WORKS (ISW)

| | | |
|---|----------------------|----------------------|
| Fumigation | 1,699,200 | 2,762,000 |
| Furniture and Appliances | - | 60,000,000 |
| Ground travel (bus, railway taxi, etc) | 321,973,607 | 443,969,024 |
| Ground Transport | 994,200 | - |
| Internet and Email connections | 81,785,294 | 29,307,010 |
| Newspapers and Magazines | 4,564,000 | 3,936,000 |
| Non-Cash Expenditure-Use of Goods and Services | 94,716,293 | - |
| Office Consumables (papers, pencils, pens and stationaries) | 363,330,840 | 63,210,235 |
| Outsourcing Costs (includes cleaning and security services) | 183,555,704 | 122,552,238 |
| Per Diem - Domestic | 166,790,761 | 321,956,460 |
| Per Diem - Foreign | 5,700,000 | 3,443,614 |
| Petrol | 23,304,999 | 21,774,728 |
| Posts and Telegraphs | 3,998,300 | 103,000 |
| Printing and Photocopy paper | 9,440,000 | 99,372,185 |
| Printing and Photocopying Costs | 23,808,797 | 32,147,800 |
| Printing Material | 91,690,000 | - |
| Publicity | - | - |
| Remuneration of Instructors | 139,438,440 | 259,380,000 |
| Research and Dissertation | 141,213,988 | 114,019,100 |
| Special Needs material and supplies | 5,755,000 | 2,455,000 |
| Sporting Supplies | 3,297,600 | 24,999,900 |
| Subscription Fees | 5,820,000 | 2,369,500 |
| Technical Service Fees | 64,865,000 | 23,190,000 |
| Telephone Charges (Land Lines) | 1,202,620 | 1,544,864 |
| Training Materials | - | 450,000 |
| Tuition fees | 30,224,963 | 66,898,313 |
| Uniforms and Ceremonial Dresses | 3,750,000 | 4,500,000 |
| Water Charges | 42,802,545 | 52,079,306 |
| Wire, Wireless, Telephone, Telex Services and Facsimile | - | 60,000 |
| Total | 2,502,903,359 | 2,318,245,106 |

23. Salaries, Wages and Employees Benefit

| | 2022/23 TZS | 2021/22 TZS |
|-----------------------------|----------------|----------------|
| Acting Allowance | 6,800,000 | 1,698,000 |
| Casual Labour | 650,000 | - |
| Casual Labourers | 11,864,000 | 54,975,670 |
| Civil Servants | 4,062,947,120 | 3,716,907,000 |
| Court Attire Allowance | 1,200,000 | 1,800,000 |
| Electricity | - | 59,851,007 |
| Electricity Allowance | 83,999,113 | - |
| Extra-Duty | 324,462,585 | 264,538,855 |
| Facilitation allowance | 1,800,000 | - |
| Field (Practical Allowance) | - | 4,390,082 |
| Food and Refreshment | 213,765,534 | 142,966,430 |
| Gratuities | 113,423,692 | 93,848,150 |
| Honoraria | 58,124,000 | 11,000,000 |
| Household Appliances | 30,830,000 | - |

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| | | |
|--|----------------------|----------------------|
| Housing allowance | | |
| Leave Travel | 207,671,160 | 122,775,100 |
| National Health Insurance Schemes (NHIF) | 34,254,840 | 42,572,064 |
| Outfit Allowance | 121,888,414 | 111,507,210 |
| Professional Allowances | - | 492,865 |
| PSSSF | 83,687,500 | 50,870,000 |
| Responsibility Allowance | 609,442,068 | 557,536,050 |
| Sitting Allowance | 84,998,385 | 76,486,300 |
| Special Allowance | 101,121,300 | 54,260,000 |
| Subsistence Allowance | 72,905,000 | 109,308,000 |
| Telephone | 78,467,160 | 23,264,500 |
| Telephone Allowance | 62,192,168 | 43,177,639 |
| Transport Allowance | 830,000 | - |
| Water and Waste Disposal | - | 784,918 |
| Workers Compensation Fund | - | - |
| | 20,314,736 | 18,584,535 |
| | <u>6,387,638,775</u> | <u>5,563,594,375</u> |

24. Social Benefits

| | | |
|----------------------|-------------------|-------------------|
| | 2022/23 | 2021/22 |
| | TZS | TZS |
| Education Allowances | 14,920,000 | 32,210,000 |
| Relief Assistance | 2,640,000 | 1,325,000 |
| | <u>17,560,000</u> | <u>33,535,000</u> |

INSTITUTE OF SOCIAL WORKS (ISW)

25. EXPLANATION FOR VARIANCE BETWEEN BUDGET AND ACTUAL EXPENDITURE

Table 24: Explanations for variance between budget and actual expenditure

| Budget Item | Final Budget | Actual on Comparable basis | Difference | Explanation/Comments/Reasons for material differences |
|---|---------------|----------------------------|---------------|--|
| RECEIPTS | TZS | TZS | TZS | |
| Other Revenue | 548,333,000 | 939,737,537 | 391,404,537 | The increase is caused by the increase of collection during the year and recognition of wear and tear (caution money as revenue) |
| Revenue from Exchange Transactions | 6,868,350,000 | 5,911,608,423 | (956,741,577) | The decrease in collections has been caused by variation between financial year and academic where by some students completed paying their fees after the end of the financial year ending in June 2023, while others have postponed the 2022/2023 academic year by requesting to continue with studies in the next academic year. |
| Revenue Grants | 550,000,000 | 501,750,003 | (48,249,997) | During year the Institute received less amount of other Charges(O/C) as budgeted |
| Subvention from other Government entities | 4,142,200,000 | 4,814,592,337 | 672,392,337 | The variation was caused by hiring new staff, transfers, changing cadres and promotions during the year under review. |
| Project Income | 234,000,000 | 300,402,724 | 66,402,724 | This project is funded by NORAD through University of Alger and includes other partners (Uganda and Rwanda). The other two partners delayed to sign the agreement and affected project kick-off. The financier released funds basing the time remain |
| PAYMENTS | | | | |
| Other Expenses | 1,676,243,158 | 1,292,861,598 | (383,381,560) | The management introduce cost cutting strategy in the area of other expenses in order to direct available fund to development activities. |

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| Budget Item | Final Budget | Actual on Comparable basis | Difference | Explanation/Comments/Reasons for material differences |
|--|---------------|-------------------------------|--------------|--|
| Maintenance Expenses | 483,338,670 | 419,140,676 | (64,197,994) | |
| Wages, Salaries and Employee Benefits | 6,013,262,800 | 5,992,718,675 | (20,544,125) | The increase in wages salaries and employment benefits was caused by hiring new staff, transfers, changing cadres, promotions and paying subsistence allowance during the year under review |

INSTITUTE OF SOCIAL WORKS (ISW)

26. CAPITAL MAINTANANCE

The equity of the Institute is made up of and accumulated surplus and taxpayer's fund. The Board monitors the growth of capital to ensure growth of the Institute. As at 30 June 2023 the capital balance stood at: -

| Description | 30 June 2023 TZS | 30 June 2022 TZS |
|---------------------|-----------------------|-----------------------|
| Accumulated Surplus | 17,566,466,957 | 15,692,905,833 |
| Taxpayer's fund | 39,120,822,656 | 39,120,822,656 |
| Total | 56,687,289,613 | 54,813,728,489 |

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Institute operations are exposed to financial risks as explained hereunder. Financial risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on The Institute's financial performance. The main risks arising from the Institute's operations are credit risk, liquidity risk and currency risk. The Institute reviewed risk register to enable management of risks. Some of the risks are summarized below: -

i) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Institute is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. However, The Institute does not regard that there is significant concentration of credit risk. The Institute mitigates the credit risk by maintaining cash and cash equivalents with reputable financial institutions; and recovering staff debts in terms of the applicable regulations directly from the employee's salary.

The age analysis of trade and other receivables is as shown below: (Amounts in TZS)

| | 3 - 6 months TZS | Total TZS |
|-----------------------------|---------------------|--------------|
| 30 June 2023 | | |
| Trade and other receivables | 956,552,701 | 956,552,701 |
| 30 June 2022 | | |
| Trade and other receivables | 591,406,050 | 591,406,050 |

The maximum exposure to credit risk is as shown below:

| | 30 June 2023 TZS | 30 June 2022 TZS |
|-----------------------------|----------------------|----------------------|
| Cash and Cash Equivalents | 2,721,051,734 | 2,248,979,873 |
| Trade and Other Receivables | 956,552,701 | 591,406,050 |
| | 3,677,604,435 | 2,840,385,923 |

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ii) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet obligations associated with financial instruments. The Institute manages its liquidity risk to ensure it is able to meet estimated expenditure requirements. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents.

The Institute's main sources of income are the annual budget allocation from the Ministry of Finance and Planning and other sources of income. The income is used to fund The Institute's operational and capital requirements. The annual budget is allocated by the Ministry in accordance with the provisions governing the Medium-Term Expenditure Framework (MTEF). The Institute uses Activity Based Budgeting approach with an extensive planning and governance process focused on the Strategic Plan to determine its operational and capital requirements. This is considered to be adequate mitigation for liquidity risk.

The Table 15 below summarizes the maturity profile of financial liabilities:

| | 1 to 3 months TZS | 3 to 12 months TZS | Over 1 year TZS | Total TZS |
|---------------------|----------------------|-----------------------|--------------------|---------------|
| 30 June 2023 | | | | |
| Payables | - | 1,561,962,330 | - | 1,561,962,330 |
| 30 June 2022 | | | | |
| Payables | - | 1,046,007,825 | - | 1,046,007,825 |

iii) Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Some of the Institute's operations utilize various foreign currencies and consequently, are exposed to exchange rate fluctuations that have an impact on cash flows and financing activities. Currency exposure arising from liabilities denominated in foreign currencies is managed primarily through the holding of bank balances in the relevant foreign currencies and accepting the local currency invoices only. The loss on foreign currency fluctuation during the year arose from the translation of bank balances.

28. CATEGORIES OF FINANCIAL INSTRUMENTS

The categorization of financial instruments as per IPSAS 41 Financial Instruments

Recognition and Measurement - is as shown below:

INSTITUTE OF SOCIAL WORKS (ISW)

| | Carrying Value TZS | Held to maturity TZS | Loans and receivables TZS |
|-----------------------------|-----------------------|-------------------------|---------------------------------|
| <u>30 June 2023</u> | | | |
| Financial Assets | | | |
| Cash and Cash Equivalents | 2,721,051,734 | 2,721,051,734 | - |
| Trade and other receivables | 956,552,701 | - | 956,552,701 |
| | <u>3,677,604,435</u> | <u>2,721,051,734</u> | <u>956,552,701</u> |

| | | | |
|-----------------------------|----------------------|----------------------|--------------------|
| <u>30 June 2022</u> | | | |
| Financial Assets | | | |
| Cash and Cash Equivalents | 2,248,979,873 | 2,248,979,873 | - |
| Trade and other receivables | 591,406,051 | - | 591,406,051 |
| | <u>2,840,385,924</u> | <u>2,248,979,873</u> | <u>591,406,051</u> |

| | Carrying Value TZS | Other financial liabilities TZS | Total TZS |
|-----------------------|-----------------------|---------------------------------------|----------------------|
| <u>30 June 2023</u> | | | |
| Financial Liabilities | | | |
| Trade payables | 477,246,895 | - | 477,246,895 |
| Other payables | | 1,084,715,435 | 1,084,715,435 |
| | <u>477,246,895</u> | <u>1,084,715,436</u> | <u>1,561,962,330</u> |

| | | | |
|-----------------------|--------------------|--------------------|----------------------|
| <u>30 June 2022</u> | | | |
| Financial Liabilities | | | |
| Trade payables | 198,311,359 | - | 198,311,359 |
| Other payables | | 847,696,466 | 847,696,466 |
| | <u>198,311,359</u> | <u>847,696,466</u> | <u>1,046,007,825</u> |

29. ASSETS PLEDGED AS SECURITY FOR LIABILITIES

None of the Institute's assets have been pledged as security for liabilities.

30. EVENTS AFTER THE REPORTING PERIOD

There were no material event adjusting or non-adjusting, which have occurred between the reporting date and the date when financial statements were authorized for issue.

31. RELATED PARTY TRANSACTIONS

The entity regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the entity, or vice versa. Members of key Management are regarded as related parties and comprise the Rector, two Deputy Rectors, Heads of Academic and administration departments and independent units.

INSTITUTE OF SOCIAL WORKS (ISW)

Key Management Personnel and Board Remunerations

Key management short term benefits which were paid included salaries, allowances, and social security contributions as Table 25 indicates: -

Table 25: key Management Personnel and Board Remunerations

| | 2022/23 | 2021/22 |
|--|----------------------|----------------------|
| | TZS | TZS |
| Key Management remuneration | | |
| Salaries | 1,044,612,000 | 886,392,000 |
| Allowances | 233,480,960 | 255,960,000 |
| Social security contribution | 156,691,800 | 159,550,560 |
| Sub total | <u>1,434,784,760</u> | <u>1,301,902,560</u> |
| Board of Governors remuneration | | |
| Board fees | 85,000,000 | 50,870,000 |
| Board allowances | 32,480,330 | 29,055,330 |
| Subtotal | <u>117,480,330</u> | <u>79,925,330</u> |
| Grand Total | <u>1,552,265,090</u> | <u>1,381,827,890</u> |

Payments to Board members and executives are paid in accordance with the Government Standing Orders and the approved human resources management policy and incentive scheme of the Institute of Social Work.

32. COMMITMENTS

Capital expenditure.

This is a total amount expected for execution of development activities in the Institute. Currently, the Institute is under commitment to construct students' hostel, students' library at Kisangara campus and rehabilitation of staff quarters, construction of lecture rooms, and procurement of furniture at main campus. As at 30 June 2023 the Institute committed TZS 1,956,964,693 for construction of students' hostel, students' library, rehabilitation of staff quarters, and construction of lecture rooms and procurement of furniture.

| | 2022/23 | 2021/22 |
|-----------------------------------|----------------------|----------------------|
| | TZS | TZS |
| <u>Capital expenditure</u> | | |
| Contracted and authorized | <u>1,956,964,693</u> | <u>1,211,000,000</u> |

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Lease

The Institute entered into operating leases with tenants. The Institute sublets unutilized space (Land and building) to earn rental income. The leases cover a period of one year with an option to renew after expiry.

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the Statement of Financial Performance due to its operating nature. During the year under review there was no unexpired lease for existing contracts.

| <u>Lease commitments</u> | 2022/23 TZS | 2021/22 TZS |
|---|-------------------|-------------------|
| <u><i>(Institute as Lessor - Operating Lease)</i></u> | <u>63,562,800</u> | <u>63,562,800</u> |
| Rental income: Within one year | | |

33. CASH FLOW RECONCILIATIONS

33-A. Reconciliation of Net Cash flow from operating activities to Surplus

| | Note | 2022/23 TZS | 2021/22 TZS |
|--|------|----------------------|----------------------|
| Surplus from ordinary activities | | 1,873,833,822 | 1,257,661,041 |
| Adjustments for: | | | |
| Depreciation | 7 | 816,465,606 | 612,986,290 |
| Amortization of software | 8 | 9,752,211 | 9,752,211 |
| Impairment of buildings and Furniture | 7 | 7,692,112 | 3,129,300 |
| Impairment of Receivables | 10-B | - | 54,409,533 |
| Assets acquisition (non-Monetary) | 7 | - | (34,057,455) |
| Prior year exchange gain not recognized | | - | 272,670 |
| Changes in working capital | | | |
| Increase in receivables from exchange transactions | 11-A | (24,197,870) | 170,372,571 |
| Increase in receivables from non-exchange transactions | 11-B | (340,948,781) | 293,429,442 |
| Increase in Prepayments | 11-C | (450,107,336) | - |
| Increase /(decrease) in inventory | 12 | 19,748,193 | (28,196,572) |
| Decrease in payables from exchange transactions | 14-A | 167,033,536 | (88,457,452) |
| Decrease in payables from non-exchange transactions | 14-B | 330,974,445 | (52,815,644) |
| Increase in Deposit | 35 | 95,375,614 | - |
| Increase in Provision | | (6,576,308) | - |
| Increase on Differed Income | 36 | (99,589,951) | 349,897,425 |
| Net cash flows from operating activities | | <u>2,399,455,293</u> | <u>2,548,383,360</u> |

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33-B. Reconciliation of Use of Goods and Services

| | Notes | 2022/23 TZS | 2021/22 TZS |
|----------------------------|------------|----------------------|----------------------|
| Payables at the Beginning | 14A,14B-15 | 905,049,463 | 610,105,443 |
| Inventory at the beginning | 12 | 114,516,263 | 86319691 |
| Use of Goods and Services | 22 | 2,502,903,359 | 2,318,245,106 |
| Closing Payable Balance | 14A,14B-15 | (1,396,481,137) | (905,049,463) |
| Inventory Closing Balance | 12 | (94,495,370) | (114,516,263) |
| Total | | 2,031,492,578 | 1,995,104,514 |

33-C. Reconciliation of subvention from Government

| | | 2022/23 TZS | 2021/22 TZS |
|--|----|----------------------|----------------------|
| Subvention from Government entities | 16 | 4,951,479,534 | 4,702,236,492 |
| National Health Insurance Schemes (NHIF) | 23 | (121,888,414) | (111,507,210) |
| Workers Compensation Funds | 23 | (20,314,736) | (18,584,535) |
| Employer Social Security contribution | 23 | (609,442,068) | (687,627,795) |
| Non-cash items | 16 | (7,761,035) | (34,057,455) |
| Total | | 4,192,073,281 | 3,850,459,497 |

33-D. Reconciliation of Salaries and Staff Benefits

| | Note | 2022/23 TZS | 2021/22 TZS |
|---------------------------------------|------|----------------------|----------------------|
| Staff Salaries | 23 | 6,387,638,775 | 5,563,594,375 |
| National Health Insurance Schemes | 23 | (121,888,414) | (111,507,210) |
| Workers Compensation Funds | 23 | (20,314,736) | (18,584,535) |
| Employer Social Security contribution | 23 | (609,442,068) | (687,627,795) |
| | | 5,635,993,558 | 4,745,874,835 |

33-E. Reconciliation of Other Expenses

| | Note | 2023/23 TZS | 2021/22 TZS |
|--------------------------------|------|--------------------|--------------------|
| Other Expenses | 21 | 335,021,474 | 671,550,283 |
| Audit fees | 21 | (80,000,000) | (77,181,143) |
| Foreign exchange gain/(Losses) | 21 | (272,700) | (1,831,598) |
| Total | | 254,748,774 | 592,537,542 |

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33-F. Reconciliation of Revenue from Exchange

| | | 2022/23 TZS | 2021/22 TZS |
|-----------------------|------|--------------------|----------------|
| Revenue from Exchange | 17 | 290,232,351 | - |
| Suppliers Receivable | 11-A | (24,197,870) | - |
| Total | | 266,034,481 | - |

33-G. Reconciliation of Other Revenue

| | | 2022/23 TZS | 2021/22 TZS |
|-------------------------------|------|----------------------|----------------------|
| Other revenue | 19 | 6,425,411,020 | 5,686,742,585 |
| Staff receivables movement | 11-B | (7,098,000) | - |
| Students' receivable movement | 33-H | (390,132,302) | 162,185,393 |
| Total | | 6,028,180,718 | 5,848,927,978 |

33-H. Reconciliation of Students Receivables

| | | 2022/23 TZS | 2021/22 TZS |
|-----------------------------|------|--------------------|--------------------|
| Students receivable balance | 11-B | 955,633,688 | 589,534,062 |
| Provision for impairment | 11-B | (30,376,857) | (54,409,533) |
| Net amount | | 925,256,831 | 535,124,529 |

34. HESLB LOAN MOVEMENTS

| | 30 June 2023 TZS | 30 June 2022 TZS |
|---|---------------------|---------------------|
| Opening Balance | 70,543,925 | 325,002,127 |
| Additional loans received during the year | - | 22,200,000 |
| Adjustment of HESLB | - | 42,647,202 |
| Payments to HESLB during the year | (70,543,925) | (319,305,404) |
| Closing Balance | - | 70,543,925 |

This relates to loan amounts to ISW teaching staff who pursued Masters' and PhD programmes from HESLB loans advanced to these staff under the guarantee of the ISW. The ISW loan from HESLB was fully repaid to complete the liability.

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35. PROJECT FUNDS

| | 30 June 2023 TZS | 30 June 2022 TZS |
|---------------------------------|---------------------|---------------------|
| Opening balance | 70,105,580 | - |
| Other Projects Funds | - | 39,294,035 |
| Projects Funds Including Norhed | 439,622,320 | 288,271,834 |
| Project Payments made/Norhed | (344,256,941) | (257,460,289) |
| Closing Balance | <u>165,470,959</u> | <u>70,105,580</u> |

This is project costs including NORHED II project for supporting students and teachers in research activities.

The closing balance of 2022 amounting to TZS 70,105,580 which comprised of TZS 30,811,545 for NORHED II, TZS 39,294,035 deposit funds for ISW.

36. Deferred Revenue

| | 30 June 2023 TZS | 30 June 2022 TZS |
|-----------------|---------------------|---------------------|
| Opening balance | 349,897,425 | - |
| Grants received | 300,000,000 | 400,000,000 |
| Grants utilized | (399,589,951) | (50,102,575) |
| Closing Balance | <u>250,307,474</u> | <u>349,897,425</u> |

The Institute deferred a total of TZS 250,307,474 as compared to TZS 349,897,425 in 2021/22. The decreases in deferred income were attributed to the finalization of Kisangara hostel project which was the fund reserved for.

37. PRIOR YEARS' ADJUSTMENTS

No major prior year adjustment was done during the year with exception to TZS 272,670 on foreign exchange gain.

38. CONTINGENT LIABILITIES

As of the reporting date, no contingent liability that was reported.

39. CONTINGENT ASSETS

As of the reporting date, no contingent assets that was reported.

40. ASSET HELD FOR SALE

During the year under review, the Institute had no asset held for sale

INSTITUTE OF SOCIAL WORKS (ISW)

41. PRIOR YEAR COMPARATIVE FIGURES

Comparative figures for the previous year financial statements and notes to financial statements have been reclassified where necessary to conform to the format of the current year presentation of the financial statements due to the changes in MUSE reporting. However, the total balances have not been affected in any way.

Table 26: Prior year comparative figure restatement

| Item | Original Amount as of 30th June 2022 | Restated Amount | Difference | Note |
|---|--------------------------------------|-----------------|-----------------|---------|
| Statement of Financial Performance | | | | |
| Revenue from Exchange | 6,037,390,416 | 230,982,789 | 5,806,407,627 | 17 |
| Revenue from Non-Exchange | 4,702,236,492 | 10,508,644,118 | (5,806,407,626) | 16 & 19 |
| Statement of Financial Position | | | | |
| Prepayments | - | 7,059,180 | (7,059,180) | 11-C |
| Receivable from Non-Exchange transactions | 63,340,702 | 56,281,522 | 7,059,180 | 11-B |
| Payables from Exchange Transactions | 310,213,358 | 310,213,358 | - | 14-A |
| Payable from Non-Exchange Transactions | 88,746,096 | 117,358,473 | (28,612,377) | 14-B |
| Provision | 576,195,588 | 477,477,632 | 98,717,956 | 15 |
| Deposits of Project Funds | - | 70,105,580 | (70,105,580) | 35 |
| Cashflow Statements | | | | |
| Other Revenue | - | 5,848,927,978 | (5,848,927,978) | |
| Government Grants | 5,018,076,462 | 3,850,459,497 | 1,167,616,965 | |
| Revenue Grants | - | 400,000,000 | (400,000,000) | |
| Course Fee | 5,402,736,700 | - | 5,402,736,700 | |
| Other Income | 610,688,893 | - | 610,688,893 | |
| Training Payable (Research Income) | 126,475,409 | - | 126,475,409 | |
| ISWOSO amounts received | 216,033,428 | - | 216,033,428 | |
| HESLB | 578,303,713 | - | 578,303,713 | |
| Payments to Suppliers | (1,035,339,816) | (1,995,104,514) | 959,764,698 | |
| Wages, Salaries and Employees benefits | (5,563,594,375) | (4,745,874,835) | (817,719,540) | |
| Other Expenses | - | (592,537,541) | 592,537,541 | |
| Maintenance Expenses | - | (154,763,768) | 154,763,767 | |

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| Item | Original Amount as of 30th June 2022 | Restated Amount | Difference | Note |
|---|--------------------------------------|-----------------|-----------------|------|
| Social Benefits | - | (33,535,000) | 33,535,000 | |
| Other Transfers | - | (60,000,000) | 60,000,000 | |
| Payments to other administrative expenses | (2,034,699,688) | - | (2,034,699,688) | |
| ISWOSO Amounts paid out | (190,779,564) | - | (190,779,564) | |
| Staff deductions paid out | (46,375,140) | - | (46,375,140) | |
| Payment for WIP | - | (634,218,973) | 634,218,973 | 8 |
| Acquisition of PPE | 1,108,777,185) | (474,558,213) | (634,218,972) | 8 |

Due to Muse Presentation, this was a combined total amount of TZS 1,108,777,186 (as acquisition of PPE). Currently in MUSE WIP and actual acquisition of assets has been separated. Actual acquisition is TZS 474,558,213 (Note 8) and WIP is TZS 634,218,973). These two figures make a total of TZS 1,108,777,186 as in prior year Financial Statements.

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42. TRANSFERS

During the year under review the Institute paid a total of TZS 1,730,711,136 to various Government Institutions as per Table 27 below.

Table 27: Transactions with other Government entities

| S/N | Good/ Services Received | Name of Entity Provided Goods and Services | Amount Paid (TZS) |
|-----|--|---|-------------------|
| 1 | Conference facilities | Agency for the Development of Education | 750,000 |
| 2 | Air tickets | Air Tanzania Corporation Limited | 10,000,000 |
| 3 | Consultancy fees | Arusha Technical College | 550,000 |
| 4 | Consultancy fees | Bureau for Industrial Cooperation | 114,470,000 |
| 5 | Audit services | Controller and Auditor General (CAG) | 5,468,750 |
| 6 | Construction services | Chuo cha Maendeleo Ya Jamii Ufundi | 51,293,140 |
| 7 | Income taxes | Commissioner For Domestic Revenue Kinondoni | 75,398,263 |
| 8 | Water and sewerage services | Dar Es Salaam Water and Sewerage Authority (DAWASA) | 35,967,745 |
| 9 | Internet and Email connection | E Government Agency | 12,163,120 |
| 10 | Printing services | Government Printer | 340,000 |
| 11 | Procurement of fuel and motor vehicles | Government Procurement Services Agency | 221,546,800 |
| 12 | Water and sewerage services | Jumuiya Ya Watumia Maji Kata ya Lembeni | 6,834,800 |
| 13 | Tuition fees | Higher Education Students Loans Board | 28,562,713 |
| 14 | Participation fees | Institute Of Accountancy Arusha | 1,500,000 |
| 15 | Consultancy fees | Mafunzo CDDTI | 3,200,000 |
| 16 | Supply of building materials | Miradi Ya Maendeleo Gereza Mwanga | 11,549,300 |
| 17 | Tuition fees | Moshi Cooperative University | 4,890,000 |
| 18 | Conference facilities | Muhimbili University of Health and Allied Sciences | 2,600,000 |
| 19 | Donation | Mwanga Dc | 400,000 |
| 20 | Tuition fees | Mzumbe University Morogoro | 4,730,000 |
| 21 | Technical fees | National Council for Technical Education | 88,805,000 |
| 22 | Insurance services | National Insurance Corporation of Tanzania Ltd | 48,196,368 |
| 23 | Printing services | National Printing Company Limited | 32,239,600 |
| 24 | subscription/participation/fees | National Board of Accountants and Auditors (NBAA) | 9,675,000 |
| 25 | Printing services | The National Examination Council of Tanzania (NECTA) | 29,977,200 |
| 26 | Contribution to Treasury | Office Of Treasury Registrar | 80,000,000 |
| 27 | Consultancy fees | Occupational Safety and Health Authority (OSHA) | 1,490,000 |
| 28 | Consultancy fees | Principal CDTI Uyole | 731,000 |
| 29 | Food and refreshments | Principal NTC Bagamoyo | 285,000 |
| 30 | Subscription/participation fees | Procurement And Supplies Professionals and Technicians Boards (PSPTB) | 1,100,000 |

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| S/N | Good/ Services Received | Name of Entity Provided Goods and Services | Amount Paid (TZS) |
|-------|--|---|-------------------|
| 31 | Contribution | Public Service Social Security Fund (PSSSF) | 1,624,071 |
| 32 | Advertisement and publication/Participation fees | Public Procurement Regulatory Authority- (PRA) | 4,550,000 |
| 33 | Recruitment services | Public Service Management and Good Governance | 7,150,000 |
| 34 | Supply of building materials | Regional Prison Officer Dar Es Salaam | 16,000,000 |
| 35 | Construction services | Suma JKT Construction Company Ltd | 510,104,383 |
| 36 | Advertisement and publication | Tanzania Broadcasting Corporation (TBC) | 1,699,200 |
| 37 | Consultancy fees | Tanzania Building Agency (TBA) | 40,545,452 |
| 38 | Technical fees | Tanzania Commission for Universities (TCU) | 2,500,000 |
| 39 | Internet services | Tanzania Education and Research Network | 36,179,910 |
| 40 | Electricity services | Tanzania Electric Supply Company Limited (TANESCO) | 108,551,100 |
| 41 | Posts services | Tanzania Posts Corporation | 23,600 |
| 42 | Participation fees | Tanzania Public Services College | 3,300,000 |
| 43 | Professional/ subscription fees | Tanzania Records and Archives Management Professional Association | 1,000,000 |
| 44 | Advertisement and publication | Tanzania Standard Newspapers Ltd | 3,035,500 |
| 45 | Telephone and dark fiber services | Tanzania Telecommunication Corporation (TTCL) | 2,378,713 |
| 46 | Research services | Tanzania Trade Development Authority | 2,211,760 |
| 47 | Repair and maintenance services | Tanzania Electrical, Mechanical and Electronic Services Agency (TEMESA) | 60,953,648 |
| 48 | Consultancy fees | Tengeru Institute of Community Development | 42,750,000 |
| 49 | Band service | Chuo Cha Polisi Band | 1,500,000 |
| Total | | | 1,730,771,136 |