



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



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

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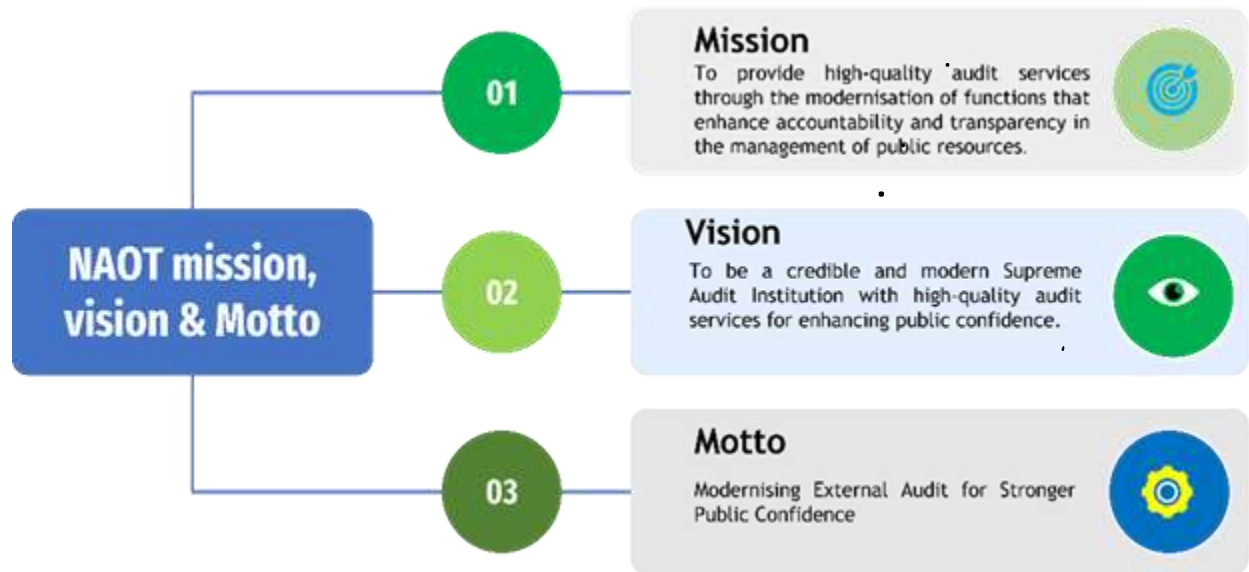
March 2024

AR/PA/COSOTA/2022/23

About the National Audit Office

Mandate

The statutory mandate and responsibilities of the Controller and Auditor-General are provided for under Article 143 of the Constitution of the United Republic of Tanzania of 1977 and in Section 10 (1) of the Public Audit Act, Cap 418 [R.E 2021].



Independence and objectivity

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

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

We focus on achievements of reliable, timely, accurate, useful, and clear performance targets.



Professional competence

We deliver high-quality audit services based on appropriate professional knowledge, skills, and best practices

Integrity

We observe and maintain high ethical standards and rules of law in the delivery of audit services.

Creativity and Innovation

We encourage, create, and innovate value-adding ideas for the improvement of audit services.

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ABBREVIATIONS

AR	Audit Report
BoT	Bank of Tanzania
CAG	Controller and Auditor General
CFS	Cash Flow Statement
CISAC	International Confederation of Societies of Authors and Composers
COSOTA	Copyright Office of Tanzania
GPSA	Government Procurement Services Agency
IESBA	International Ethics Standard Board for Accountants
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standards of Supreme Audit Institutions
MUSE	Mfumo wa Uhasibu Serikalini
NBAA	National Board of Accountants and Auditors
PA	Public Authority
SOFP	Statement of Financial Performance
TZS	Tanzanian Shillings



1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Board Chairperson,
Copyright Office of Tanzania,
P.O. Box 6388,
Dar es Salaam,
Tanzania.

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Copyright Office of Tanzania (COSOTA), 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 Copyright Office of Tanzania (COSOTA) 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 418.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the below section entitled “Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements”. I am independent of Copyright Office of Tanzania (COSOTA) in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.


I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of the current period. I have determined that there are no key audit matters to communicate in my report.

Other Information

Management is responsible for the other information. The other information comprises the Report by those Charged with Governance, Statement of Director’s Responsibility and the



Declaration by the Head of Finance but does not include the financial statements and my audit report there on which I obtained prior to the date of this auditor's report.

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations or has no realistic alternative but to do so.

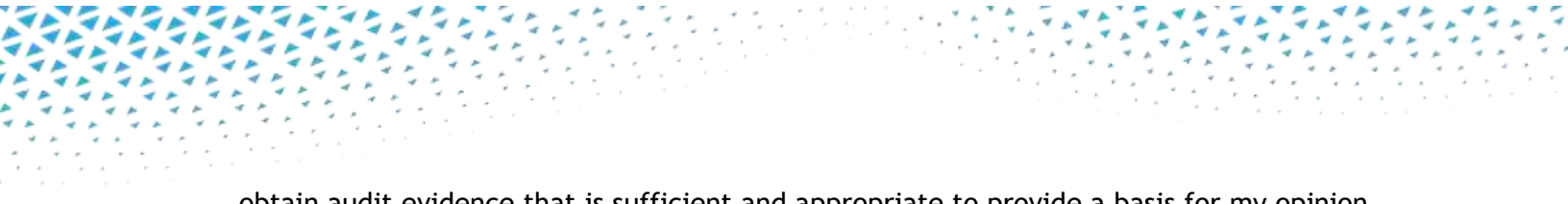
Those charged with governance are responsible for overseeing the entity's financial reporting process.

Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional scepticism 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 benefits of such communication.

In addition, Section 10 (2) of the Public Audit Act, Cap 418 requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, Cap 410 requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement Laws

Subject matter: Compliance audit on procurement of goods, works and services

I performed a compliance audit on procurement of goods, works and services by the Copyright Office of Tanzania (COSOTA) for the financial year 2022/23 per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services by the Copyright Office of Tanzania (COSOTA) 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 by the Copyright Office of Tanzania (COSOTA) 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 by the Copyright Office of Tanzania (COSOTA) 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



2.0 REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2023

Those charged with governance hereby present this report and the audited financial statements for the financial year ended 30 June 2023, which discloses the state of affairs of the Board.

INCORPORATION

The Copyright Office of Tanzania (COSOTA) was established under Section 46 of the Copyright and Neighbouring Rights Act No.7 of 1999 (CAP 218 R.E 2002).

VISION STATEMENT

COSOTA to be a leading Copyright Office in the African Region, ensuring that Copyright & Related Rights become a dynamic & sustainable tool for national development and that collective management of rights is conducted according to best practice & standards of governance.

MISSION STATEMENT

COSOTA's Mission is to Promote, protect and defend the interest of rights holders in collaboration with other key players. In particular to reduce piracy, collect and distribute royalties or other remunerations and to register rights holders and their works in respect of their rights.

VALUES

(a) Primary Values

- **Transparency:** we operate in a way that one can see what we do exercising openness, impartiality, accuracy and promptness in our activities;
- **Customer Focus:** for us the customer's needs are a priority and we act timely and appropriately handling issues with maximum care;
- **Teamwork:** we believe and live as a team valuing COSOTA's staff to drive for better results as together we make a difference and
- **Professionalism:** We use the expertise in intellectual property and other related fields to achieve COSOTA's objectives.

(b) Other Values

- **Integrity:** we believe in doing things the right way, we treat ourselves and the customers with trust; confidentiality, honesty and abiding by the ethical code of conduct and respect for laws;
- **Accountability:** we are the organization that account for the activities and actions, staffs exercise due diligence and optimum use of resources;

- **Results Oriented:** we undertake our objectives through the set goals and resources to achieve the planned results. All staffs will be appraised on the basis of output and outcomes achieved for efficient service delivery;
- **Excellence:** we believe in greatness, we will look on opportunities to improve standards through competence and skill training;
- **Diligence:** regarding tailored services to clients with high quality, efficiency and reliability in a cost- effective manner;
- **Pro-activity:** providing comments and guidelines in light of local laws and practice to clients actively and
- **Solution-Oriented:** providing practical solutions to clients in response to their problems.

PRINCIPAL OBJECTIVES

The Office's principal objectives may be summarized as follow;

- To adopt measures which will ensure effective advancement of the moral and economic interest of authors, performers, producers of phonograms and broadcasters;
- To establish effective machinery for collection and distribution of royalties by assuming full responsibility for the operations attaching to the administration of the rights entrusted to it;
- To ensure the adoption of modern business practices in order to improve services;
- To build an efficient and effective workforce by adopting Human Resources Management policies; and
- To achieve financial self-sufficient (self-reliance) and generate surplus income for the welfare of the Office and its members.

COMPOSITION OF COSOTA BOARD OF DIRECTORS

According to the Copyright and Neighbouring Rights Act No.7 of 1999, the Board of Directors shall be appointed for a term of three years. Its composition/constitution and how it shall conduct its business is provided for in the Act.

The Chairman is appointed by the responsible Minister of Culture, Arts and Sports. The Board was appointed between January and March 2019; however, majority of Board members became unfit to serve the board by virtue of COSOTA Governance legislations.

As of the reporting date, the Office did not have a board of directors. However, the board was appointed subsequently in October 2023 and its tenure will be three years ending 30 August 2026.

The composition of the newly appointed board of Directors is as follows:

S/N	Name	Age (Years)	Qualification	
1	Victor Michael Tesha	42	B.A Social Sciences, MBA	Chairperson
2	Elizabeth Pastory Ncheye	36	B.A Linguistics (BA)	Member
3	Evaristo O. Mwalongo	54	B.A Statistics, MSc, CPA (T)	Member
4	Bernard Onesphorus Lubogo	52	BA- Economics, MSc Economics	Member
5	Mike Francis Mwakatundu	45	ADA- Marketing	Member
6	Cynthia Patrick Henjewe	55	Diploma	Member
7	Said Ally Nzori	59	LLB, LLM	Member
8	Ms. Doreen A. Sinare	44	Masters in Intellectual Property	Secretary

The Board of Directors tasks were assumed by the Permanent Secretary - Culture Arts and Sports in absence of the Board and the key decisions which were approved during the year were:

1. Approval of Licensing new Collective Management Organization (CMO)
2. Approval of Revised Staff Regulations
3. To continue using 'COSOTA' abbreviation after changes from Copyright Society of Tanzania to Copyright Office of Tanzania were made in the Act.

CORPORATE GOVERNANCE

The Board structure consists of 7 members and the Chief Executive Officer who is the Secretary to the Board, which takes overall responsibility for the Office, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative and to ensure compliance with sound corporate governance principles.

The Board is required to meet at least four times a year. The Board delegates the day-to-day management of the business to the Chief Executive Officer and Copyright Administrator assisted by senior management. Senior management is invited to attend board meetings and facilitates the effective control of all the Office's operational activities acting as a medium of communication and coordination between all the various business units.

The Office is committed to the principles of effective corporate governance. The director also recognizes the importance of integrity, transparency and accountability. The structure of the Board of COSOTA has the following board sub-committees to ensure a high standard of corporate governance throughout the office

2.7.1 Licensing, Documentation, Distribution, Antipiracy and Legal Committee of the Board

Members of the Licensing, Antipiracy and Legal Committee are appointed by the Board. This committee report to the Board.

Licensing, Antipiracy and Legal committee of the Board have the following duties:

- Determination of the minimum rates of royalties to be levied in respect of copyright uses;
- Assessment of collection of royalties;
- Foresee all issues pertaining inspections, searches and seizures of infringing copies;
- Dealing with the actions/ measures against infringement of copyright;
- Dealing with legal matters;
- Advising on means to increase members and works registry;
- Advising on matters pertaining documentation;
- Advising and assessment of distribution of royalties;
- Searches for identification and publishing of the rights of owners; and
- Dealing with international repertoires.

Recruitment/Appointment and Disciplinary Committee

Members of the Recruitment/Appointment and Disciplinary Committee are appointed by the Board and report to the Board.

Their mandates are as follows: -

- Appointment, recruitment, promotion, training, posting and discipline of the COSOTA staff;
- To serve as the appellant body for all petitions from COSOTA staff, members and right holders;
- Disciplinary authority for the Chief Executive Officer and senior staff; and
- Linking between human resources strategy with organisation's strategy.

Budget, Audit and Finance Committee

The overall objective of the Board's Budget, Audit and Finance Committee is to advise the Board concerning the financial affairs of the Office and ensure COSOTA has created and maintained effective control systems within the Office and that the Management demonstrates and stimulate the necessary oversight of internal control structure amongst all parties.

Also, to ensure that the Board's Audit and Finance committee as well as the external auditors have unlimited access to whatever information they require in performing their responsibilities. The Budget, Audit and Finance Committee reports to the Board.

The Budget, Audit and Finance Committee mandate includes inter alia;

- Review and recommend on annual budget;
- Review the risk exposure and conduct risk analysis to the Office’s activities and develop risk management plans;
- Monitor compliance with the Office’s policies and procedures;
- Review and recommend on the financial and other policies;
- Assess and recommend on the financial impact of all policies and activities of the Office;
- Monitoring the investments of the Office; and
- Organising fundraising events.

Members of the Budget, Audit and Finance Committee are appointed by the Board to serve for a period of one year and are eligible for re-appointment at the end of the tenure.

MANAGEMENT

The Management of the Office is under the leadership of Copyright Administrator who is the Chief Executive Officer (CEO) and Accounting Officer. The CEO is assisted by the following heads of departments/units:

Table 1: Management

S/N	Name	Position	Date Appointed	Department	Qualification
1	Ms. Doreen A. Sinare	CEO	14 Dec 2013	All departments	Masters in Intellectual Property
2	CPA Baraka J. Katemba	Manager	1 Nov 2020	Finance and Administration	CPA (T), MSc Finance & Investment
3	Ms Naomi F. Mungure	Acting Manager	6 February, 2023	Licensing and Antipiracy Department	Masters in Intellectual Property
4	Mr. Philemon A. Kilaka	Manager	1 Jul 2015	Documentation and Distribution Department	Masters in Intellectual Property
5	Mr. James Sagenge	Acting Head	1 Jul 2015	ICT and Publicity Unit	MBA
6	Ms. Anitha Jonas	Acting Head	Feb, 2021	Public Relations Unit	BA Mass Communication
7	Mr. Prosper Massawe	Acting Head	1March 2023	Legal Unit	LLB

2.9 FUTURE DEVELOPMENT PLANS

The Office's aim is to deliver to its beneficiary stakeholders efficient economic and social services. In order to arrive at the vision, the Office will have to ensure that its services are improved while its operating expenses are highly reduced.

OVERVIEW OF OFFICE'S PERFORMANCE

The year 2022/23 marked the twenty second year of the Copyright Office of Tanzania operations. The Office carried out its activities in accordance to the approved Strategic Plan (2020/2021 to 2024/25) and the budget for the year 2022/23.

Table 2: Overview of Office's Performance

SN	Planned Target	Achievement	%
1	To increase Royalties collections to TZS 117,000,000 by 30 June 2023	COSOTA managed to collect TZS 127,405,000	109
2	To register 1,400 new members by 2022/23	676 new members (Artists) were registered.	48.3
3	To register 2,800 new artists' works	2,740 artistic works were registered.	97.9
4	To collect subscription fees of TZS 100,000,000 by 30 June 2023.	Annual and registration fees of TZS 67,420,757 were collected.	67.4
5	To collect TZS 8,280,000 from Miscellaneous Receipts	We have managed to collect TZS 97,261,000	1174.6
6	To receive 50 disputes so as to support artist industries on efficient organization of their works and contracts with the producers as well as distributors.	37 disputes were received in supporting the creative industries, 22 were settled and 15 is in progress	59
7	To conduct Anti-Piracy operations in at least 10 regions	Antipiracy campaigns against production and distribution of pirated copies and public performance without COSOTA's license (permit) were conducted in 2 raids in Dar es salaam region.	20
8	To create awareness on copyright issues and copyright dispute resolutions.	COSOTA has been conducting various sessions on copyright issues through various Medias of which 8 programs were conducted in TV stations, 10 programs through Radio stations and 4 programs. used to disseminate copyright knowledge through social media like Instagram, Facebook, YouTube and Zoom.	90

SN	Planned Target	Achievement	%
		The Office conducted copyright awareness to 20 programs to various stakeholders which were publicized through various medias.	

The Office has also continued to nurture its major asset base - human resources by filling in vacant positions at different levels. Office's staff attended various training programmes, meetings, workshops and seminars. These initiatives have enhanced the cross fertilization of better practices from different institutions both at home and abroad and are geared to equipping staff with the necessary skills and knowledge to enable the Office to be exemplary.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board bears a final responsibility for the risk management and internal control systems of the Office. It is the task of management to ensure that adequate internal financial operational control systems are developed and maintained on an on-going basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the company's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviour of all stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance of such measures by staff, whilst no system of internal control can provide obsolete assurance against misstatement or losses, the Office's system is designed to provide the Board with reasonable assurance that the procedure in place is operating effectively.

SOLVENCY

The Board of Directors has the duty to confirm that applicable accounting standards are followed and that the financial statements are prepared on a going concern basis. The Board of Directors should have reasonable expectation that the Office has adequate resources to continue in operations for the foreseeable future. The Office should be considered solvent within the meaning as described by the Companies Act. No 12 of 2002.

2.13 EMPLOYEE'S WELFARE

Management and Employees' Relationship

There were continued good relation between employees and management for the year ended 30 June 2023. There were no unresolved complaints received by Management from the employee during the year. A healthy relationship continues to exist between management and general staff.

The Office is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties. During the period in question 8 new staff members were transferred to work with the Office while there was one employee transferred to other institution

Training Facilities

When presenting its annual budget for the year ended 30 June 2023 the Office set aside TZS 61,740,000, for staff development and training in order to improve employee's technical skills compared to previous year's where the Office set aside TZS 49,040,000 (forty-nine million and forty thousand). TZS 20,960,000 (Twenty million nine hundred sixty thousand) were spent for various Staff training and seminars in the current year, in the previous year TZS 9,240,000 (nine million two hundred forty thousand only) was spent for various training and development. Training programs have been and are continually being developed to ensure employees are adequately trained to upgrade skills and enhance efficiency.

Medical Assistance

The Office contributes 3% of employees' salary to National Health Insurance Fund (NHIF) to facilitate treatments of all employees and their immediate dependants. During the year under review the Office contributed TZS 34,221,780.00 (being employee TZS 17,110,890.00 and employer TZS 17,110,890.00), TZS 31,149,660 in 2021/22.

Persons with Disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Office continues and appropriate training is arranged. It is the policy of the Office that training career development and promotion of disables persons should as far as possible be identical to that of other employees.

Employees' Benefit Plan

The Copyright Office of Tanzania is registered with the Public Service Social Security Fund (PSSSF) to contribute to the PSSSF scheme. The Office and employees contribute 15% and 5%

respectively of the employee's basic salary to PSSSF. The Office's contribution is charged as an expense to the Statement of Financial Performance. Terminal benefits are payable when employment is terminated before the normal retirement date for various reasons.

During the year under review, COSOTA contributed TZS 114,072,600 to PSSSF (being TZS 28,518,150 employee and 85,554,450 employer) compared to TZS 95,044,000 in 2021/22.

2.14 RELATED PARTY TRANSACTIONS

Related party transactions are dealt with at arm's length in the normal course of business and on terms and conditions similar to those applicable to other customers. Related party transactions during the year under review were as disclosed in Note. 96 to the Financial Statements.

2.15 POLITICAL AND CHARITABLE DONATIONS

The Office did not make any political donations during the year.

2.16 ENVIRONMENTAL CONTROL PROGRAMME

The Office did not involve in any environmental control programme during the year.

2.17 CORPORATE SOCIAL RESPONSIBILITY

The Office contributed medical charges for the sick members as certified by a public doctor. The Office did not contribute any sum for sick members during the year under audit.

2.18 APPOINTMENT OF AUDITORS

The Controller and Auditor General is the statutory auditor of the Copyright Office of Tanzania by virtue of article 143 of the Constitution of the United Republic of Tanzania and as amplified in Sec.10 of the Public Audit Act, CAP 418. However, in accordance with Section 33 (1) of the Act, M/S MURL -AATEC Associate authorized to carry out the audit of the Copyright Office of Tanzania (COSOTA) on behalf of the Controller and Auditor General.

BY ORDER OF THE BOARD


.....
Victor Michael Tesha

CHAIRMAN OF THE BOARD

Date..... 27 / 03 / 2024


.....
Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date..... 27/03/2024

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Controller and Auditor General

AR/PA/COSOTA/2022/23

STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Board's Directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position at 30 June 2023, statement of financial performance, statement of changes in net assets and accounting policies, cash flow statement and notes to the financial statements for the year then ended, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Public Sector Accounting Standards (IPSAS).

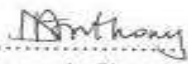
Board responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Board have made an assessment of the Organisation's ability to continue as a going concern and have no reason to believe the business will not be a going concern in the financial year ended.



.....
or Michael Tesha
MEMBER OF THE BOARD

27/03/2024



.....
Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date..... 27/03/2024

4.0 DECLARATION OF THE FINANCE AND ADMINISTRATION MANAGER IN RESPECT OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

The National Board of Accountants and Auditors (NBAA) according to the powers conferred under the Auditors and Accountants (Registration) Act, No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the Head of Finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements.

Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I, **Baraka Jonathan Katemba** being the Finance and Administration Manager of Copyright Office of Tanzania hereby acknowledges my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

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

Signed by: 
Baraka J. Katemba

FINANCE AND ADMINISTRATION MANAGER

NBAA Membership No: GA.5833

Date: 27/03/2024

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Note	2022/23 TZS	2021/22 TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	11	333,423,683	322,476,165
Receivables	12	-	121,329,500
Prepayments	13	-	255,281,497
Inventories	14	4,224,800	-
Other Financial Assets	15	15,000,000	15,000,000
Total Current Asset		352,648,483	714,087,162
Non-Current Asset			
Property, Plant and Equipment	16	306,812,320	189,330,148
Intangible Assets	17	-	801,000
Total Non-Current Asset		306,812,320	190,131,148
TOTAL ASSETS		659,460,803	904,218,310
LIABILITIES			
Current Liabilities			
Payables and Accruals	18	398,018,575	419,104,385
Other payables	19	2,183,360	123,842,018
Deposits	20	1,205,020	50,000
TOTAL LIABILITIES		401,406,955	542,996,403
Net Assets		258,053,848	361,221,907
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/Share Capital	21	70,289,000	70,289,000
Accumulated Surpluses / Deficits		187,764,848	290,932,907
TOTAL NET ASSETS/EQUITY		258,053,848	361,221,907

Victor Michael Tesha
CHAIRMAN OF THE BOARD

Date: 27/03/2024

Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date: 27/03/2024

Controller and Auditor General

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AR/PA/COSOTA/2022/23

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2022/23 TZS	2021/22 TZS
REVENUE			
Revenue from Non exchange transactions	2(a)	1,690,479,780	1,967,045,691
Revenue from Exchange transactions	3	248,107,000	336,119,350
Fines, Penalties and Forfeits	4	67,420,757	24,151,000
Operating Income	5	105,258,000	24,040,870
Other Revenue		2,111,265,537	2,351,356,911
EXPENSES AND TRANSFERS			
Salaries and Employee Benefits	6	1,183,425,906	873,365,048
Cost of Goods and Service	7	767,201,742	739,763,329
Depreciation Expenses	8	78,201,515	64,270,000
Amortization of Property, Plant and Equipment	16	137,799,177	71,253,329
Amortization of Intangible Assets	17	801,000	409,000
Other Expenses	10	47,004,256	227,527,698
Other Expenses		2,214,433,596	1,976,588,404
Surplus / (Deficit)		(103,168,059)	374,768,507



Michael Tesha
MEMBER OF THE BOARD

Date: 27/03/2024



Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date: 27/03/2024

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

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

	Capital fund	Accumulated surplus/(Deficit)	TOTAL
30 June 2021	70,289,000	(83,836,600)	(13,547,600)
For the year		374,769,507	374,769,507
At 30 June 2022	70,289,000	290,932,907	361,221,907
From 01 July 2022	70,289,000	290,932,907	361,221,907
(Deficit) for the year		(103,168,059)	(103,168,152)
At 30 June 2023	70,289,000	187,764,848	258,053,848

[Signature]

Mael Tesha
MEMBER OF THE BOARD

27/03/2024

[Signature]
Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date: 27/03/2024

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2022/23 TZS	2021/22 TZS
pts			
ment subvention	2(b)	1,690,479,780	2,090,887,000
tion from customers and other receipts	27	420,785,757	384,311,000
receipts		2,111,265,537	2,475,198,000
Payments			
s, Salaries and Employee Benefits	6	1,085,353,306	855,024,000
f Goods and Services	7	645,872,242	1,093,870,000
l Benefits	9	114,072,600	92,392,000
r expenses	10	176,818,357	86,597,000
tenance expenses	8	78,201,515	64,270,000
l payments		2,100,318,020	2,192,153,000
Cash used in operating activities		10,947,517	283,045,000
flow from investing activities		-	(217,111,000)
hase of non-current assets		-	(217,111,000)
cash flow (used in) investing activities		-	(217,111,000)
flow from financing activities		-	(181,002,000)
tribution of Royalties to beneficiaries		-	(181,002,000)
cash flow (used in) financing activities		-	(181,002,000)
increase/(decrease) in Cash and Cash		10,947,517	(115,068,000)
ivalents			
h and cash equivalents at beginning of the year		322,476,166	437,544,166
h and cash equivalents at end of the year	11	333,423,683	322,476,166

[Signature]

Director Michael Tesha
CHAIRMAN OF THE BOARD

Date: 27/03/2024

[Signature]

Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date: 27/3/2024

Controller and Auditor General

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AR/PA/COSOTA/2022/23

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

Particulars	Original Budget	Final Budget	Actual performance	Performance Difference	%	Note
	TS	TS	Amount spent	TS		for verbal
Retirement Grants - Other Charges	2,039,346,000	2,039,346,000	1,690,479,780	(348,866,220)	(17)	201
Receipt from Annual Fee	100,000,000	100,000,000	67,420,757	(32,579,243)	(68)	4
Miscellaneous Receipts	8,200,000	8,200,000	165,238,000	94,038,000	(271)	5
Fees, Fines, Penalties and Forfeits	117,000,000	117,000,000	248,007,000	131,007,000	278	1
Grand Total	2,264,536,000	2,264,536,000	2,111,265,537	(153,270,463)		
Wages, Salaries and Employee Benefits	764,626,000	764,626,000	1,183,45,976	418,799,976	155	6
Use of Goods and Service	1,016,000,000	1,016,000,000	445,877,242	(570,122,758)	(64)	7
Maintenance Expenses	233,950,000	233,950,000	78,201,515	(155,748,485)	(33)	8
Other Expenses	250,950,000	250,950,000	47,014,754	(203,935,246)	19	9
Grand Total	2,264,536,000	2,264,536,000	1,951,903,864	(310,122,134)		



Victor Michael Tehta

CHAIRMAN OF THE BOARD

Date: 27/03/2024



Ms. Doreen A. Smeat

CEO AND CORPORATE ADMINISTRATOR

Date: 27/03/2024

Controller and Auditor General

AR/PA/COSOTA/2022/23

*The Statement of Comparison of Budget and Actual amount is prepared on budget basis that is cash classified by Nature.

Reconciliation of Actual amounts on a comparable basis between statement of comparison budget and actual amounts and statements of cash flow for the year ended 30 June 2023

Description	Operating	Financing	Investing	Total
Wages, Salaries and Employee Benefits	1,085,353,306	-	-	1,085,353,306
Use of Goods and Services	645,872,242	-	-	645,872,242
Social Benefits	114,072,600	-	-	114,072,600
Other expenses	176,818,357	-	-	176,818,357
Maintenance expenses	78,201,515	-	-	78,201,515

*Explanatory notes on the differences between Budget and Actual have been presented on the next page.

Explanatory Notes.

3. The increase in collection of Fees, Fines, Penalties and Forfeits was due to closes follow up of bills issued to users of artistic works who paid them accordingly.
4. The budget based on assumption that members will settle their dues; however, some of them didn't.
5. Miscellaneous Receipts was slightly higher due to contribution received from other stakeholders during the year under audit.
2. The budget based on anticipation that COSOTA will receive the whole amount from Government budget, however only 83% were disbursed.
6. Staff cost increased during the year under audit due to increase of operating costs.
7. The Use of Goods and Service decreased during the year under audit due cost minimization
8. And 9 has slightly decrease due to cost minimization

NOTES TO THE FINANCIAL STATEMENTS

1. PRINCIPAL ACCOUNTING POLICIES

Basis of Accounting

These financial statements have been prepared in accordance with International Public sector Standards (IPSAS) Accrual Basis. The financial statements have been prepared under the historical cost convention method except for the financial assets and liabilities and inventories that have been measured at fair value. No adjustments have been made for other inflationary factors affecting the accounts.

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

Property Plant and Equipment

All motor vehicles and cycles, furniture and fixtures; and equipment are shown at cost

Depreciation

Depreciation is calculated using the straight - line method to allocate the cost of each asset to its residual value over its estimated useful life is as follows:

Description of Asset	Rate (%)
Office furniture and fittings	12.5
Computers and office equipment	33.33
Motor vehicles and cycles	25.00

The existence of office furniture; computers and office equipment; motor vehicles and motor cycles is evidenced through the physical count, and thereafter the property, plant and equipment residual values and useful lives are reviewed, and adjusted if appropriate, at each Statement of Financial Position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (impairment of equipment).

Depreciation of an asset ceases at the earlier of the date that the asset is derecognized.

Intangible Assets

Intangible Assets with finite useful lives are stated at cost less accumulated amortization. Amortization for intangible assets is provided at a rate of 20% per annum on a straight-line basis. Amortization is charged by apportioning the chargeable annual amount to the time the

intangible assets have been in use during the year. Amortization charge for the period is recognized in the Statement of Financial Performance as expense.

Gain or losses from derecognizing an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Financial Performance when the asset is derecognized.

Impairment loss amounting to TZS 801,000 was reorganised to remove the TALLY software which is no longer in use.

Provision for Impairment of Assets

Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may be recovered. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount.

Impairment losses are recognized in the Statement of Financial Performance in the period in which they are incurred. Bad debts are written off after all efforts to recover them are proven futile and upon seeking and obtaining Board of Directors approval.

Provision for Impairment of Receivables

Receivables are recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision is made in the financial statements against receivables considered to be doubtful of recovery. Bad debts are written off after obtaining Board of Directors' approval.

Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Office and revenue can be reliably measured. The operational income of the Office comprised of monthly cash allocations from the Government of the United Republic of Tanzania based on approved budgets. Other sources of income for the Office come from commission collected out of royalties.

(a) Revenue from Exchange Transactions

Revenue from Exchange Transactions are transactions in which one entity receives assets or services, or has liabilities extinguished, and directly gives approximately equal value (primarily in the form of cash, goods, services, or use of assets) to another entity in exchange.

(b) Revenue from Non-Exchange Transactions

Revenue from Non-Exchange Transactions includes Government subventions and assistances received from donors which are accounted for as Grants and are measured at their fair value as at the date of acquisition. Grants are accounted for when there is a reasonable assurance that the grants will be received. Revenue recognition is based on an assessment of whether an asset or a liability has been created. For capital grants without conditions attached, revenue is recognized immediately in the statement of financial performance. If conditions are attached, a liability is recognized as capital funds in the statement of financial position and is reduced and revenue recognized as the conditions are satisfied.

Employees Benefits

The Copyright Office of Tanzania is registered with the Public Sector Social Security Fund (PSSSF) to contribute to the PSSSF scheme. The Office and employees contribute 15% and 5% respectively of the employee's basic salary to PSSSF. The Office's contribution is charged as an expense to the Statement of Financial Performance.

Terminal benefits are payable when employment is terminated before the normal retirement date for various reasons.

Cash and Cash Equivalent

Cash and cash equivalents are carried in the Statement of Financial Position at face value. For the purpose of cash flow statements, cash and cash equivalents comprise cash in hand; cash at bank, deposits held on call and fixed deposits of short maturity of three months or less from the date of their acquisition.

Comparative Figures

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

	2022/23 TZS	2021/22 TZS
2(a) - Subventions		
Government Grant Personal Emolument	671,729,780	609,192,660
Subvention from Government	1,018,750,000	1,357,853,031
	1,690,479,780	1,967,045,691
Government Grant Personal Emolument	671,729,780	609,192,660
Subvention from Government	1,018,750,000	1,357,853,033
Other funds	-	123,841,307
	1,690,479,780	2,090,887,000

3 - Fees, Fines, Penalties and Forfeits

Fines	400,000	-
Forfeits	104,399,000	336,119,350
Receipts from other royalties	33,250,000	-
Royalties	94,155,000	-
Registration Fees	15,903,000	-
	248,107,000	336,119,350

4 - Financing Income

Other Parastatals	67,420,757	24,151,000
	67,420,757	24,151,000

5 - Other Revenue

Application fee	127,000	-
Miscellaneous Receipts	97,261,000	24,040,870
Receipts from Certificate of Competence	7,833,000	-
Service Charges	37,000	-
	105,258,000	24,040,870

6 - Wages, Salaries and Employee Benefits

Acting Allowance	-	1,080,000
Casual Labourers	3,000,000	-
Civil Servants	523,435,400	485,650,800
Diesel Allowance for Judges	-	10,000,000
Electricity	4,832,133	8,460,000
Extra-Duty	166,036,001	77,042,497
Field (Practical Allowance)	1,000,000	3,936,751
Food and Refreshment	41,939,460	12,160,000
Honoraria	14,230,000	9,000,000
Housing Allowance	28,630,000	21,415,800
Internship Allowance	9,473,000	-
Leave Travel	3,440,000	24,760,000
National Health Insurance Schemes (NHIF)	34,221,780	31,149,660
Outfit Allowance	600,000	-
Professional Allowances	3,740,000	10,000,000
PSSSF	114,072,600	95,044,000
Sitting Allowance	212,760,533	55,385,140
Telephone Allowance	11,220,000	17,290,200
Transport Allowance	10,795,000	9,990,200
Uniform Allowance	-	1,000,000
Total for SOFP	1,183,425,906	873,365,048
Add: Changes in Payables		
Household Benefits payables	16,000,000	-
Add/(Less):PSSPF	(114,072,600)	5,861,000
Less: Sitting allowance	-	(24,202,048)
Total For CFS	1,085,353,306	855,024,000

7 - Use of Goods and Service

Advertising and publication	17,200,000	89,306,280
Air Travel Tickets	34,967,790	26,905,289
Catering Services	2,518,000	-
Computer Supplies and Accessories	-	28,896,637
Conference Facilities	15,496,000	15,498,000
Diesel	18,494,000	8,564,414

e Training Materials	-	11,500,000
Entertainment	19,232,800	-
Exhibition, Festivals and Celebrations	5,000,000	4,391,000
Gifts and Prizes	1,000,000	-
Ground Transport (Bus, Train, Water)	25,310,000	16,790,000
Ground travel (bus, railway taxi, etc)	39,965,500	54,226,146
Internet and Email connections	4,279,869	78,217,263
Lodging/Accommodation	2,821,800	-
Provision for bad debts	121,329,500	-
Office Consumables (papers, pencils, pens and stationeries)	56,000,423	146,405,000
Per Diem - Domestic	300,078,800	221,923,000
Per Diem - Foreign	36,872,200	-
Printing and Photocopying Costs	9,183,600	13,400,300
Publicity	30,600,000	-
Purchased Electricity - TANESCO	2,098,460	-
Sewage Charges	2,596,000	-
Technical Materials	-	10,000,000
Training Allowances	1,000,000	-
Training Materials	460,000	-
Tuition Fees	19,500,000	9,240,000
Uniforms and Ceremonial Dresses	800,000	-
Visa Application Fees	397,000	4,500,000
Total for SOFP	767,201,742	739,763,329
Less: Non-Cash Items & payables		
Advertising and publication		-10,000,000
Provision for bad debts	(121,329,500)	-
Add other payments		
Advances given to other government entities		15,000,000
Advances paid for purchase of government vehicles		255,281,000
Rent		64,422,000
Office Consumables (papers, pencils, pens and stationeries)		12,076,000
Exhibition, Festivals and Celebrations		7,327,671
Publicity		10,000,000
Total For CFS	645,872,242	1,093,870,000
8 - Maintenance Expenses		
Computers, printers, scanners, and other computer related equipment	1,831,935	56,270,000
Outsource maintenance contract services	76,049,580	-
Repair and Maintenance of Furniture	320,000	-
Servers	-	8,000,000
	78,201,515	64,270,000
9 -Social Benefits		
Public Service Social Security Fund (PSSSF)	114,072,600	92,392,000
TOTAL	114,072,600	92,392,000
10 - Other Expenses		
Agency fees	5,027,000	-
Audit fees	32,000,000	27,100,000
Bank Charges and Commissions	-	8,003,705
consultancy fees	9,977,256	47,900,000
education supervision expenses	-	3,052,983
Registration Fees	-	4,330,000
Security Services	-	15,811,510
Provisions for doubtful debts		121,329,500

Total for SOFP	47,004,256	227,527,698
Add;/(Less):		
Audit Fees Accrued	(32,000,000)	(9,100,000)
Net decrease in Accruals	161,729,658	(10,501,198)
Increase in Inventories	4,224,800	-
Increase in Unapplied Deposits	(509,870)	-
Increase in Deposits	(645,150)	-
Increase in Beneficiary Deposits	(2,857,587)	-
Increase in Withholding Tax payables	(127,454)	-
Less: provision for bad debts		(121,329,500)
Total for CFS	176,818,357	86,597,000

11 - Cash and Cash Equivalents

BoT Own source Collection Account	235,880,984	144,603,578
Deposit General Cash Account	56,593,917	56,593,917
Own source Collection Account - CRDB	8,994,000	100,000
Own source Collection Account - NMB	-	11,992,000
Own source Recurrent Expenditure GF	538,815	538,814
Recurrent Expenditure Cash Account	30,856,097	108,647,856
Unapplied Cash Account	559,870	-
	333,423,683	322,476,165

12 Receivables

Royalties	121,329,500	121,329,500
Provision for bad debts	(121,329,500)	-
	-	121,329,500

13 - Prepayments

Prepayments - Assets	-	255,281,497
	-	255,281,497

14 - Inventories

Consumables	4,224,800	-
	4,224,800	-

15 - Other Financial Assets

Loan to Other Government Entities	15,000,000	15,000,000
	15,000,000	15,000,000

16 - Property, Plant and Equipment

Particulars	Motor Vehicles	Office Furniture	Computer and Office Equipment	Motor Cycles	Total
	TZS	TZS	TZS	TZS	TZS
Cost/Valuation					
As at 01.07.2022	39,415,000	132,341,852	142,762,000	1,350,000	315,868,852
Additions	255,281,497	-	-	-	255,281,497
As at 30.06.2023	294,696,497	132,341,852	142,762,000	1,350,000	571,150,349
Depreciation					
As at 01.07.2022	25,157,000	24,930,852	75,101,000	1,350,000	126,538,852
Charge for the Year	73,674,124	16,585,053	47,540,000	-	137,799,177
As at 30.06.2023	98,831,124	41,515,905	122,641,000	1,350,000	

					264,338,029
Net Book Value					
As at 30.06.2023	195,865,373	90,825,947	20,121,000	-	306,812,320
Net Book Value					
As at 30.06.2022	14,258,000	107,411,148	67,661,000	-	189,330,148
Particulars	Motor Vehicles	Office Furniture	Computer and Office Equipment	Motorcycles	Total
	TZS	TZS	TZS	TZS	TZS
Cost/Valuation					
As at 01.07.2021	39,415,000	16,971,000	41,022,000	1,350,000	98,758,000
Additions	-	115,371,000	101,740,000	-	217,111,000
As at 30.06.2022	39,415,000	132,342,000	142,762,000	1,350,000	315,869,000
Depreciation					
As at 01.07.2021	18,029,000	8,374,523	27,519,000	1,350,000	55,272,523
Charge for the Year	7,128,000	16,543,329	47,582,000	-	71,253,329
As at 30.06.2022	25,157,000	24,930,852	75,101,000	1,350,000	126,538,852
Net Book Value					
As at 30.06.2022	14,258,000	107,411,148	67,661,000	-	189,330,148
Net Book Value					
As at 30.06.2021	21,386,000	8,583,000	13,503,000	-	43,472,000

17 - Intangible assets

	2022/23	2021/22
	TZS	TZS
Opening balance	801,000	1,210,000
Additions	-	-
	801,000	1,210,000
Amortization charge	-	(409,000)
Impairment loss	(801,000)	
Net Book Value	-	801,000

18- Payables and Accruals

Office rent payable	44,100,000	44,100,000
Royalties payable	315,551,293	315,551,435
Printing and Stationeries	3,432,000	3,431,000
Audit fees payable	32,000,000	27,100,000
Other payables	-	12,921,950
Household Appliance (furniture) payables	-	16,000,000
Withholding Tax Payable	77,695	-
Beneficiary deposits	2,857,587	-
	398,018,575	419,104,385

19 - Other payables

Other Payables	2,183,360	123,842,018
	2,183,360	123,842,018

20 - Deposits

Deposit General	645,150	-
Unapplied Deposit Account	559,870	50,000

1,205,020

50,000

21- Capital funds

This represents value of assets taken over from the Government at the inception of the Office and funds to acquire a database for tracking royalties' transactions and online registration system

	2022/23 TZS	2021/22 TZS
Motor Vehicle (Prado STJ 3934)	26,414,000	26,414,000
Office Equipment	1,741,000	1,741,000
Furniture and Equipment	799,000	799,000
Funds for development of a Database for tracking royalties'	12,820,000	12,820,000
Government grant (two motor vehicles)		
	<u>28,515,000</u>	<u>28,515,000</u>
Total	<u>70,289,000</u>	<u>70,289,000</u>

Note: During the year under audit, there was no government grant.

22. RELATED PARTY TRANSACTIONS

Related party transactions; if any were dealt at arm's length during the year 2022/2023. The remunerations of the Copyright Administrator, which comprised of salaries and allowances, for the year were as follows.

	2022/23 TZS '000'	2021/22 TZS '000'
Board meeting expenses	48,153	55,385
Management remuneration	<u>122,255</u>	<u>122,255</u>
Total	<u>170,408</u>	<u>177,640</u>

23: CAPITAL COMMITMENTS

There were no capital commitment funds at year end as at 30 June 2023.

24: CONTINGENT LIABILITIES

The Office had no contingent liabilities as at 30 June 2023.

25: EVENTS AFTER THE REPORTING DATE

There were no subsequent events that occurred after the reporting date which need to be disclosed or adjusted in the Financial Statements.

26 - other income		2022/23 TZS	2021/22 TZS
	Note		
Fees, Fines, Penalties and Forfeits	3	248,107,000	336,119,350
Financing Income	4	67,420,757	24,151,000
Other Revenue	5	105,258,000	24,040,650
		420,785,757	384,311,000

27: STATEMENT OF SURPLUS RECONCILIATION

Surplus as per Statement of financial position is reconciled with a surplus as per statement of comparison between budget and actual performance as follows

	TZS	TZS
Deficit as per Statement of Comparison between Budget and Actual Performance		(310,122,136)
Add:		
Accrued Expenses	68,353,900	
Depreciation & Impairment	138,600,177	
		206,954,077
Surplus as per Statement of Financial Performance		<u>(103,168,059)</u>

28: Reconciliation of Net Cash Flows from Operating Activities to surplus

	2022/23 TZS	2021/22 TZS
Cash flows from Operating Activities		
Surplus/(Deficit)	(103,168,059)	374,769,000
Add: Non cash movements		
Depreciation	137,799,177	71,274,000
Amortization/Impairment loss	801,000	409,000
Increase in provisions for doubtful debts	121,329,500	121,330,000
(Decrease) / Increase in payables	(143,899,487)	(198,089,000)
Increase in provisions relating to employee costs	2,310,334	59,651,000
(Increase)/Decrease of Inventories	(4,224,800)	
(Decrease) / Increase in receivables	-	(146,299,000)
Net cash flows from operating activities	10,947,517	283,045,000

29: PREVIOUS YEAR'S FIGURES

Previous year's figures have been re-arranged whenever considered necessary to make them comparable with those of the current year's figures.