



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



COPYRIGHT OFFICE OF TANZANIA

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2024**

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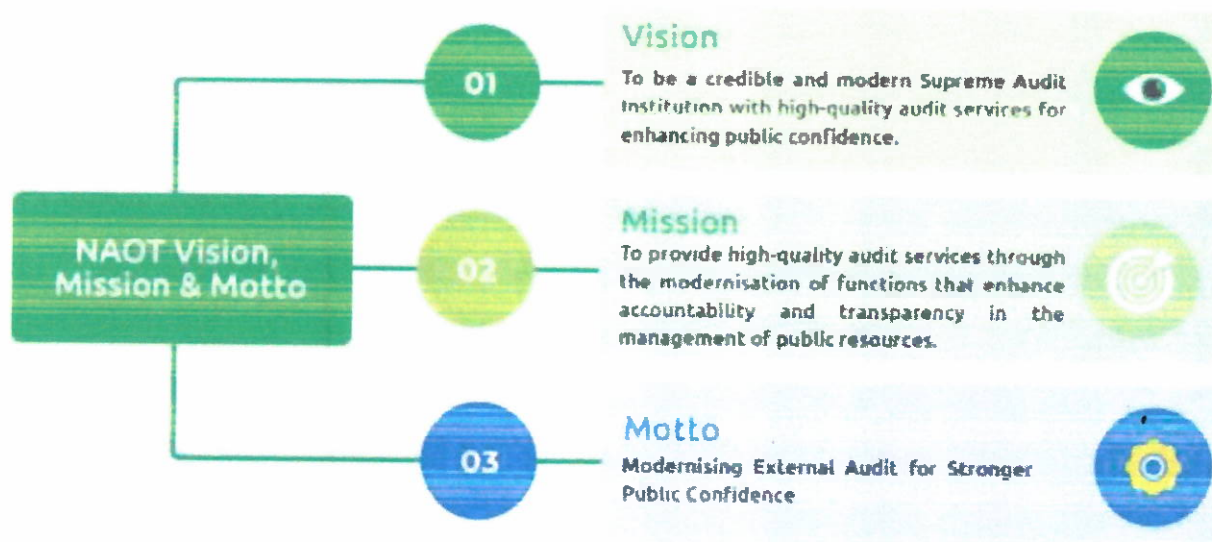
March 2025

AR/PA/COSOTA/2023/24

About the National Audit Office

Mandate

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



Independence and objectivity

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

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

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



Professional competence

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

Integrity

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

Creativity and Innovation

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

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Abbreviations

BoT	Bank of Tanzania
CAG	Controller and Auditor General
COSOTA	Copyright Office of Tanzania
CFS	Cash Flow Statement
CMOS	Copyright Management Organisations
IESBA	International Ethics Standard Board for Accountants
ISSAIs	International Standards of Supreme Audit Institutions
IPSAS	International Public Sector Accounting Standards
NBAA	National Board of Accountants and Auditors
SOFP	Statement of Financial Performance
TAMRISO	Tanzania Music Rights Office
TZS	Tanzanian Shillings
AR	Audit Report
PA	Public Authority

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman of the board,
Copyright Office of Tanzania,
P.O. Box 6388,
Dar es Salaam,
Tanzania.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Copyright Office of Tanzania which comprise the statement of financial position as at 30 June 2024, the statement of financial performance, statement of changes in net assets, cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Copyright Office of Tanzania as at 30 June 2024, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Copyright Office of Tanzania 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 the Chief Executive Officer, statement of responsibility by those charged with governance, and Declaration by the Head of Finance and

but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement Laws

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

I performed a compliance audit on the procurement of works, goods, and services in Copyright Office of Tanzania for the financial year 2023/24 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Copyright Office of Tanzania 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 Copyright Office of Tanzania for the financial year 2023/24 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Copyright Office of Tanzania is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.


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



2.0 REPORT OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2024

Those charged with governance hereby present this report and the audited financial statements for the financial year ended 30 June 2024, which discloses the state of affairs of the Board.

2.1 INCORPORATION

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

2.2 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.

2.3 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.

2.4 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 our priority, 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 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, treating ourselves and the customers with trust; confidentiality, honesty and abiding by the ethical code of conduct and respect for laws;
- **Accountability:** we account for the activities, 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; and looking 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.

2.5 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.

2.6 COMPOSITION OF COSOTA BOARD OF DIRECTORS

According to the Copyright and Neighboring 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 of Directors was appointed subsequently in October 2023 and its tenure will be three years ending 30 August 2026.

Table 1: Composition of the newly appointed Board of Directors is as follows

S/N	Name	Age (Years)	Qualification	Position
1	Victor Michael Tesha	43	B.A Social Sciences, MBA	Chairperson
2	Elizabeth Pastory Ncheye	37	B.A Linguistics (BA)	Member
3	Evaristo O. Mwalongo	55	B.A Statistics, MSc, CPA (T)	Member
4	Bernard Onesphorus Lubogo	53	BA-Economics, MScEconomics	Member
5	Mike Francis Mwakatundu	46	ADA- Marketing	Member
6	Cynthia Patrick Henjewe	56	Diploma	Member
7	Said Ally Nzori	60	LLB, LLM	Member
8	Ms. Doreen A. Sinare	45	Masters in IntellectualProperty	Secretary

During the year, the Board made Four (4) statutory meetings as shown in the attendance Table 2 below.

S/N	Name	Total Meetings Held	Meetings attended	Position
1	Victor Michael Tesha	4	4	Chairperson
2	Elizabeth Pastory Ncheye	4	4	Member
3	Evaristo O.Mwalongo	4	4	Member
4	Bernard Onesphorus Lubogo	4	4	Member
5	Mike FrancisMwa katundu	4	4	Member
6	Cynthia Patrick Henjewe	4	4	Member
7	Said Ally Nzori	4	2	Member
8	Ms.Doreen A.Sinare	4	4	Secretary

The key decisions which were approved by the Board of Directors during the year were:

1. The Board suspended TAMRISO's license to collect royalties from public performance.
2. COSOTA should make sensitization to stakeholders to formulate new Copyright Management Organizations (CMOS).
3. COSOTA should pay dividends to the Government from the collected copyright levy.
4. To increase revenue collection from registration of members and their works.

2.7 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 compliances 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 the effective control of all the Office's operational activities acting as a media of communication and coordination between all business units.

The Office is committed to 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 users;
- Assessment on collection of royalties;
- Foresee all issues pertaining to inspections, searches and seizures of infringing copies;
- Dealing with the actions/ measures against infringement of copyright;
- Dealing with legal matters;
- Advising on matters pertaining documentation;
- Advising and assessment on distribution of royalties;
- Searches for identification and publishing of the rights of owners; and
- Dealing with international repertoires.

Table 3: Licencing and legal committee

S/N	Name	Total Meetings	Attended	Position
1	Cynthia Patrick Henjewe	4	4	Chairperson
2	Mike Francis Mwakatundu	4	4	Member
3	Elizabeth Pastory Ncheye	4	4	Member

Key decisions made during the year, includes:

- Received and assessed the report on collection of Copy right levy from TRA;
- Received the semiannual reports on legal disputes and progress

2.7.2 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 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 organization's strategy.

Table 4: Recruitment/Appointment and Disciplinary Committee

S/N.	Name	Total Meetings	Attended	Position
1	Cynthia Patrick Henjewe	2	2	Chairperson
2	Said Ally Nzori	2	2	Member
3	Elizabeth Pastory Ncheye	2	2	Member

Key decisions made during the year, includes:

- Appointment of Licensing Manager
- Approvals for staff promotions

2.7.3 Budget, Audit and Finance Committee

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

Table 5: Budget, Audit and Finance Committee

S/N	Name	Meetings Held	Attendance	Position
1	Bernard Onesphorus Lubogo	4	4	Chairperson
2	Evaristo O. Mwalongo	4	4	Member
3	Mike Francis Mwakatundu	4	4	Member

The following were deliberated;

- Reviewed and recommend on annual budget;
- Reviewed the risk exposure and conduct risk analysis to the Office's activities and develop risk management plans;
- Reviewed compliance with the Office's policies and procedures;
- Reviewed and recommend on financial and other policies;
- Reviewed and recommended on the CAG reports

Members of the Budget, Audit and Finance Committee are appointed by the Board to serve

for the period of one year and are eligible for re-appointment at the end of the tenure.

2.8 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 heads of departments/units as detailed in Table 6:

Table 6: 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	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	1 March 2023	Legal Unit	LLB

2.9 OPERATING MODEL FOR COSOTA

The operational model of the Copyright Office of Tanzania is presented using the Functional and Capability Model, which is a synchronized framework with adaptation of key three key frameworks of Balanced Score card, Mc Kinsey's 7S and the Canvas model used in designing operational strategies.

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 rightsholders 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.

STRATEGIC OBJECTIVES:

In pursuit of its vision and addressing the identified critical issues:

COSOTA is expecting to achieve the following eight (8) objectives.

- HIV/AIDS infections and Non-Communicable diseases reduced and supportive services improved,
- National Anti-corruption strategy implemented,
- Publisher and Authors income enhanced,
- Anti-piracy campaign sustained and disseminated country wide,
- COSOTA Internal and External Audit reports Coordinated,
- Efficient utilization and access to ICT services promoted,
- Policies and Procedures for efficient and effective systems of administration Formulated, and
- Registration of members, works and collection of subscription fees improved

ORGANIZATIONAL STRUCTURE

A clear structure to delineate roles and responsibilities:

Leadership:

- Chief Executive Officer: Oversees overall operations and strategic direction.

Departments:

1. Copyright Registration and Documentation
2. Licensing and Antipiracy: Registers works and issues licenses.
3. Finance and Administration: Handles financial management, budgeting, and internal operation.
4. Public Relation Unit: Educates the public on copyright issues.
5. Legal Unit: Ensures alignment with laws and regulations.
6. Procurement Management Unit: Ensures compliances with public finance spending
7. Internal Audit Unit; Ensures efficiency in Operations and Internal Controls
8. ICT Unit Technology and Data Management: Manages digital systems for registration, licensing, and data analytics.

CORE PROCESSES

Key workflows for efficient operations:

1. Copyright Registration: Submission and verification of copyright applications and issuance of certificates.
2. Licensing and Royalties: Management of licenses for copyrighted materials and collection/distribution of royalties.
3. Monitoring and Enforcement: Routine inspections, investigations, and legal action against infringements.
4. Dispute Resolution: Mediation and arbitration services for copyright-related disputes.
5. Public Engagement: Outreach campaigns to raise awareness and collaboration with educational institutions.

GOVERNANCE AND COMPLIANCE

Policies and Procedures: Adherence to the Copyright and Neighbouring Rights Act No.7 of 1997 and compliance with international treaties (e.g., Berne Convention, WIPO).

Internal Controls: Regular audits of financial and operational activities and anti-corruption measures.

TECHNOLOGY AND SYSTEMS

Adopt modern tools to streamline operations:

Digital Registration Platform: Online portal for copyright registration and license issuance.

Public Database: Access to registered works for stakeholders.

PERFORMANCE MANAGEMENT

Implement Key Performance Indicators (KPIs) to evaluate effectiveness:

- a. **Registration Metric:** Number of works registered annually.
- b. **Enforcement Metrics:** Cases resolved and penalties issued.
- c. **Public Awareness:** Reach and impact of educational campaigns.
- d. **Financial Metrics:** Royalties collected and distributed.

STAKEHOLDERS ENGAGEMENT

Engage with key stakeholders to strengthen copyright protection:

Creators and Rights Holders: Workshops and consultations.

Government Bodies: Collaboration with the Ministry of Information, Culture, Arts, and Sports.

Law Enforcement Agencies: Joint operations to combat piracy.

International Organizations: Partner with WIPO and other global IP entities.

Public and Businesses: Encourage compliance through outreach programs.

FUNDING AND SUSTAINABILITY

Sources of Revenue: Registration fees, licensing and royalty commissions, government funding, and donor support.

Cost Management: Regular evaluations of operational costs to ensure efficiency.

IMPLEMENTATION ROADMAP

Short Term (1 Year): Establish governance policies, launch a digital registration platform, and conduct initial public awareness campaigns.

Medium Term (2-3 Years): Strengthen enforcement capabilities, introduce data analytics for monitoring, and expand stakeholder partnerships.

Long Term (4-5 Years): Achieve full digital transformation and align with evolving international IP standards.

2.10 POTENTIAL RISKS AND MITIGATIONS APPROACH

Table 7: Risk management

S/N	POTENTIAL RISK	POTENTIAL IMPACT	MITIGATION
1	Board of Directors Governance experience	<ul style="list-style-type: none"> Decisions are made by passing the Board, and Institution fails to grow and its impact is restricted. 	<ul style="list-style-type: none"> Skills review, Competence framework and job descriptions, Board training, Recruitment process, and Outsource.
2	Conflicts of interest	<ul style="list-style-type: none"> Decisions may not be based on relevant considerations, and Compliance failure. 	<ul style="list-style-type: none"> Understanding of the law, and Protocol for disclosing potential conflicts of interest.
3	Loss of key staff	<ul style="list-style-type: none"> Experience and skills lost, Operational impact on key projects, and Loss of contact base and corporate knowledge. 	<ul style="list-style-type: none"> Succession planning, Documentation of systems plans and projects, Training programmes, Recruitment and Staff transfer processes, Organization structure approval, and Scheme of services approval.
4	Funding	<ul style="list-style-type: none"> Cancellation or curtailment of programmes. 	<ul style="list-style-type: none"> Review of adequacy of financial returns achieved (benchmarking), Development of appropriate fund-raising plan, and Buy-in from Board and Senior Managers.
5	Disaster recovery and planning	<ul style="list-style-type: none"> Destruction of property, equipment, records through fire, flood, etc. 	<ul style="list-style-type: none"> President's office permit to employ, Insurance, Disaster recovery plan for alternative accommodation, and Digitalizing of works.
6	Information Technology	<ul style="list-style-type: none"> Systems fail to meet operational needs, Failure to innovate or update systems, Corruption of data, Lack of technical support, and Breach of confidentiality. 	<ul style="list-style-type: none"> Appraisal of system's needs and options, Security and authorization procedure IT recovery plan, Data back-up procedures and precautions, Use of service and support contracts. Outsourcing, Insurance, and Authorization procedure.
7	Cash flow sensitivity	<ul style="list-style-type: none"> Inability to meet commitments, Lack of liquidity to cover variance, and Impact on operational activities. 	<ul style="list-style-type: none"> Adequate cash flow projections, Identification of major sensitivities, Adequate information flow, From operational managers, Monitoring arrangements and reporting, and Availability of reserves.
8	Dependency on income sources	<ul style="list-style-type: none"> Cash flow and budget impact of loss of income source. 	<ul style="list-style-type: none"> Identification of major dependencies, Adequate reserves policy, and

			<ul style="list-style-type: none"> • Diversification plans.
9	Registration of works and right holders.	<ul style="list-style-type: none"> • Double registration. 	<ul style="list-style-type: none"> • More staff employment, • Digitalize works, • Better storage facilities, and • Improve ICT environment.

2.11 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.

2.12 OVERVIEW OF OFFICE'S PERFORMANCE

Year 2023/24 marked Twenty Third 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 2023/24.

Table 8: Overview of Office's Performance

S/N	Planned Target	Achievement	%	Remarks
1	To increase Royalties collectionsto TZS 138,000,000 from Public Performance by 30 June 2024	COSOTA managed to collect TZS 8,200,000	5.94	With regard of changes in copyright law No.7/1999 in 2022, collection and distribution of royalties was shifted from COSOTA to Music Right Office (TAMRISO). Due to changes the said amount TZS 8,200,000 was collected by COSOTA where TZS 159,348,790 was collected by TAMRISO.
2	The Office targeted to collect TZS 1,200,000,000 from Copyright Levy by June, 2024.	COSOTA managed to collect TZS 847,985,595.25	70.67	The process of collecting the relevant fees began in September 2023 instead of July 2023, due to improvements in tax laws and the revision of the copyright fee regulation to align with the new collection system.
3	To register 1,400 new members byJune,2024	330 new members (Artists) were registered.	23.57	Due to changes in copyright law No.7/1999 in 2022, some members are registered by COSOTA and TAMRISO, where 850 were registered by TAMRISO and 330 were registered by COSOTA.
4	To register 2,800 new artists' works	302 artistic works were registered.	10.79	Currently, registration of artistic works is done online, sometimes there is failure of network which cause the drop out in registration of artistic works. Also, there was shortage of fund to disseminate copyright knowledge to stake holders on the significance of artistic works registration.

5	To collect subscription fees of TZS 77,200,000 by 30 June 2024.	Annual and registration fees of TZS 35,109,000 were collected.	45.48	The task of distributing royalties was also increasing revenue by deducting fees from the artists when they received their royalties. But since 2023 COSOTA does not distribute royalties.
6	To collect TZS 20,000,000 from Miscellaneous Receipts	We have managed to collect TZS 51,700,650	258.50	Some of the stake holders we were expecting to contribute the funds in question have not yet contributed.
7	To receive 50 disputes so as to support artist industries on efficient organization of their contracts and works with the producers as well as Distributors.	40 disputes were received insupporting the creative industries, 36 were settled and 4 are inprogress.	80	Resolution of the remaining disputes were carried forward in the next financial year.
8	To conduct Anti-Piracy operations in at least 5 regions	Antipiracy campaigns against production and distribution of pirated copies and public performance without COSOTA's license (permit) were conducted 1 raid in Dar es Salaam region.	20	We had shortage of funds to conduct anti-piracy operation in other regions other than Dar es salaam
9	To create awareness on copyright issues and copyrightdispute resolutions.	COSOTA has been conducting various sessions on copyright issues through various Medias of which 35 programs were conducted through Radio & TV stations. 53 Social media education posters were disseminated through Instagram, Face book, Xspace, and reached 560,241 people, also they were more than hundred direct engagement on this platforms	70	Copyright awareness is a continuing process where the activity is carried forward in the next financial year.

2.13 PERFORMANCE IN THE SIGNIFICANT ASPECTS OF THE FINANCIAL STATEMENTS (INCLUDING BUDGET FIGURES)

2.13.1 Revenue and Revenue Budget performance

The Office final revenue budget for the financial year ended 30 June 2024 was TZS 2,615,564,000 (30 June 2023: TZS 2,264,626,000) and the actual recognized revenues for the year was TZS 2,617,279,780 (30 June 2023: TZS 2,111,265,537) which is 0.01% than the budget. The main reasons for this favourable deviation from the budget is income from Copy right levy introduced from September 2023.

2.13.2 Expenses and Expenses Budget Performance

The final expenditure budget of the Office's for the financial year ended 30 June 2024 was TZS 2,509,564,000 (30 June 2023: TZS 2,264,626,000) and the actual expenditure was TZS 1,870,226,634 (30 June 2023: TZS 1,953,503,864).

The decrease of 25% in actual expenses for the year ended 30 June 2024 was caused by combined effort to cut operating costs. The major components of expenditure during the year ended 30 June 2024 were:

- (a) Wages, Salaries and other Employees benefits;
- (b) Use of goods and services; and
- (c) Other expenses.

FINANCIAL POSITION

2.13.3 Cash and Cash Equivalent

The Office's cash and cash equivalents as at 30 June 2024 was TZS 571,354,324 (30 June 2023: TZS 333,423,683) as shown in the statement of cash flow. This increase of equivalent to 71.4% is due the reason that the stability of revenue and payment system at year end was good compared to the previous year.

2.13.4 Receivable and Prepayments

As at 30 June 2024, receivables totalled TZS 391,011,190 (30 June 2023: TZS 0). The major component of the receivables comes from Copy right levy which accounts for 100% of the total receivables. Total receivables increased by 100%, this was caused by introduction of copy right levy from September 2023.

2.13.5 Plant, Property and Equipment

During the year ended 30 June 2024, the carrying amount of property, plant, and equipment amounted to TZS 282,154,684 marking an increase of TZS 24,657,638 from the previous year.

Payable and Accrued Expenses

Payables and accrued expenses as at 30 June 2024 amounted to TZS 311,973,236 (30 June 2023: TZS 401,406,958) and the major part of these payables are accrued expenses royalty payable to artists.

2.13.6 Overall Financial Position

The Office's Statement of Financial Position as at 30 June 2024 reported Net Assets amounting to TZS 954,142,168 (30 June 2023: TZS 255,986,622) which is composed of Taxpayers' Fund worth TZS 70,289,000 (30 June 2023: TZS 70,289,000) and Accumulated Surplus of TZS 883,853,168 (30 June 2023: TZS 185,697,622).

2.14 EMPLOYEE'S WELFARE

2.14.1 Management and Employees' Relationship

There were continued good relation between employees and management for the year ended 30 June 2024. 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 year 4 new staff members were transferred to work with the Office and 3 were new staff recruited while there was no employee transferred to other institution.

2.14.2 Training Facilities

When presenting its annual budget for the year ended 30 June 2024 the Office set aside TZS 97,945,000, for staff development and training in order to improve employee's technical skills compared to previous year's where the Office set aside TZS 61,740,000 (sixty one million seven hundred forty thousand). TZS 28, 695,453.54 (Twenty eight million six hundred ninety five thousand four hundred fifty three and fifty four cents) were spent for various Staff training and seminars in the current year, in the previous year TZS 20,960,000 (Twenty million nine hundred sixty thousand) 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.

2.14.3 Medical Assistance

The Office contributes 3% of employees' salaries to National Health Insurance Fund (NHIF) to facilitate treatments of all employees and their immediate dependants. During the year under review (2023/24) the Office contributed TZS 39,343,920.00 (being employee TZS 19,671,960.00 and employer TZS 19,671,960.00) and TZS 34,221,780.00 in 2022/23.

2.14.4 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 disabled persons should as far as possible be identical to that of other employees.

2.14.5 Employees' Benefit Plan

The Copyright Office of Tanzania is registered with the Public Service Social Security Fund (PSSSF) to contribute 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 expenses 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 131,146,400.00 to PSSSF (being TZS 32,786,600.00 employee and 98,359,800.00 employers compared to TZS 114,072,600.00 in 2022/23).

2.15 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. 21 to the Financial Statements.

2.16 POLITICAL AND CHARITABLE DONATIONS

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

2.17 ENVIRONMENTAL CONTROL PROGRAMME

The Office did not involve in any environmental control program during the year under audit

2.18 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 financial year 2023/24

2.19 RISK MANAGEMENT AND INTERNAL CONTROL

The Board bears a final responsibility for the office's risk management and internal control systems. 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 behavior of all stakeholders.

The efficiency of any internal control system is depends 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 absolute assurance against misstatement or losses, Office's system is designed to provide the Board with reasonable assurance that the procedure in place is operating effectively.

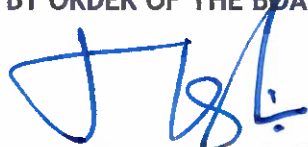
2.20 SOLVENCY

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.

2.21 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



Doreen A. Sinaré

CEO AND COPYRIGHT ADMINISTRATOR

Date: 16 March, 2025

2.22 STATEMENT OF THE CHIEF EXECUTIVE OFFICER

I am pleased to present the financial statements for COSOTA for the financial year ending 30 June 2024. This year has been one of significant progress and transformation for our organization. Despite the challenges in the external environment, we have continued to execute our strategy with discipline and focus.

Our financial performance for the year reflects our commitment to prudent financial management, operational efficiency, and the continued growth of our core business. Revenue increased by twenty-four percent, reflecting robust demand for our services. We have also made considerable strides in strengthening our balance sheet, reducing debt, and improving liquidity. This positions us well to navigate future uncertainties and capitalize on opportunities that will drive sustainable growth.

The financial statements presented have been prepared in accordance with the highest standards of transparency and compliance with IPSAS, and have been independently audited by MURL AATEC ASSOCIATES P.O BOX 71739 Located in Dar es Salaam.

Looking ahead, we remain committed to delivering long-term value to our stakeholders. We will continue to invest in innovation and enhance our operational capabilities to ensure the sustained growth of COSOTA.

I would like to take this opportunity to thank the board, our management team, employees, and partners for their dedication and hard work. I am confident that with our collective effort, we will continue to achieve even greater success in the future.



Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date: 16 March, 2025

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The Board's Directors are responsible for the preparation and fair presentation of the financial statements, comprising the statement of financial position at 30 June 2024, 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 ended, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Public Sector Accounting Standards (IPSAS).

The Board's 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.

The Board has made an assessment of the Organization's ability to continue as a going concern and has no reason to believe the business will not be a going concern in the financial year ahead.



Victor Michael Tesha

CHAIRMAN OF THE BOARD



Ms. Doreen A. Sinaré
CEO AND COPYRIGHT
ADMINISTRATOR

Date: 16 March 2025

4.0 DECLARATION OF THE FINANCE AND ADMINISTRATION MANAGER

The National Board of Accountants and Auditors (NBAA) according to the powers conferred under the Auditors and Accountants (Registration) Act. Cap 286, 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, **ACPA 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 2024 have been prepared in compliance with applicable accounting standards and statutory requirements.

I, thus confirm that the financial statements give a true and fair view position of 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

Baraka J. Katemba

FINANCE AND ADMINISTRATION MANAGER

NBAA Membership No: GA.5833

Date: 16 March, 2025

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	2024 TZS	2023 TZS
ASSETS			
Current Asset			
Cash and Cash Equivalents	17	562,625,395	331,356,458
Trade receivables	18	391,011,190	121,329,500
Inventories	19	15,324,135	4,224,800
Other Financial Assets	20	15,000,000	15,000,000
Total Current Asset		983,960,720	471,910,758
Non-Current Asset			
Property, Plant and Equipment	21	282,154,684	306,812,322
Total Non-Current Asset		282,154,684	306,812,322
TOTAL ASSETS		1,266,115,404	778,723,081
LIABILITIES			
Current Liabilities			
Payables and Accruals	22	309,802,914	398,018,578
Other payables	23	2,170,322	2,183,360
Deposits	24	-	1,205,020
Total Current Liabilities		311,973,236	401,406,958
TOTAL LIABILITIES		311,973,236	401,406,958
Net Assets		954,142,168	377,316,122
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers funds	26	70,289,000	70,289,000
Accumulated Surpluses / Deficits		883,853,168	307,027,122
TOTAL NET ASSETS/EQUITY		954,142,168	377,316,122



Victor Michael Tesha

CHAIRMAN OF THE BOARD



Ms. Doreen A. Sinake
CEO AND COPYRIGHT
ADMINISTRATOR

Date: 16 March, 2025

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

	Note	TZS 2023/24	TZS 2022/23
Revenue			
Revenue From Non exchange transactions	7	1,649,928,880	1,690,479,780
Fees, Fines, Penalties and Forfeits	8	28,481,000	248,107,000
Revenue From exchange transactions			
Financing Income	9	53,962,900	67,420,757
Copyright levy	10	884,907,000	105,258,000
Reversal of provision for bad debts		-	121,329,500
TOTAL REVENUE		2,617,279,780	2,232,595,037
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	11	1,045,275,010	1,183,425,906
Use of Goods and Service	12	491,425,303	769,268,967
Maintenance Expenses	13	107,611,559	78,201,515
Other Expenses	14	139,761,946	47,004,256
Provision for ECL	15	127,991,204	2,067,225
Depreciation	21	48,897,600	137,799,177
Amortisation of Intangible Assets		-	801,000
TOTAL EXPENSES		1,960,962,622	2,216,500,822
Transfer			
Contribution to Government	16	79,491,112	-
TOTAL EXPENSES AND TRANSFERS		2,040,453,734	2,216,500,822
Surplus / (Deficit)		576,826,046	16,094,215



Victor Michael Tesha

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Ms. Doreen A. Sinare
CEO AND COPYRIGHT
ADMINISTRATOR

Date: 16 March, 2025

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

	Tax Payer's Fund	Accum. Surplus/(Deficit)	Total
	TZS	TZS	TZS
Opening Balance as at 01 July 2023	70,289,000	307,027,122	377,316,122
Addition Capital Injected			
Surplus/ Deficit for the Year	-	576,826,046	576,826,046
Closing Balance as at 30 June 2024	<u>70,289,000</u>	<u>883,853,168</u>	<u>954,142,168</u>

	Tax Payer's Fund	Accum. Surplus/(Deficit)	Total
	TZS	TZS	TZS
Opening Balance as at 01 July 2022	70,289,000	290,932,907	361,221,907
Surplus/ (Deficit) for the Year		16,094,215	16,094,215
Closing Balance as at 30 June 2023	<u>70,289,000</u>	<u>307,027,122</u>	<u>377,316,122</u>



Victor Michael Tesha

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Ms. Doreen A. Sinare
CEO AND COPYRIGHT
ADMINISTRATOR

Date: 16 March, 2025

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2024

	Note	TZS 2023/24	TZS 2022/23
CASH FLOW FROM OPERATING ACTIVITIES			
RECEIPTS			
Revenue from non-exchange	7	1,649,928,880	1,690,479,780
Fees, Fines, Penalties and Forfeits	8	28,481,000	248,107,000
Financing Income	9	53,962,900	67,420,757
Copyright levy	10	493,895,810	105,258,000
Total Receipts		2,226,268,590	2,111,265,537
PAYMENTS			
Wages, Salaries and Employee Benefits	11	914,128,610	1,085,353,306
Use of Goods and Service	12	489,415,530	645,872,242
Maintenance Expenses	13	107,611,559	78,201,515
Other Expenses	14	139,774,983	176,818,357
Other transfers	16	79,491,113	-
Decrease in Deposit	24	1,205,020	-
Social Benefits	25	131,146,400	114,072,600
Total Payments		1,862,773,214	2,100,318,020
NET CASH FLOW FROM OPERATING ACTIVITIES		363,495,376	10,947,517
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Acquisition of Property, Plant and Equipment	21	(24,239,962)	-
NET CASH FLOW FROM INVESTING ACTIVITIES		(24,239,962)	10,947,517
CASH FLOW FROM FINANCING ACTIVITIES			
Royalties distributed to Artists	22	(101,324,772)	-
Cash and cash equivalent at beginning of period		333,423,683	322,476,166
Cash and cash equivalent at end of period		571,354,324	333,423,683



Victor Michael Tesha
CHAIRMAN OF THE BOARD



Ms. Doreen A. Sinare
CEO AND COPYRIGHT
ADMINISTRATOR

Date: 16 March, 2025

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

	Note	Original Budget	Final Budget (B)	Actual Amount on Comparison Basis (A)	Different Final Budget & Actual (B-A)	% variation
		TZS	TZS	TZS	TZS	
RECEIPTS						
Revenue from non-exchange transactions	7	2,380,364,000	2,380,364,000	1,649,928,880	(730,435,120)	(31)
Revenue from Exchange Transactions	8,9&10	235,200,000	235,200,000	967,350,900	732,150,900	311
Total Receipts		2,615,564,000	2,615,564,000	2,617,279,780	1,715,780	
PAYMENTS						
Wages, Salaries and Employee Benefits	11	1,301,284,000	1,301,284,000	1,045,275,010	(256,008,990)	(20)
Use of Goods and Service	12	917,465,000	917,465,000	496,044,090	(421,420,910)	(46)
Other Transfers	16	-	-	79,491,113	79,491,113	
Other Expenses	14	127,415,000	127,415,000	139,761,946	12,346,946	10
Maintenance Expenses	13	163,400,000	163,400,000	109,654,475	(53,745,525)	(33)
Acquisitions of fixed assets	21	106,000,000	106,000,000	24,239,962	(81,760,038)	(77)
Total Payment		2,615,564,000	2,616,564,000	1,870,226,634	(727,759,107)	(25)
Net Receipts/Payments		-	-	729,474,887		



Victor Michael Tesha
CHAIRMAN OF THE BOARD



Ms. Doreen A. Sinare
CEO AND COPYRIGHT ADMINISTRATOR

Date: 16 March, 2025

*** Explanatory notes on the differences between Budget and Actual are explained here bellow.**

Explanatory Notes.

Note 2: The budget based on anticipation that COSOTA will receive the whole amount from Government budget, however only TZS 1,649,928,880 were disbursed out of TZS 2,380,364,000

Notes 3,4&5: The increase in collection was due introduction of copyright levy and Fees, Fines, Penalties and Forfeits was due to close follow up of bills issued to users of artistic works who paid them accordingly.

Note 6: Staff cost decreased during the year under audit due to decrease of extra duty allowances.

Note7: The Use of Goods and Service decreased during the year under audit due to cost minimization

6.0 NOTES TO THE FINANCIAL STATEMENTS

PRINCIPAL ACCOUNTING POLICIES

6.1 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.

6.2 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	Useful life (years)
Office furniture and Equipment	10
Computers	8
Severs, Televisions and production equipment	10
Motor vehicles	10

The existence of office furniture and Equipment; computers and motor vehicles is evidenced through the physical count, thereafter the property, plant and equipment residual values, 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 indicates the existence of impairment on equipment.

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

6.3 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 chargeable annual amount to the time 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.

6.4 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.

6.5 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.

6.6 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.

6.7 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.

6.8 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.

6.9 Change in Accounting Policy

The introduction of IPSAS 41 substantially modifies IPSAS 29 by classifying financial assets and liabilities through a principles-based classification model, a forward-looking expected credit loss model.

The Impact of Change in Accounting Policy

The impact of introducing IPSAS 41 is the emergence of Expected credit loss /gain in the Financial Statements by having different Cash and Cash Equivalent figures reported in the Statement of Financial Position and the Statement of Cash flows with Exposure at Default (EAD) (Balance) at the end of the financial year.

The Office operates with the following Banks with global ratings and Probability of Default (PD) as provided in the table below.

Table 9: Banks with global ratings and Probability of Default (PD)

No	Name of the Bank	Rating Agency	Score	Probability of Default (PD)
1	NMB	CORFIMATION LETTER	BB+	2.16%
2	CRDB	CORFIMATION LETTER	CORFIMATION LETTER	2.10%
3	NBC	CORFIMATION LETTER	CORFIMATION LETTER	2.16%
4	BoT	CORFIMATION LETTER		0%

(i) Financial Assets at Fair Value through Surplus/Deficit

Financial Assets are subsequently measured at Fair Value through Surplus /Deficit unless they are measured at amortized costs or fair values through net assets/equity based on conditions mentioned above.

(ii) Impairment of financial assets

The impairment of financial asset is calculated using expected credit losses model. The Entity recognizes loss allowances {Expected Credit Losses (ECL)} on all financial assets except those that are measured at FVTSD and credit impaired financial assets. A loss allowance is calculated at each reporting date however, the ECL model is updated on quarterly basis or less period to accommodate any event that might cause significant increase in credit risks on financial asset.

The term 'expected credit loss' does not imply that losses are anticipated, rather that there is recognition of the potential risk of loss. Determining whether an expected credit loss should be based on 12-month expected credit losses or lifetime expected credit losses depends on whether there has been a significant increase in credit risk of the financial asset since initial recognition.

Loss allowances for ECL are presented in the statement of financial position as follows: Financial assets measured at amortized cost: as a deduction from the gross carrying amount of the assets;

(iii) Inputs into measurement of ECLs

The key inputs into the measurement of ECLs are the discounted product of: probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

EAD is based on the amounts the Entity expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD).

LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The Lifetime PD is developed by applying a maturity profile to the current 12month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band.

This is supported by historical analysis.

CASH AND CASH EQUIVALENT

	2024	2023
Cash at Bank and on hand	571,354,324	333,423,682
Less: Provision for ECL:		
Opening	2,067,225	
Charged during the year	6,661,704	2,067,225
Closing (Provision for ECL)	(8,728,929)	(2,067,225)
Cash as per Statement of Net Asset	562,625,395	331,356,457

Analysis of Cash and Cash Equivalent

For the purpose of the statement of cash flows, cash and cash equivalent comprises of the following balances with less than three months maturity from the date of acquisition

	2024	2023
Cash as per Statement of Financial Position	562,625,395	331,356,457
Add: Expected Credit Loss (Provision)	8,728,929	2,067,225
Gross Cash and Cash Equivalent	571,354,324	333,423,682

Moreover, the Office operates with NMB Bank with current global ratings of AA- from Fitch, Aa3 from Moody's, and AA- from S&P, which gives Probability of Default (PD) of 0.04.

At the yearend COSOTA had receivable collected by TRA as Copyright levy amounting to TZS 391,011,190 which was transferred to the Ministry of Finance.

The Office has assessed the balance receivable from the ministry and found no probability for expected loss to be reported

6.10 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements of every financial year requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the assets or liabilities to be affected in the future.

- (a) The figures of Property Plant and Equipment have been affected by the estimates of useful life to non-current assets and judgement on method for depreciation calculation; and
- (b) Impairment of Cash balances in Bank. The Entity reviews its financial assets measured at amortised cost at each reporting date to assess whether an impairment loss should be recognised in surplus or deficit. In particular, judgment by the Entity Management is required in the estimation of the amount and timing of future cash flows when determining the level of impairment loss required. Such estimates are based on the assumptions about a number of factors and actual results may differ, resulting in future changes in the impairment. The Entity makes judgment as to whether there is any observable data indicating that there is a

measurable decrease in the estimated future cash flows in an individual asset in that portfolio. This evidence may include observable data indicating that there has been an adverse change in the rating outcome, or national or local economic conditions that correlate with defaults on assets. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss incurred.

6.11 FUTURE CHANGES IN ACCOUNTING POLICIES

No Standards issued and yet effective up to the date of issuance of the COSOTA's financial statements that the Entity reasonably expects to have an impact on disclosures, financial position or performance when applied soon. The Office assesses and intends to adopt these standards when they become effective. The standards include;

(i) IPSAS 43 - Leases:

IPSASB approved IPSAS 43, Leases with an effective date of 1 January 2025. IPSAS 43 supersedes IPSAS 13, Leases and introduces the right-of-use model for lessees, aligning with IFRS 16, Leases. The IPSASB will continue consideration of public sector specific leasing issues, such as concessionary leases, in its Other Lease-Type Arrangements project. The entity is currently assessing the impact of the standard.

(ii) IPSAS 44- Non-current Assets Held for Sale and Discontinued Operations:

In May 2022 IPSASB issued IPSAS 44 that specifies the accounting for assets held for sale and the presentation of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:

- (a) Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
- (b) Presented separately in the statement of financial position and results of discontinued operations to be presented separately in the Statement of financial performance. IPSAS 44 will be effective for periods beginning on or after 1 January 2025.

(iii) IPSAS 45 - Property, Plant and Equipment

This standard provides guidance on accounting for Property, Plant and Equipment so that users of Financial Statements can discern information about an entity's investment in its PPE and the changes in such investment. The standard applies to PPE used to develop or maintain the biological assets related to agricultural activity other than bearer plants, Mineral rights and mineral reserves such as oil, natural gas and similar non-regenerative resources and the recognition and measurement of exploration and evaluation assets. IPSAS 45 removed IPSAS

17's scope exclusion of Heritage Asset. This standard will be effective on 1 January 2025 with earlier application permitted

(iv) IPSAS 46- Measurement

The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. The Standard identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting. An entity that prepares and presents financial statements under the accrual basis of accounting shall apply IPSAS 46, Measurement in measuring assets and liabilities. The measurement requirements described in this Standard apply to both initial and subsequent measurement, unless specific guidance is included in the individual IPSAS. IPSAS 46 will be effective for periods beginning on or after 1 January 2025.

(v) IPSAS 47- Revenue

IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions. IPSAS 47 is a single source for revenue accounting guidance in the public sector, which presents two accounting models based on the existence of a binding arrangement. This new Standard provides focused guidance to help entities apply the principles to account for public sector revenue transactions. To meet this objective requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction and set out the accounting requirements to account for the revenue transaction. IPSAS 47 will be effective for periods beginning on or after 1 January 2026

(vi) IPSAS 48: Transfer Expenses.

The objective of this standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenses and cash flow arising from transfer expense transactions. In order to meet the objective, This Standard requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction and sets out the accounting requirements for the transfer expense transaction. IPSAS 48 will be effective for periods beginning on or after 1 January 2026.

(vii) IPSAS 49: Retirement Benefit Plans.

The objective of this standard is to prescribe the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants. IPSAS 49 will be effective for periods beginning on or after 1 January 2026.

(viii) IPSAS 49: IFRS S1

The objective of IFRS S1 (General Requirements for Disclosure of Sustainability related Financial Information) is to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The Standard requires an entity to disclose information about all sustainability-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. This Standard also prescribes how an entity prepares and reports its sustainability-related financial disclosures. It sets out general requirements for the content and presentation of those disclosures so that the information disclosed is useful to primary users in making decisions relating to providing resources to the entity.

(ix) IFRS S2:

The objective of IFRS S2 (Climate-related Disclosures) is to require an entity to disclose information about its climate-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity. The Standard requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows, its access to finance or cost of capital over the short, medium or long term. Climate-related risks to which the entity is exposed includes; climate-related physical risks and climate-related transition

6.12 RISKS MANAGEMENT

The Office comprises several financial and operational risks, hazards, and strategic risks, hence it is responsible for ensuring appropriate risk management strategies and policies are in place within any mandate provided by legislation with assistance from the parent ministry.

(i) Interest rate risk

It is very risk to the Office delaying to settle its loans, payables and tax on time due to some penalties might happen. For that being the case, the Office plans to settle the payables timely to avert any penalties that might happen. But in the financial year ending 30 June 2024 the Office had no loan obligations.

(ii) Foreign exchange risk

Foreign exchange risk refers to exchange loss due to adverse movements in foreign exchange rates.

(iii) Liquidity risk

The Office failed to settle some liabilities due to delay on collection of fees from Ministry. Then, the Office considered unsettled liabilities in partly carry over budget. The balance of the

liabilities not covered by the carryover budget will be paid through funds collected in financial year 2024/25

a. Credit risk

Credit risk refers to the loss due to the non-performance by counterparties to discharge an obligation. The Office is subjected to risk of untimely recovered advances from BASATA as well its balance(s) of Cash in the Bank(s).

Total Cash in the Banks to which the Office is exposed to credit risk as of 30 June 2024 with its comparative figures are presented in note 5.9 according to the classification of assets (classification according to external credit rating is done based on credit ratings published by Standard and Poor's)

6.13 RESTATED FINANCIAL STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

The Office restated financial statements for the year ended 30 June 2023 for adjusting understated/overstated revenue/ expenses which has led to change in some comparative figures.

The adjustments which have been made to the financial statements for the year ended 30 June 2023 includes -

- (i) TZS 2,067,225 expected credit loss for cash and cash equivalents recorded as per IPSAS 41;
- (ii) TZS 121,329,500 as cancellation of decrease in provision for bad debt due to introduction of IPSAS 41.

	TZS 2024	TZS 2023
NOTE 7. REVENUE FROM NON-EXCHANGE		
Subvention for PE	783,678,880	671,729,780
Government Grant Other Charges	866,250,000	1,018,750,000
	<u>1,649,928,880</u>	<u>1,690,479,780</u>
NOTE 8-FEES, FINES, PENALTIES AND FORFEITS		
Forfeits -non market	-	104,399,000
Registration Fees	28,481,000	15,903,000
Revenue from Inspection Fees -non market	-	400,000
Receipt from other royalties	-	33,250,000
Royalties	-	94,155,000
	<u>28,481,000</u>	<u>248,107,000</u>
NOTE 9- FINANCING INCOME		
Other Parastatals	53,962,900	67,420,757
	<u>53,962,900</u>	<u>67,420,757</u>
NOTE 10 - OTHER REVENUE		

Application fee	11,848,000	127,000
Miscellaneous Revenue	25,073,406	97,261,000
Revenue from Certificate of Competence	-	7,833,000
Service Charges	-	37,000
Copyright Levy -MOF	847,985,594	
Total for SOFP	884,907,000	105,258,000
Add/Less (Changes in working capital)		
Receivable from Ministry of Finance	(391,011,190)	-
Total for SCF	493,895,810	105,258,000

NOTE 11: WAGES, SALARIES AND EMPLOYEE BENEFITS

Casual Labourers	-	3,000,000
Civil Servants	613,188,560	523,435,400
Court Attire Allowance	1,000,000	-
Electricity	32,675,166	4,832,133
Extra-Duty	27,271,188	166,036,001
Field (Practical Allowance)	-	1,000,000
Food and Refreshment	31,705,023	41,939,460
Honoraria	24,200,000	14,230,000
Housing Allowance discretionary Expenses	28,800,000	28,630,000
Internship Allowance	7,400,000	9,473,000
Leave Travel	11,066,548	3,440,000
National Health Insurance Schemes (NHIF) Employee Expenses	39,343,920	34,221,780
Outfit Allowance	1,000,000	600,000
Professional Allowances	1,990,000	3,740,000
Public Servants Social Security Fund (PSSSF) Employee Expenses	131,146,400	114,072,600
Sitting Allowance	76,929,335	212,760,533
Telephone Allowance	11,999,870	11,220,000
Transport Allowance	5,559,000	10,795,000
Total for SOFP	1,045,275,010	1,183,425,906
Add: Changes in payables		
Household benefits payables	-	16,000,000
Add:/(Less) : PSSSF	(131,146,400)	(114,072,600)
Total for CFS	914,128,610	1,085,353,306

NOTE 12: USE OF GOODS AND SERVICE

Advertising and publication	10,246,604	17,200,000
Air Travel Ticketstraining - Domestic	43,219,154	7,273,740
Air Travel TicketsTraining - Foreign	-	9,345,400
Air Travel TicketsTravel - In - Country	-	9,760,000
Air Travel TicketsTravel Out Of Country	11,422,800	8,588,650
Catering Services	-	2,518,001
Computer Supplies and Accessories	5,776,547	-
Conference Facilities	15,834,600	15,496,000
Diesel	34,223,608	18,494,000
Entertainment - Hospitality Supplies And Services	3,252,222	19,232,800
Exhibition, Festivals and Celebrations	4,989,000	5,000,000
Food and Refreshments	13,214,094	-
Gifts and Prizes	2,000,000	1,000,000
Ground Transport (Bus, Train, Water)	20,350,000	25,310,000
Ground travel (bus, railway taxi, etc)Travel - In - Country	20,746,348	39,965,500
Internet and Email connections	-	4,279,869
Lodging/Accommodation Travel Out Of Country	-	2,821,800
Newspapers and Magazines	1,000,000	-
Office Consumables (papers, pencils, pens and stationaries)	35,316,939	177,329,923
Per Diem - Domestic	103,261,750	300,078,800
Per Diem - Foreign	19,347,570	36,872,200
Posts and Telegraphs	1,589,870	-
Printing and Photocopying Costs	40,246,339	9,183,600
Publicity	47,951,635	30,600,000
Purchased Electricity - TANESCO	5,848,249	2,098,460
Rent - Housing	3,740,000	-
Sewage Charges - Utilities Supplies and Services	5,900,000	2,596,000
Technical Materials	19,842,040	-
Training Allowances	700,000	1,000,000
Training Materials	-	460,000
Tuition Fees Training - Domestic	21,160,934	19,500,000
Uniforms and Ceremonial Dresses	245,000	800,000
Visa Application Fees	-	397,000
	<u>491,425,303</u>	<u>769,268,967</u>
Add: Provision for bad debts	-	(121,329,500)
Total for SOPF	<u>489,415,530</u>	<u>647,939,467</u>
Add/Less (Change in Working Capital)		
Consumables	11,099,335	-
Supplies of goods and services	(12,800,000)	-
Withholding Tax Payable Addition	(309,107)	-

	(2,009,773)	(2,067,225)
Total for SCF	<u>489,415,530</u>	<u>645,872,242</u>
13- MAINTANACE EXPENSES		
Computers, printers, scanners, and other computer related equipment	-	1,831,935
Outsource maintenance contract services - Machinery, Equipment and Plant	21,395,435	-
Outsource maintenance contract services - Office Equipment and Appliances	79,499,374	76,049,580
Repair and Maintenance of Furniture	5,449,750	320,000
Spare Parts - Vehicles and Transportation Equipment	1,267,000	-
	<u>107,611,559</u>	<u>78,201,515</u>
14- Other Expenses		
Agency fees	79,995,138	5,027,000
Audit fees Expenses	44,800,000	32,000,000
Audit supervision expenses	1,510,000	-
Burial Expenses	1,500,000	-
consultancy fees	11,956,808	9,977,256
Total for SOFP	<u>139,761,946</u>	<u>47,004,256</u>
Add/Less:		
Audit fee Accrued		(32,000,000)
Decrease in other payables	13,037	-
Net decrease in Accruals	-	161,729,658
Increase in Inventories	-	4,224,800
Increase in Unapplied Deposits	-	(509,870)
Increase in deposits	-	(645,150)
Increase in beneficiaries deposits	-	(2,857,587)
Increase in withholding tax payables	-	(127,454)
Total for CFS	<u>139,774,983</u>	<u>176,818,653</u>
15- Provisions for ECL		
Sash and cash equivalents	6,661,704	2,067,225
Other receivables	121,329,500	-
	<u>127,991,204</u>	<u>2,067,225</u>
16- Other Transfers		
Contribution to Government	79,491,112	-
	<u>79,491,112</u>	<u>-</u>

17 - Cash and Cash Equivalents

BoT Own source Collection Account	158,318,040	235,880,985
Deposit Cash Account	-	56,593,917
Own source Collection Account -CRDB	-	8,994,000
Own source Reccurent Expenditure GF	-	538,815
Recurrent Expenditure Cash Account	413,036,284	30,856,097
Unapplied Cash Account		559,870
	<u>571,354,324</u>	<u>333,423,683</u>
Less: Provision for ECL	<u>8,728,929</u>	<u>2,067,225</u>
Net cash	<u>562,625,395</u>	<u>331,356,458</u>

18- Receivables

Receivables from MOF	391,011,190	-
Other receivables	121,329,500	121,329,500
Provision for ECL	(121,329,500)	-
	<u>391,011,190</u>	<u>121,329,500</u>

19- Inventories

Consumables	15,324,135	4,224,800
	<u>15,324,135</u>	<u>4,224,800</u>

20- Other Financial Assets

Loan to Other Government Entities Addition	15,000,000	15,000,000
	<u>15,000,000</u>	<u>15,000,000</u>

NOTE 21: PROPERTY, PLANTS AND EQUIPMENT

	Motor Vehicles	Office Furniture & Office equipment	Computers	Total
	TZS	TZS	TZS	TZS
Cost/Valuation				
As at 01.07.2023	294,696,497	132,341,852	142,762,000	569,800,349
Additions	-	24,239,962	-	24,239,962
As at 30.06.2024	<u>294,696,497</u>	<u>156,581,814</u>	<u>142,762,000</u>	<u>594,040,311</u>
Depreciation				
As at 01.07.2023	98,831,124	41,515,903	122,641,000	262,988,027
Charge for the Year	31,548,023	12,459,337	4,890,240	48,897,600
As at 30.06.2024	<u>130,379,147</u>	<u>53,975,240</u>	<u>127,531,240</u>	<u>311,885,627</u>
Net Book Value As at 30.06.2024	<u>164,317,350</u>	<u>102,606,574</u>	<u>15,230,762</u>	<u>282,154,684</u>
Net Book Value As at 30.06.2023	195,865,373	90,825,947	20,121,000	306,812,322
	Motor Vehicles	Office Furniture & Office equipment	Computers	Total
	TZS	TZS	TZS	TZS
Cost/Valuation				
As at 01.07.2022	39,415,000	132,341,852	142,762,000	314,518,852
Additions	255,281,497	-	-	255,281,497
As at 30.06.2023	<u>294,696,497</u>	<u>132,341,852</u>	<u>142,762,000</u>	<u>569,800,349</u>
Depreciation				
As at 01.07.2022	25,157,000	24,930,850	75,101,000	125,188,850
Charge for the Year	73,674,124	16,585,053	47,540,000	137,799,177
As at 30.06.2023	<u>98,831,124</u>	<u>41,515,903</u>	<u>122,641,000</u>	<u>262,988,027</u>
Net Book Value As at 30.06.2023	<u>195,865,373</u>	<u>90,825,949</u>	<u>20,121,000</u>	<u>306,812,322</u>

NOTE 22: PAYABLES & ACCRUALS

Royalties Payable	217,084,110	315,551,293
Office Rent	44,100,000	44,100,000
Printing and stationaries	3,432,000	3,432,000
Supplies of goods and services Addition	44,800,000	32,000,000
Withholding Tax Payable Addition	386,803	77,696
	<u>309,802,913</u>	<u>398,018,576</u>

NOTE 23: OTHER PAYABLES & ACCRUALS

Other Payables	2,170,322	2,183,360
	<u>2,170,322</u>	<u>2,183,360</u>

NOTE 24: DEPOSITS

Deposit General	-	645,150
Unapplied Deposit Account Addition	-	559,870
	-	<u>1,205,020</u>

NOTE 25: SOCIAL BENEFITS

Public Servants Social Security Fund (PSSSF)	131,146,400	114,072,600
	<u>131,146,400</u>	<u>114,072,600</u>

NOTE 26: TAX PAYERS' 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

	2023/24 TZS	2022/23 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 for capital expenditure.

NOTE 27: RELATED PARTY TRANSACTIONS

Related party transactions; if any were dealt at arm's length during the year 2023/24. Remunerations of the Copyright Administrator, which comprised of salaries and allowances, for the year were as follows.

	2023/24 TZS'000'	2022/23 TZS'000'
Board meeting expenses	32,250	48,153

Management remuneration
Total

122,255
154,505

122,255
170,408

NOTE 28: CAPITAL COMMITMENTS

There were no capital commitment funds at year end as at 30 June 2024.

NOTE 29: TRANSACTIONS OR BALANCES WITH OTHER GOVERNMENT ENTITIES

During the financial year 2023/24 the COSOTA has transacted with different other public entities in its normal operations. The list of entities which have transacted with COSOTA are as shown below.

List of Transactions/ Balances with Other Government Entities for The Year Ended 30 June 2024

S/N	Goods/service received	Name of entity provided goods/ service	Amount paid (TZS)	Payable balance (TZS)
1	GPSA	Diesel	34,223,608	0.00
2	CAG	Audit fees	3,200,000	0.00
3	NBAA	Training fees	4,635,000	0.00
4	SUMA JKT GUARD LTD	Security Charges	11,350,000	0.00
5	Tanzania Electric Supply Company Limited	Electricity	32,675,166	0.00
6	Tanzania Posts Corporation	Postage fees	1,589,869	0.00
7	Tanzania Telecommunication Corporation	Telephone charges	11,999,869	0.00
8	University Of Dodoma	Tuition fees	8,450,933	0.00
9	CBE-Dar es salaam	Tuition fees	5,510,000	0.00
10	Mzumbe University	Tuition fees	7,200,000	0.00
11	National Health Insurance Fund	Staff contribution	39,343,920	0.00
12	Public Service Social Security Fund	Staff contribution	131,146,400	0.00

NOTE 30: CONTINGENT LIABILITIES

The Office had no contingent liabilities as at 30 June 2024.

NOTE 31: 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 Statement

NOTE 32: RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS

	TZS 2023/24	TZS 2022/23
Surplus/ Deficit for the Period	576,826,046	-105,235,285
Add/ (Less) Non Cash Item		
Amortisation of Intangible Assets	-	801,000
Depreciation of Property, Plant and Equipment	48,897,600	137,799,177
Add/ (Less) Change in Working Capital		
Inventories	(11,099,335)	(4,224,800)
Provision for ECL	127,991,204	2,067,078
Other Receipt (General deposits)	(1,205,020)	2,310,334
Payables and Accruals	13,096,071	(143,899,487)
Receivables	(391,011,190)	-
Net Cash Flow from Operating Activities	363,495,376	10,947,517

NOTE 33: STATEMENT OF SURPLUS RECONCILIATION

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

	TZS	TZS
Surplus as per Statement of comparison between budget and actual performance		729,474,887
Add/(less)		
Accrued expenses	(103,751,241)	
Depreciation & Impairment	(48,897,600)	
		(152,648,841)
Surplus as per statement of financial performance		<u>576,826,046</u>

NOTE 34: 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 figure.