



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



DAR ES SALAAM INSTITUTE OF TECHNOLOGY

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

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March 2024

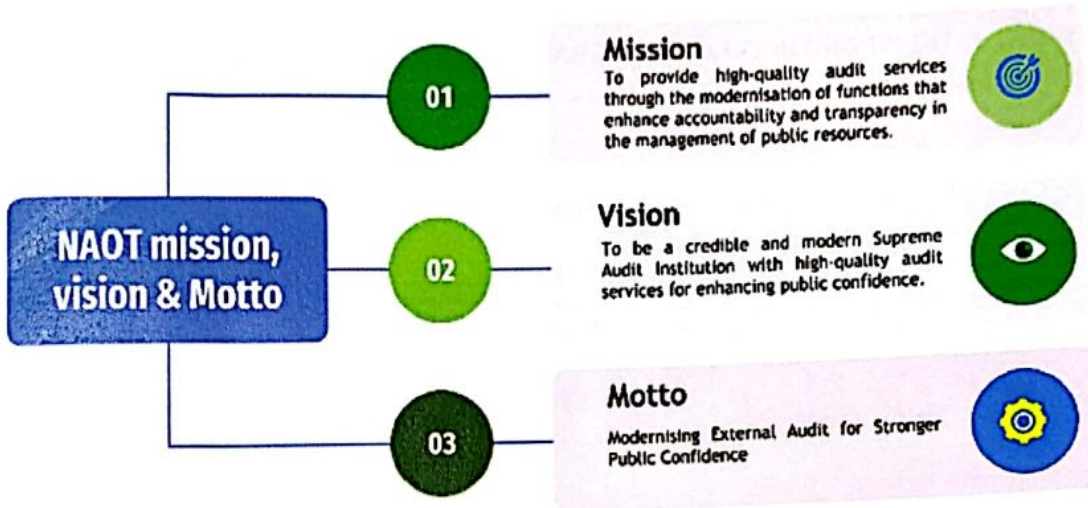
AR/PA/DIT/2022/23

REPORT OF THE CONTROLLER AND AUDITOR GENERAL

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.

© This audit report is intended to be used by Dar es salaam Institute of Technology and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

TABLE OF CONTENTS

ABBREVIATIONS.....	iv
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE FOR YEAR ENDED 30 JUNE 2023	6
3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE ..	16
4.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTING OF DIT	17
5.0 FINANCIAL STATEMENTS	18

Dar es Salaam Institute of Technology

ABBREVIATIONS

AdEMNEA	Adaptive Environmental Monitoring Networks for East Africa
CAG	Controller and Auditor General
CELPAT	Centre of Excellence in Leather Processing and Allied Technologies
DIT	Dar es Salaam Institute of Technology
EASTRIP	East Africa Skills for Transformation and Regional Integration Project
HESLB	Higher Education Students Loans Board
HIV /AIDS	Human Immune Deficiency Virus/Acquired Immune Deficiency Syndrome
ICT	Information Communication Technology
IPPF	International Professional Practices Framework
IPSAS	International Public Sector Accounting Standard
ISSAI	International Standard of Supreme Audit Institutions
LPOs	Local Purchase Orders
NBAA	National Board of Accountants and Auditors
NHIF	National Health Insurance
PMU	Procurement Management Audit
PPA	Public Procurement Act, 2011
PPE	Property, Plant and equipment
PPF	PPF Pensions Fund
RAFIC	Regional flagship ICT Centre
TZS	Tanzanian Shillings
URT	United Republic of Tanzania

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chairperson,
Governing Council,
Dar es Salaam Institute of Technology,
P.O. Box 2958,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the consolidated financial statements of Dar es Salaam Institute of Technology, which comprise the consolidated statement of financial position as at 30 June 2023, and the consolidated statement of financial performance, consolidated statement of changes in net assets and consolidated cash flow statement and the consolidated 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 consolidated financial statements present fairly in all material respects, the financial position of Dar es Salaam Institute of Technology as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Dar es Salaam Institute of Technology 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 responsibility by those charged with governance, Declaration by the Head of Finance but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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

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

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

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

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

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

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, future events or conditions may cause the entity to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. I describe these matters in my audit report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

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

Further, Section 48(3) of the Public Procurement Act, 2011 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 procurement of works, goods and services in the Dar es Salaam Institute of Technology for the financial year 2022/23 as per the Public Procurement laws.

Conclusion

Based on the audit work performed, I state that, except for the matters described below, procurement of works, goods and services of Dar es Salaam Institute of Technology is generally in compliance with the requirements of the Public Procurement laws.

Supplier delayed delivery without being charged liquidated damage

On tender number PA/015/2022-23/HQ/G/04, deliveries were noted to be 52 days beyond the expected delivery period of 21 days and no liquidated damage was charged contrary to regulations 112(12) and 242 (1&2) of Public Procurement Regulations 2013.

Intention to award was not communicated to all bidders and failure to observe cool off period prior to contract award decision

Regulation 231(2) of Public Procurement Regulations 2013 as amended 2016 requires the accounting officer to issue a notice of intention to award the contract to all tenderers who participated in the tender in question giving them seven working days within which to submit a complaint if any, However from the review of tender number PA/015/2022-23/HQ/G/04, I noted that the Accounting Officer sent a letter of intention to award only to M/s. Mkalama Vision Limited and instead of sending to all bidders. Moreover a letter for intention to award was sent on 12 October 2022 and an award letter sent the same date.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution in the Dar es Salaam Institute of Technology for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of Dar es Salaam Institute of Technology 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 BY THOSE CHARGED WITH GOVERNANCE FOR YEAR ENDED 30 JUNE 2023

2.1 INSTITUTE'S INFORMATION

PRINCIPAL PLACE OF BUSINESS:

The Dar es Salaam Institute of Technology,
P. O. Box 29,
Dar es Salaam, Tanzania.
Phone: +255 (0) 26 2310003
E-mail: info@dit.ac.tz
Website:www.dit.ac.tz

PARENT MINISTRY:

Ministry of Education, Science and Technology,
Afya Street, Government City - Mtumba Area,
P.O. Box 10,
Dodoma, Tanzania.

ACCOUNTING OFFICER:

Prof. Preksedis M. Ndomba
Principal
Dar es Salaam Institute of Technology
P. O. Box 2958
Dar es Salaam, Tanzania.

BANKERS:

Bank of Tanzania (BOT),
2 Mirambo Street,
11884 Dar Es Salaam, Tanzania.

CRDB Bank PLC,
Vijana Branch,
Dar es Salaam, Tanzania.

BancABC,
Head Office,
Dar es Salaam, Tanzania.

NBC Bank,
MnaziMmoja Branch.
Dar es Salaam, Tanzania.

Standard Chartered Bank Tanzania Limited,
IHP Branch,
Dar es Salaam, Tanzania.

NMB Bank PLC,
Morogoro Road Branch
Dar es Salaam, Tanzania.

2.2 INTRODUCTION

Those charged with governance are pleased to present their report together with the Financial Statements for the year ended 30 June 2023, which discloses the state of affairs of the Dar es Salaam Institute of Technology (DIT). The report has been prepared in accordance with the Tanzania Financial Reporting Standard (TFRS 1): The report by those charged by governance The Financial Statements have been prepared in accordance with the IPSASs.

2.3 ESTABLISHMENT OF THE INSTITUTE

The Dar es Salaam Institute of Technology (DIT) was established in 1997 under Dar es Salaam Institute of Technology Act No 6 of 1997.

2.4 LOCATION OF THE INSTITUTE

The Institute's main campus is located at the junction of Bibi Titi Mohamed Street and Morogoro Road in Dar es salaam City, whereas Mwanza campus is located at Makongoro road in Mwanza City and Myunga Campus in Songwe region.

2.5 PRINCIPAL ACTIVITIES

The principal activities of the Institute include:

- To provide facilities for study and training in the principles, procedures and techniques and conduct training programmes in Electrical Engineering, Civil Engineering, Mechanical Engineering, Computer Engineering, Science and Laboratory Technology, Electronics and Telecommunications Engineering and such other related disciplines as the Institute may from time to time decide;
- To engage in applied research and development in the disciplines specified above;
- To provide consultancy services to the public;
- To conduct examinations and grant awards to DIT as approved by the National Council for Technical Education; and
- To perform all such other functions as stipulated in the Act that established the institute.

2.6 VISION AND MISSION

Vision

To become a leading technical education institution in addressing societal needs.

Mission

To provide competence based technical education through training, research, innovation and development of appropriate technology.

2.7 STRATEGIC PLAN

The institute has a five-year Strategic Plan 2021/22 - 2025/26 with six strategic objectives. The Strategic Objectives (SOs) reflect the results that the Institute seeks to achieve through the strategic plan of 2021/22 - 2025/26. They are aligned with the strategic objectives of the Government Ministry responsible for education. The DIT strategic objectives for the 2021/22 - 2025/26 period and service outputs are:

Objective Code	Strategic Objective	Service Output
A	HIV/AIDS Infections and non-communicable diseases reduced and Health supportive services improved	Healthy DIT society
B	The National Anti-Corruption Strategy and Action Plan effectively implemented	Corruption free institution
C	Excellence in technical education and training strengthened and sustained	Production of graduates with competent skills required in the labour market
D	Excellence in research, innovation and consultancy strengthened and sustained	Provision of required solutions to societal challenges
E	Beneficial local and international cooperation and knowledge exchange Promoted	Local and International visibility, cooperation and knowledge exchange.
F	The institutional capacity for effective teaching and learning, research, Consultancy, innovation and public services inclusively developed and strengthened	Conducive environment for teaching and learning, research, innovation and community services.

2.8 APPROPRIATION OF RESERVES/SURPLUS

Dar es Salaam Institute of Technology is a public institution, which is not for profit and for that reason; there is no declaration of dividends. In accordance with the strategic plan, the surplus generated, if any, shall be used for financing its future activities.

2.9 THE GOVERNING COUNCIL

2.9.1 Composition

The Governing Council comprises of 10 members including the Chairperson. The President of the United Republic of Tanzania appoints the Chairperson of the Governing Council for the term of three years, which may be renewable once. The appointment of the rest of the Governing Council members is done by the Minister responsible for Education, Science and Technology for a term of three years, which may be renewable once.

The Council takes overall responsibility for the Institute, including managing key risk areas, considering and monitoring investment decisions; significant financial matters and reviewing the performance of management against budgets, business plans, human and other resources. The Council is also responsible for ensuring that a comprehensive system of internal controls,

Dar es Salaam Institute of Technology
policies and procedures is operative for compliance with sound corporate governance principles.

Ordinary meetings of the Institute Council are held quarterly in a year in accordance with the Institute charter and oversee the management activities. In this year 2022/23, two meetings were held whereby various decisions were made including but not limited to approving Institute quarterly performance reports for three Quarters from 1 July 2022 to 30 June 2023. Furthermore, the Council held one extra ordinary meeting where decision was made to appoint members of the various Council committees.

Table 1: Governing Council members who served the Institute for the period ended 30 June 2023

S/N	Name	Position	Nationality	Age	Appointment Date	Date for Expiry of Tenure	Qualification
1	Eng. Dr. Richard Joseph Masika	Chairman	Tanzanian	64	16/4/2021	16/4/2024	PhD in Structural Civil Engineering
2	Mwema Juma Punzi	Member	Tanzanian	57	20/3/2023	20/3/2026	Masters of Law
3	Dr. Lyabwene Manyilika Mtahabwa	Member	Tanzanian	57	20/3/2023	20/3/2026	PhD in Early Childhood Education
4	Ms. Sakina Seleman Msonde	Member	Tanzanian	33	20/3/2023	20/3/2026	Masters in Information Security
5	Ms. Margareth William Warioba	Member	Tanzanian	56	20/3/2023	20/3/2026	Masters International Business
6	Eng. Veronica Fabian Ninalwo	Member	Tanzanian	51	20/3/2023	20/3/2026	Masters in Engineering Management
7	Eng. Dr. Paul Christopher Ndumbaro	Member	Tanzanian	64	20/3/2023	20/3/2026	PhD in Civil Engineering
8	CPA. Antony Mzee Kasore	Member	Tanzanian	40	20/3/2023	20/3/2026	Masters of Science in Financial and Investment
9	Prof. Ladislaus Laurent Mnyone	Member	Tanzanian	47	20/3/2023	20/3/2026	PhD in Medical Entomology
10	Ms. Felista Emmanuel Shuli	Member	Tanzanian	45	20/3/2023	20/3/2026	Masters of Science in

Dar es Salaam Institute of Technology

							Human Resources Management
11	Mohamed Omary Msepwa	Member	Tanzanian	27	20/3/2023	20/3/2026	Bachelor Degree of Electrical Engineering
12	Prof. Preksedis M. Ndomba	Secretary	Tanzanian	55	20/3/2023	20/3/2026	PhD - Water Resources Engineering

Source: Appointment letters

Table 2: Attendance of the Governing Council members for the period ended 30 June 2023

S/N	Name	Meetings	
		102 nd Ordinary	103 rd Special
		27 th May 2023	07 June 2023
1	Eng. Dr. Richard Joseph Masika	P	P
2	Mwema Salim Punzi	P	P
3	Dr. Lyabwene Manyilika Mtahabwa	P	P
4	Ms. Sakina Seleman Msonde	P	P
5	Ms. Margareth William Warioba	P	P
6	Eng. Veronica Fabian Ninalwo	P	P
7	Eng. Dr. Paul Christopher Ndumbaro	P	P
8	CPA. Antony Mzee Kasore	P	P
9	Prof. Ladislaus Laurent Mnyone	P	P
10	Ms. Felista Emmanuel Shuli	A	A
11	Mohamed Omary Msepwa	P	P
12	Prof. Preksedis M. Ndomba	P	P

Source: Council meetings attendance register

KEY: P= Present
A= Absent with apology

2.9.2 Governing Council's Committees

In line with best corporate governance principles, the Governing Council has constituted five Committees namely- Academic Committee, Appointment and Disciplinary Committee, Finance and Planning Committee, Students Affairs Committee and Audit Committee.

Members with the respective Committee are shown in the tables below:

2.9.3 Audit Committee

The Audit Committee provides oversight of the financial reporting process, the audit process, the system of internal controls and compliances with laws and regulations. During the year under review, the committee held four meetings none of which was extra ordinary. The committee managed to review the Internal Audit reports, approve Internal Audit plan and Institute's Risk Register as well as the CAG's report for the financial year 2021/22 for recommendations to the Institute Council. Members of the audit committee are shown in Table 3 below:-

Table 3: Members of the audit committee

S/N	Name	Position	Qualification	Nationality
1.	CPA Dr. Emmanuel Msovu Sadiki	Chairperson	CPA (T) PhD (Economic), MBA (Finance)	Tanzanian
2.	Dr. Paul Fahamuel Mmbaga	Secretary	PhD (Digital Communications Engineering), MSc (Communication and Information Systems Engineering)	Tanzanian
3.	Dr. Tulinave Burton Mwamila	Member	PhD (Civil and Environmental engineering), MSc (Water Resources engineering)	Tanzanian
4.	Eng. Prof. Hannibal Bwire	Member	PhD (Transport Planning), MSc (Highway Engineering)	Tanzanian
5.	CPA Dr. Hamis Sinde	Member	CPA (T), PhD (Accounting and Finance)	Tanzanian

Source: Committee meeting minutes and appointment letters

2.9.4 Academic Committee

The academic committee oversees academic matters of the Institute and is responsible for the academic work of the Institute both in teaching, research, extension and consultancy and for the regulation and superintendence of the education of the students of the Institute. The Committee is chaired by Prof. Ladislaus L. Mnyone and is required to meet at least four times in a year. During the year under review, the committee held two meetings where among others, the committee deliberated on various academic matters of the institute, research related matters and consultancy issues:

Table 4: Members of the academic committee

S/N	Name	Position	Qualification	Nationality
1	Prof. Ladislaus L. Mnyone	Chairperson	PhD in Medical Entomology	Tanzanian
2	Dr. Paul C. Ndumbaro	Dr. Paul C. Ndumbaro	Member	PhD in Civil Engineering

Dar es Salaam Institute of Technology

S/N	Name	Position	Qualification	Nationality
3	Eng. Veronica Fablan Ninalwo	Member	Masters in Engineering Management	Tanzanian
4	Mr. Mohamed Omary Msepwa	Member	Bachelor Degree of Electrical Engineering	Tanzanian
5	Prof. Preksedis M. Ndomba	Secretary	PhD - Water Resources Engineering	Tanzanian

Source: Committee meeting minutes and appointment letters

2.9.5 Appointment and Disciplinary Committee

The Appointment and Disciplinary Committee provides oversight of all human resource matters including employee's benefits and oversee compliances with laws and regulations and evaluate good governance. The Committee is chaired by Ms. Felista E. Shuli and normally meets 4 times in a year. During the year under review, the committee held two meetings out of which none was extra ordinary. Member of appointment are shown in Table 5.

Table 5: Members of Appointment and Disciplinary Committee

S/N	Name	Position	Qualification	Nationality
1	Ms. Felista E. Shuli	Chairperson	Masters of Science in Human Resources Management	Tanzanian
2	Ms. Sakina S. Msonde	Member	Masters in Information Security	Tanzanian
3	Ms. Mwema J. Punzi	Member	Masters of Law	Tanzanian
4	Dr. Paul C. Ndumbaro	Member	PhD in Civil Engineering	Tanzanian
5	Prof. Preksedis M. Ndomba	Secretary	PhD - Water Resources Engineering	Tanzanian

Source: Committee meeting minutes and appointment letters

2.9.6 Finance and Planning Committee

The Finance and Planning Committee is responsible for advising the Council on matters related to strategic planning, resource mobilization and development projects, budgeting, estate, procurement, physical and financial resource management. The Committee is chaired by CPA Antony M. Kasore and is required to meet at least four times in a year. During the year under review, the committee held two meetings and recommended for Council approval three quarters reports in matters related to performance reports of Procurement, Finance, Planning, ITCoEICT, ICB, and World Bank Projects. Members of the committee are as follows:

Table 6: Members of Finance and Planning Committee

S/n	Name	Position	Qualification	Nationality
1	CPA Antony M. Kasore	Chairperson	Masters of Science in Financial and Investment	Tanzanian
2	Prof. Ladislaus L. Mnyone	Member	PhD in Medical Entomology	Tanzanian
3	Ms. Magreth W. Warioba	Member	Masters International Business	Tanzanian
4	Dr. Lyabwene Mtahabwa	Member	PhD in Early Childhood Education	Tanzanian
5	Prof. Preksedis M. Ndomba	Secretary	PhD - Water Resources Engineering	Tanzanian

Source: Committee meeting minutes and appointment letters

2.9.7 Students' Affairs Committee

The Committee is chaired by Dr. Lyabwene Mtahabwa and is required to meet at least four times in a year. During the year under review, the committee held two meetings out of which none was extra ordinary. Below are the members of the students' affairs committee.

Table 7: Members of Students' Affairs Committee

S/n	Name	Position	Qualification	Nationality
1	CPA Antony M. Kasore	Chairperson	Masters of Science in Financial and Investment	Tanzanian
2	Prof. Ladislaus L. Mnyone	Member	PhD in Medical Entomology	Tanzanian
3	Ms. Magreth W. Warioba	Member	Masters International Business	Tanzanian
4	Dr. Lyabwene Mtahabwa	Member	PhD in Early Childhood Education	Tanzanian
5	Prof. Preksedis M. Ndomba	Secretary	PhD - Water Resources Engineering	Tanzanian

Source: Committee meeting minutes and appointment letters

2.9.8 Executive Committee

The table below shows the members of the Executive Committee.

Table 8: Members of the Executive Committee

	Name	Position
1.	DIT Council Chairperson	Chairperson
2.	Chairperson of the Academic Committee	Member
3.	Chairperson of the Finance and Planning Committee	Member
4.	Chairperson of the Appointment and Disciplinary Committee	Member
5.	Chairperson of the Student Affairs Committee	Member
6.	DIT Council Secretary	Secretary

Source: Committee meeting minutes and appointment letters

2.10 MANAGEMENT OF THE INSTITUTE

Management of the Institute is under the Principal who is appointed by the Minister responsible for Education, Science, and Technology under the advice of the Council. There are two Deputy Principals - one responsible for Academic, Research and Consultancy, and the other responsible for Administration and Finance.

Under Deputy Principal Research and Consultancy, there are 10 Departments; namely Mechanical, Civil, Electrical, Computer, Science and Laboratory Technology, Telecommunication and Electronics, General Studies Research Publications and Post Graduate Studies, Leather Products Technology, Industrial Liaison and Career Guidance.

Under Deputy Principal Administration and Finance, there are four Departments namely: Human Resources and Administration headed by Human Resources and Administrative Manager (HRAM), Finance headed by chief Accountant (CA)/Bursar, Estate Department headed by Estate Manager (EM), Students Affairs headed by the Dean of Students (DOS).

Besides, the following units are reporting directly to the principal: -

- Internal Audit Department headed by Chief Internal Auditor (CIA);
- Procurement Management Unit headed by the Head of Procurement Management Unit (HPMU);

Dar es Salaam Institute of Technology

- Public Relation Unit headed by Public Relation Officer (PRO);
- Legal Unit headed by Legal Officer (LO);
- Planning Unit headed by Chief Planning Officer (CPO);
- ICT Department headed by System Administrator (SA); and
- Quality Monitoring and Assurance Unit headed by the Head of Quality Monitoring and Assuring Unit (HQMU)

2.11 OPERATIONAL PERFORMANCE, FINANCIAL OVERVIEW AND FUTURE DEVELOPMENT OF THE INSTITUTE

2.11.1 Enrolment Performance

During the financial year ended 30 June 2023 the Institute continued to run training in four National Vocational Award, 17 Ordinary Diploma Programmes, eight Bachelor's Degrees were as follows:

Masters Programmes

- Master of Engineering in Maintenance Management;
- Master's in Computational Science and Engineering; and
- Masters in Sustainable Energy Engineering.

Bachelor's degree Programmes

- Bachelor of Engineering in Civil Engineering;
- Bachelor of Engineering in Electrical Engineering;
- Bachelor of Engineering in Computer Engineering;
- Bachelor of Engineering in Mechanical Engineering;
- Bachelor of Engineering in Electronics & Telecommunication Engineering;
- Bachelor of Technology in Laboratory Science;
- Bachelor of Engineering in Oil and Gas; and
- Bachelor's in mining engineering.

Ordinary Diploma Programmes

- Ordinary Diploma in Civil Engineering;
- Ordinary Diploma in Computer Engineering;
- Ordinary Diploma in Electrical Engineering;
- Ordinary Diploma in Electronics & Telecommunication Engineering;
- Ordinary Diploma in Mechanical Engineering;
- Ordinary Diploma in Mining Engineering;
- Ordinary Diploma in Science & Laboratory Technology;
- Ordinary Diploma in Biomedical Equipment Engineering;
- Ordinary Diploma in Information Technology;
- Ordinary Diploma in Multimedia and Film Technology;
- Ordinary Diploma in Communication Systems Technology;
- Ordinary Diploma in Renewable Energy Technology;

- Dar es Salaam Institute of Technology
- Ordinary Diploma in Food science and Technology
- Ordinary Diploma in Biotechnology; and
- Ordinary Diploma in Leather Products Technology.

National Vocational Training Programme

- NVA in Information Communication Technology;
- NVA in Laboratory Assistant;
- NVA in Footwear and Leather goods; and
- NVA in Plumbing.

The DIT student's registration status for academic year 2022/23 is presented in the table below:

Table 9: Student's Registration Status

S/N	Programme	2022/2023	2021/22
1.	National Vocational Award	94	80
2.	Ordinary Diploma	2,753	2,791
3.	Bachelor's Degree	2,621	2,782
4.	Master's Degree	66	45
Total		5,534	5,698

Source: Academic office reports 2022/23

2.11.2 Financial Performance

During the year under review, the Institute recorded a consolidated surplus before depreciation/amortization of TZS 14,365,975,000 (Institute: TZS 3,038,049,000). Revenues earned, expenses incurred, and net results recorded during the current and previous years are summarized below:

Table 10: Financial Performance

Description	Consolidated		Institute	
	2022/23	2021/22	2022/23	2021/22
Revenue	TZS '000	TZS '000	TZS '000	TZS '000
Expenses	43,754,353	23,332,466	19,881,148	18,424,651
Surplus before depreciation	29,493,928	20,294,417	17,949,076	16,964,643
Depreciation charge	14,260,425	3,038,049	1,932,072	1,460,008
Surplus for the year	1,706,711	1,467,498	1,446,615	1,447,575
Total		12,553,714	1,570,551	485,457

Source: Financial statements for the year ended 30 June 2023

From the financial performance summary, revenue increased during the year as compared to the year 2021/22 due to the increase in the number of students which has also been reflected by the increase in operating expenses. A decrease in depreciation due to a number of assets that are already fully depreciated.

2.11.3 Financial Position

During the year under review, the institute consolidated assets of TZS 87,745,066,000 growing from TZS 58,099,019,000 in the year 2021/2022. Total liabilities amounted to TZS 21,043,948,000 growing from TZS 5,383,642,000

2.11.4 Budget Performance

During the year 2022/23, performance of the Institute budget was as follows: -

Table 11: Budget performance

Composition		Budget	Released (Collected)	Expenditure	Variance/ Unreleased	
Government Subvention	PE	16,638,026,290	10,483,239,213	10,483,239,213	6,154,787,077	37%
	OC	1,338,733,853	842,458,213	842,458,213	496,275,640	37%
	DEV	4,083,020,570	1,440,615,218	1,440,615,218	2,642,405,352	65%
Own Source		7,216,989,220	7,114,836,322	5,761,428,578	102,152,898	1.4%
		29,276,769,933	19,881,148,966	18,527,741,222	2,773,858,201	14%

Source: Performance reports 2022/23

2.11.5 Assistance from Donors Funds and other Donation

During the year under review the Institute received funds amounting TZS 176,754,846 from the Norwegian Agency for Development Cooperation (NORAD) under its NORHED II programme, for carrying out research activities in collaboration with the Norwegian University of Science and Technology (NTNU), Makerere University (MAK), University of Juba (UoJ), and University of Bergen (UoB). The project titled "Adaptive Environmental Monitoring Networks for East Africa (AdEMNEA) and started officially on August 2021.

The following activities were carried out: Data collection and training of one hundred mango farmers at Mkuranga district, Provision of research support, supervision, and stipend to students, Design and Setting of the AI Laboratory, Data collection and field study at the Mango Farm, Capacity Building for the researchers and other DIT staff

2.11.6 Capital Maintenance

The capital maintenance of the Institute includes capital fund, development fund, reserves and retained surplus. The Institute complied with all requirements relating to maintenance of capital. Capital is maintained through national budget allocation to the Institute through the Ministry of Finance and the revenue generated internally.

2.12 EMPLOYEES RELATIONSHIP

2.12.1 Medical Assistance

The Institute is a member of the National Health Insurance Fund (NHIF) for provision of medical services to staff and immediate dependents. Staff contribute to the fund through deductions from the monthly salaries.

2.12.2 Financial Assistance

The Institute facilitates the operation of savings and Credit Cooperative Society (SACCOS), which grants loans/credits to its members. This arrangement has relieved the Institute the burden of issuing loans and salaries advances to staff. In addition, the Institute has continued to introduce the staff to financial institutions for borrowing and effect loan repayment through salary deduction in the LAWSON system.

2.12.3 Person with Special Needs

The recruitment policy of the institute does not discriminate against persons with special needs. Similarly, under the workers Compensation Fund, the Institute facilitates compensation of employee who becomes disabled while in the service of the Institute. In addition, the institute has in place infrastructure, which is conducive for people with special needs.

The Institute also gives equal opportunity to all Tanzanians at the time of admitting students to its various programmes.

2.12.4 Employer's Contribution Plans

The Institute has continued to contribute to social security schemes for the benefits of employees. Employees are members of the Public Service Social Security Fund (PSSSF), National Social Security Fund (NSSF) and Senior Staff Superannuation Scheme (SSSS). The Institute and employees both contribute to the schemes, monthly. The employer's contribution and gratuity are charged to the statement of comprehensive income when payable.

2.13 CORPORATE GOVERNANCE

The Dar es Salaam Institute of Technology puts emphasis to highest standards of Corporate Governance. The overall control of the Institute is vested on its Governing Council, which in turn has established four effective committees namely Academic Committee, Finance and Planning Committee, Students Affairs Committee, Audit Committee and Appointment and Disciplinary Committee to oversee the operations and assist the Council on strategic issues of the Institute. The Governing Council and its Committees meet four times in a year, at a minimum.

The organizational structure is flexible and accommodates changes from internal as well as external environment. Moreover, the Institute periodically reviews its rules and regulations

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Dar es Salaam Institute of Technology

with a view to ensuring the best performance of the Institute. DIT adheres to the global standards and practices of good corporate governance.

2.14 ENVIRONMENTAL PROTECTION

The Institute's policy is to ensure sustainability, security and equitable use of resources for meeting the basic needs of the present and future generations without degrading the environment or risking health or safety. The Institute aims to prevent and control degradation of land, water, vegetation and air which constitute our life support systems

2.15 HIV/AIDS POLICY

The Institute's policy is to create and sustain increased awareness of HIV/AIDS through targeted advocacy, information, education and communication to its student population and staff. The Institute has adopted the following core principles as a basis for its HIV/AIDS policy: -

- To develop appropriate approaches in prevention of HIV infection and further transmission of HIV/AIDS;
- To encourage early and effective treatment in health facilities and promote early diagnosis of HIV infection through voluntary counselling and testing; and
- To provide the necessary care and support to employees and students living with HIV/AIDS to cope with their status and prolong their lives and to limit the number of new infections.

2.16 RISK MANAGEMENT AND INTERNAL CONTROL

The Institute Council accepts final responsibility for the risk management and internal control systems of the Institute. It is the task of Management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- The effectiveness and efficiency of operations;
- The safeguarding of the Institute's assets;
- Compliance with applicable laws and regulations;
- The reliability of accounting records;
- Business sustainability under normal as well as adverse conditions; and
- Responsible behaviours towards 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 absolute assurance against misstatement or losses, the company system is designed to provide the Institute Council with reasonable assurance that the procedures in place are operating effectively.

The Council assessed the internal control systems throughout the financial year ended 30 June 2023 and is of the opinion that they met accepted criteria. The Council carries risk and internal control assessment through Audit and Risk Management Committee.

2.16.1 Risk and Internal Control Assessment

The Institute Management is obliged to establish and maintain an effective system of internal control. The Audit Committee continues overseeing these controls and reviews the effectiveness of the system as a whole. The performance of the Institute internal control system is being assessed through continuous monitoring activities done by the Department of Internal Audit. Risk assessment is being carried out for the purpose of determining how identified risks can be mitigated so that the Institute objectives can be achieved through the implementation of the Five Years Rolling Strategic Plan (2021/22 - 2025/26).

2.16.2 Safeguarding of the Institute's Assets

The Institute Council is responsible for safeguarding the assets of the Institute. Safeguarding assets includes the methods of protecting and maintaining the Institute's daily operations. The Institute's Financial Regulations have provided for the methods of safeguarding the Institute's assets.

2.16.3 Other Policies and Regulations

The Institute has in place various policies and regulations including Gender Policy, Financial Regulations, Institute Staff Regulations and the Schemes of Service. These policies were prepared in order to strengthen the internal controls and hence, promote efficiency within the Institute's operations

2.16.4 Compliance with Laws and Regulations

The principal functions and operations of the Institute are governed by The Dar es Salaam Institute of Technology Charter and Rules, 2007. The Council confirms that the activities and operations of the Institute were conducted in accordance with the Charter and Rules and there was no non-compliance with other applicable laws and regulations that would have material impact on the Institute's Financial Statements for the year ended 30 June 2023.

2.16.5 Reliability of Accounting Records

The Institute has employed skilled and competent staff in the Finance and Internal Audit Departments; and has in place, a computerized accounting system called Mfumo wa Ulipaji Serikalini (MUSE). Accordingly, proper books of accounts have been maintained and the financial statements are prepared and presented in compliance with the IPSAS.

2.16.6 Principal Risks and Uncertainties

The Institute Council has established a risk management policy for all Institute activities to ensure the likelihood and consequences of risks are controlled within pre-determined limits. It is the responsibility of the Institute Council to ensure that proper financial controls are in place to uphold principles of accountability and transparency and that there are sufficient resources to support this function.

2.16.7 Treasury Policies and Objectives of the Institute

The Institute designs, implements and monitors all arrangements for the identification, management, and control of the following treasury management risks:

(a) Liquidity Risk Management

The Institute ensures that it has sufficient cash to meet its liabilities as they fall due with a sufficient margin to meet unexpected expenditure that may arise from time to time.

(b) Exchange Rate Risk Management

Foreign currency risk is managed at an operational level, and it is monitored by the Department of Finance. Losses that arise from foreign liabilities are managed through timely payment of outstanding liabilities.

(c) Credit Risk Management

The risk of failure by counterparty to meet its contractual obligations to the Institute particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Institute's capital or current (revenue) resources.

Due to the large number of individual trade debtors, the concentration of credit risk with respect to trade receivables is greatly reduced. The Institute exposure to credit risk is reflected by the carrying amount in the Statement of Financial Position for cash and cash equivalents and receivables.

(d) Legal and Regulatory Risk Management

The Institute ensures that it does not breach its constitutional and statutory powers and regulatory requirements. It will ensure that there is evidence of counterparties' powers, authority, and compliance in respect of the transactions they may enter into with the Institute.

In so far as it is reasonably able to do so, the Institute will seek to minimize the risk of future legislative or regulatory changes impacting adversely on the Institute.

2.17 OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements present financial position, financial performance by nature and changes in net assets/equity, cash flows, statements of comparison of budget and actual amount and notes to the financial statement of the DIT as at 30 June 2023.

2.18 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

The Institute has a fully-fledged ICT/IT Department headed by the Head of ICT employed on a permanent and pensionable terms. The ICT Department maintains the network infrastructure and computers, manages mail servers, proxy servers and extension of LAN to connect more

Dar es Salaam Institute of Technology
computers to the Internet. Also, the department is responsible to give technical support to the centralized systems for Registration and Students Records (SOMA).

2.19 INTERNAL AUDIT DEPARTMENT

The Dar es Salaam Institute of Technology has a fully-fledged Internal Audit Department which is headed by the Chief Internal Auditor. The department conducts internal auditing assignments at the quarterly and yearly intervals with ad hoc responses to the requirement of the management on investigative or similar matters. The Department adopts the International Professional Practices Framework (IPPF) and the DIT's Internal Audit Manual and Procedures to evaluate the quality assurance and acceptability of the related accounting policies, practices and financial reporting compliance.

2.20 VESTED INTEREST

The Council Members of the Institute have no vested interest on different projects/businesses within the College.

2.21 RELATED PARTY TRANSACTIONS

The existing management systems are invariably complied with. This has resulted in smooth operations of the Institute.

During the financial year ended 30 June 2023 members of the Governing Council were paid Councillors' fee and transport reimbursement in respect of meetings and conference expenses also Institute management were paid various responsibility allowance. The details of transactions and balances with related parties have been disclosed in table below: -

Table 12: Remuneration of the key management personnel for the year 2022/23

Description	2022/2023 TZS	2021/2022 TZS
Allowances	390,150,000	385,470,060
Council Members fees	74,072,000	72,816,330
Total	464,222,000	458,286,390
Number of key Management Personnel Remunerated	12	11

2.22 GRATUITY

The Council was aware of the commitment and paid gratuity to deserving staff members as at 30 June 2023.

2.23 ACCOUNTING POLICIES

A summary of significant accounting policies is set out in Note 2 to the financial statements.

2.24 FIGHT AGAINST CORRUPTION

The Institute Management is committed to fighting corruption. Among measures instituted to curb corruption, the Institute has a Code of Ethics which has been distributed to all employees.

Dar es Salaam Institute of Technology
The Institute's student admission procedures are transparent; recruitment of employees is done competitively by advertising in newspapers and in accordance with the provisions of the Public Service Act of 2002 and the Public Services Regulations of 2003. Procurement is done in accordance with the requirements of the Public Procurement Act, 2011 and its Regulations of 2013 and Public Finance Act, Cap. 348 [R.E. 2020].


2.25 STATUTORY AUDITORS

The Controller and Auditor General is the statutory auditor of The Dar es Salaam Institute of Technology by virtue of Article 143 of the Constitution of the United Republic of Tanzania, 1977 and as amplified under section 10 of the Public Audit Act, Cap. 418 [R.E. 2021]. However, in accordance with section 33 of the same Act, the Controller and Auditor General appointed M/S PMCG Consulting to carry out the audit of the financial statements of The Dar es Salaam Institute of Technology for the year ended 30 June 2023.

This report was approved by the Institute Council onand signed on its behalf by:


Eng. Dr. Richard Joseph Masika

Chairperson of the Governing Council


Prof. Preksedis M. Ndomba

Secretary of the Governing Council

Date: 19/03/2024

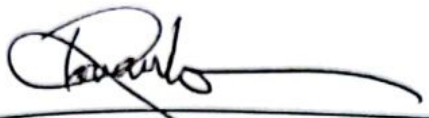
Dar es Salaam Institute of Technology
3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The Management of the Dar es Salaam Institute of Technology has prepared these financial statements in accordance with the provisions of Sect 25(4) of the Public Finance Act, Cap. 348. The financial statements as required by the said Act are presented in a manner consistent with the International Public-sector Accounting Standards (IPSAS) - Accrual Basis of Accounting.

The Governing Council of the Dar es Salaam Institute of Technology is responsible for establishing and maintaining a system of effective Internal Control designed to provide reasonable assurance that the transactions recorded in the accounts of the Institute are within the statutory authority and that they contain the receipt and use of all public financial resources.

To the best of my knowledge, the system of Internal Control has operated adequately throughout the reporting period and that the financial statements and underlying records provide a reasonable basis for the preparation of the financial statements for the 2022/23 financial year.

I accept responsibility for the integrity of the financial statements, the information they contain and their compliance with the Public Finance Act, Cap. 348 and instructions issued by Treasury in respect of the year under review.



Eng. Dr. Richard Joseph Masika
Chairperson of the Governing Council

Date:19/03/2024.....

Dar es Salaam Institute of Technology


4.0 DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTING OF DIT

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

It is the duty of a Professional Accountant to assist the Governing Council/Management to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Governing Council as under Directors Responsibility statement on an earlier page.

I Rajabu Mirambo being the Director of Finance and Administration of Dar es Salaam Institute of Technology hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

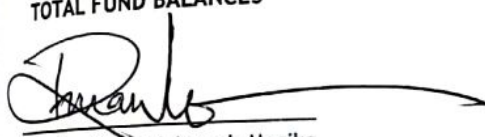
I thus confirm that the financial statements give a true and fair view position of Dar es Salaam Institute of Technology as on that date and that they have been prepared based on properly maintained financial records.

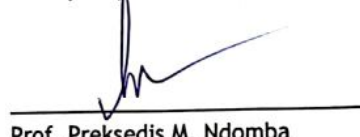
Signed: 
Name: RAJABU MIRAMBO
Position: DIRECTOR OF FINANCE AND ADMINISTRATION
NBAA Membership No.: ACPA 1483
Date: 19/03/2024

5.0 FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	Consolidated		Institute	
		2022/23 TZS "000"	Restated 2021/22 TZS "000"	2022/23 TZS "000"	Restated 2021/22 TZS "000"
ASSETS					
Current assets					
Cash and Cash Equivalents	4	16,900,728	2,717,800	3,825,948	1,567,695
Receivables	5	16,400,238	6,627,997	3,071,289	1,866,101
Inventories	6	702,276	808,200	515,380	442,275
Total current assets		34,003,242	10,153,997	7,412,617	3,876,071
Non-current assets					
Property, plant and equipment	7	48,420,945	45,941,049	46,994,965	45,858,943
Work in Progress	8	5,320,880	2,003,973	16,472	2,003,973
Total non-current assets		53,741,825	47,945,022	47,011,437	47,862,916
Investment in subsidiary	9	-	-	30,000	30,000
Total assets		87,745,068	58,099,019	54,454,054	51,768,987
LIABILITIES					
Current liabilities					
Payables and accruals	10	6,732,726	3,552,874	3,736,010	2,297,713
Deferred Income (Revenue)	11	13,530,868	1,811,729	-	-
Total current liabilities		20,263,594	5,364,603	3,736,010	2,297,713
Non-current liabilities					
Deferred capital grant	12	780,352	19,039	780,352	19,039
Total Liabilities		21,043,946	5,383,642	4,516,362	2,316,752
NET ASSETS		66,701,122	52,715,377	49,937,692	49,452,235
Fund Balance/ Equity					
Capital fund	13	33,710,469	33,710,469	33,416,535	33,416,535
Accumulated surplus	14	32,990,653	19,004,908	16,521,157	16,035,700
TOTAL FUND BALANCES		66,701,122	52,715,377	49,937,692	49,452,235


 Eng. Dr. Richard Joseph Masika
 Chairperson of the Governing Council


 Prof. Preksedis M. Ndomba
 Secretary of the Governing Council

Date: 19/03/2024

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

	Notes	Consolidated		Institute	
		2022/23 TZS "000"	2021/22 TZS "000"	2022/23 TZS "000"	2021/22 TZS "000"
REVENUES					
Revenue from non-exchange transaction	17	31,040,088	12,232,823	13,764,801	12,232,823
Revenue from exchange transaction	16	12,714,265	11,099,643	6,116,347	6,191,828
Total Revenue		43,754,353	23,332,466	19,881,148	18,424,651
Operating expenses					
Staff salaries and benefits	18	12,259,386	11,326,165	12,181,898	11,205,040
Teaching costs	19	1,212,550	2,607,582	1,212,550	2,296,407
Finance and Administrative Expenses	20	16,021,992	6,360,670	4,554,628	3,463,196
Depreciation of Property, Plant and Equipment	21	1,706,711	1,467,498	1,446,615	1,447,575
Total operating expenses		31,200,639	21,761,915	19,395,691	18,412,218
Surplus for the year		12,553,714	1,570,551	485,457	12,433

Eng. Dr. Richard Joseph Masika
Chairperson of the Governing Council

Prof. Preksedis M. Ndomba
Secretary of the Governing Council


Date: 19/03/2024

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Consolidated		Institute	
		2022/23 TZS "000"	Restated 2021/22 TZS "000"	2022/23 TZS "000"	Restated 2021/22 TZS "000"
Cash flow from operating activities					
Receipts					
Revenue from non-exchange transaction	22	23,497,625	16,942,355	13,667,316	17,596,047
Revenue from exchange transactions	23	10,484,487	2,531,150	5,008,645	343,010
Total Receipts		33,982,112	19,473,505	18,675,961	17,939,057
Payments					
Staff salaries and benefits	24	11,513,829	11,314,276	11,436,341	11,193,151
Teaching costs	19	1,212,550	2,607,582	1,212,550	2,296,407
Finance and Administrative Expenses	25	13,481,773	6,340,472	3,934,993	3,466,800
Total Payments		26,208,152	20,262,330	16,583,884	16,956,358
Net Cash flow from operating activities		7,773,960	(788,825)	2,092,077	982,699
Cash flow from investing activities					
Acquisition of PPE (including WIP)	7 & 8	(6,191,313)	(986,915)	(595,137)	(887,764)
Net cash flow used in investing activities		(6,191,313)	(986,915)	(595,137)	(887,764)
Cash flow from financing activities					
Movement in Deferred revenues	11 & 12	12,600,281	1,811,729	761,313	-
Net cash flow from financing activities		12,678,379	1,811,729	761,313	-
Net increase in cash and cash equivalents A+B+C		14,182,928	35,989	2,258,253	94,935
Cash and cash equivalents at beginning of the year		2,717,800	2,681,811	1,567,695	1,472,760
Cash and cash equivalents at the end of the year		16,900,728	2,717,800	3,825,948	1,567,695



Eng. Dr. Richard Joseph Masika
Chairperson of the Governing Council



Prof. Preksedis M. Ndomba
Secretary of the Governing Council

Date: 19/08/2024

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

Institute	Capital Contributed	Accumulated Surplus	Total
	TZS '000'	TZS '000'	TZS '000'
At 1 July 2021	33,416,535	15,623,458	49,039,993
Surplus for the year	-	12,433	12,433
At 30 June 2022	33,416,535	15,635,891	49,052,426
Prior year audit adjustments (Note 15)			
At 1 July 2022 (Restated)	33,416,535	399,809	
Surplus for the year	-	16,035,700	49,452,235
At 30 June 2023	33,416,535	485,457	485,457
	33,416,535	16,521,157	49,937,692
Consolidated	Capital Contributed	Accumulated Surplus	Total
	TZS '000'	TZS '000'	TZS '000'
At 1 July 2022	33,710,469	18,605,099	52,315,568
Prior year Adjustments (Note 15)		399,809	399,809
At 1 July 2022	33,710,469	19,004,908	52,715,377
Prior year profits from projects (Rafic & CELPAT)		1,432,029	1,432,029
Surplus for the year		12,553,714	12,553,714
At 30 June 2023	33,710,469	32,990,649	66,701,118


 Eng. Dr. Richard Joseph Masika
 Chairperson of the Governing Council


 Prof. Preksedis M. Ndomba
 Secretary of the Governing Council

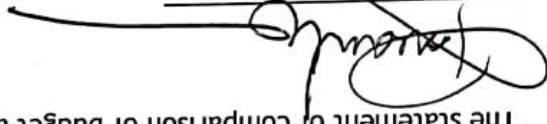
Date: 19/03/2024

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

Reasons for variance	Variance in %	Difference[-B]	Actual Amount [C]	Budget [B]	Final Budget [B]	Original Budget [A]	TZS '000
			TZS '000	TZS '000	TZS '000	TZS '000	
RECEIPTS							
Revenue from non-exchange transactions			13,764,801	22,915,030	22,915,030	22,915,030	
Revenue from exchange transaction			6,116,347	6,361,739	6,361,739	6,361,739	
Fewer short courses were offered during the year	(3%)	(245,392)					
Total Receipts			19,881,148	29,276,769	29,276,769	29,276,769	
PAYMENTS							
Staff salaries and benefits			12,181,898	16,567,160	16,567,160	16,567,160	
Increased effort by management to cut down cost	26%	4,385,262					
Funds not released for some planned activities	2%	21,916					
Teaching costs			1,212,550	1,234,466	1,234,466	1,234,466	
Finance and Administrative Expenses			4,554,628	6,982,189	6,982,189	6,982,189	
Increased repair costs and travelling expenses in line with increase in activities during the year	34%	2,427,561					
Fewer assets bought during the year	86%	3,709,960					
Others (Investments)			578,665	4,288,625	4,288,625	4,288,625	
Total Payment			18,527,741	29,072,440	29,072,440	29,072,440	
Net Receipts			1,353,407	204,329	204,329	204,329	

The statement of comparison of budget and actual amounts has been prepared on accrual basis

Eng. Dr. Richard Joseph Masika
Chairperson of the Governing Council



Date: 19/03/24

Prof. Preksedis M. Ndomba
Secretary of the Governing Council



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

NOTE 1.0 GENERAL INFORMATION

REPORTING ENTITY

These Financial Statements are for Dar es Salaam Institute of Technology.

The Dar es salaam Institute of Technology (DIT) was established under Dar es Salaam Institute of Technology Act No 6 of 1997. Its main operational objectives are provision of access to high quality technical education and training for students in Applied Sciences, Engineering, Entrepreneurship and related disciplines as well as to conduct relevant research and consultancy.

The address of its registered office of its main campus is: -
 Dar es salaam Institute of Technology
 P.O.BOX 2958
 DAR ESSALAAM

NOTE 2.0 STANDARDS ISSUED BUT NOT YET EFFECTIVE

New, changes to standards and interpretation that are effective

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

New, amended standards and interpretation issued but not yet effective

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

S/No.	Approved Standard	Changes	Effective Date
1.	IPSAS 41: Financial Instruments	IPSAS 41 improves financial reporting for financial instruments by: i. Applying a single classification and measurement model for financial assets that consider the characteristics of the asset's cash flows and the objective for which the asset is held;	Effective for annual periods beginning on or after 1 January 2023. Earlier application is permitted.

Dar es Salaam Institute of Technology

S/No.	Approved Standard	Changes	Effective Date
		<p>ii. Applying a single forward-looking expected credit loss model that is applicable to all financial instruments subject to impairment testing; and</p> <p>Applying an improved hedge accounting model that broadens the hedging arrangements in the scope of the guidance. The model develops a strong link between an entity's risk management strategies and the accounting treatment for instruments held as part of the risk management strategy.</p>	
2.	IPSAS 42: Social Benefits	<p>The objective of the standard is to improve the relevance, faithful representativeness, and comparability of the information that a reporting entity provides in its financial statements about social benefits. The information provided should help users of the financial statements and general-purpose financial report assess:</p> <ul style="list-style-type: none"> a) The nature of such social benefits provided by the entity. b) The key features of the operation of those social benefit schemes, and <p>The impact of such social benefits provided on the entity's financial performance, financial position, and cash flows.</p>	<p>Effective for annual periods beginning on or after 1 January 2023.</p> <p>Earlier application is permitted</p>
3	IPSAS 43: Leases	<p>IPSAS 43 is a final product of phase one dealing with lease accounting model (s) for both lessees and lessors on the same definition of a lease as in IFRS 16.</p> <p>Now, IPSAS 43 requires the lease to recognize:</p> <ul style="list-style-type: none"> a) A right-of- use asset because they control the right to use the underlying compared with IPSAS 13 where the lease recognizes the underlying asset when the lease is classified as a finance lease but not when it is classified as an operating lease. <p>A lease liability because they have a present obligation to make future lease payments in accordance with the lease contract (once the underlying asset has been made available and the lessee has the right to use it). Under IPSAS 13, a lease liability is not recognized when the lessee classifies the lease as an operating lease.</p>	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted for entities that apply IPSAS 41 at or before the date of initial application of this standard.</p>

S/No.	Approved Standard	Changes	Effective Date
4	IPSAS 44: Non-current Assets Held for Sale and Discontinued Operations	<p>The standard specifies the accounting for assets held for sale and the presentation and disclosure of discontinued operations. It requires assets that meet the criteria to be classified as held for sale to be:</p> <ul style="list-style-type: none"> a) Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and <p>Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.</p>	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted, and it is early applied entities shall disclose that fact and apply IPSAS 43 on leases at the same time.</p>
5	IPSAS 45: Property, Plant and Equipment	<p>IPSAS 45 intends at updating principles drawn from IPSAS 17, Property, Plant, and Equipment by adding new guidance for heritage assets, infrastructure assets, and measurement of property, plant, and equipment</p> <p>This is after considering responses to the Consultation Paper (CP), Financial Reporting for Heritage in the Public Sector, and constituents' feedback on infrastructure assets the IPSASB concluded that:</p> <ul style="list-style-type: none"> (a) IPSAS 17 should fully apply to heritage assets that are property, plant, and equipment; and (b) Additional authoritative and non-authoritative guidance should be included in IPSAS 45 to clarify its application to heritage and infrastructure assets. 	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted for entities that apply IPSAS 43, IPSAS 44, and IPSAS 46 at or before the date of initial application of the Standard.</p>
6	IPSAS 46: Measurement	<p>The objective of IPSAS 46 to improve measurement guidance across IPSAS by:</p> <ul style="list-style-type: none"> (a) Providing further detailed guidance on the implementation of commonly used measurement bases, and the circumstances under which they should be used; (b) Clarifying transaction costs guidance to enhance consistency across IPSAS; and (c) Amending, where appropriate, guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement-related disclosures 	<p>Effective for annual periods beginning on or after 1st January 2025.</p> <p>Earlier application is permitted.</p>

S/No.	Approved Standard	Changes	Effective Date
7	IPSAS 47: Revenue	<p>The objective of IPSAS 47 is to:</p> <ul style="list-style-type: none"> (a) Present revenue guidance in a single standard by replacing IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers); (b) Clarify and refine the accounting principles and concepts to account for revenue transactions in the public sector; and (c) Provide non-authoritative guidance to help preparers use professional judgment in applying the accounting principles consistently. 	<p>Effective for annual periods beginning on or after 1st January 2026.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact.</p>
8	IPSAS 48: Transfer Expenses	<p>The objective of IPSAS 48 is to:</p> <ul style="list-style-type: none"> (a) Revise the accounting of transfer expenses to move away from the Public Sector Performance Obligation Approach (PSPOA) and to focus on whether the transfer transaction results in the recognition of an asset; (b) Focus on the accounting from the perspective of the transfer provider (the entity); and (c) Streamline the requirements for measurement, as well as presentation and disclosure. 	<p>Effective for annual periods beginning on or after 1st January 2026.</p> <p>Earlier application is permitted.</p> <p>If an entity applies this Standard earlier, it shall disclose that fact and shall apply IPSAS 47, Revenue, at the same time</p>

NOTE 3.0 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by The Dar es Salaam Institute of Technology in the preparation of these Financial Statements, which are consistent with those of previous years unless otherwise stated, are as shown below:

2.1 Basis of preparation

The financial statements of the Dar es Salaam Institute of Technology have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) under the Accrual Basis and the requirement of the Public Finance Act, Cap. 348. The preparation of these Financial Statements is based on historical cost convention. No adjustments have been made for other inflationary factors affecting the financial statements. The changes in application were done retrospectively. Statement of comparison of Budget and Actual is prepared in Cash basis.

2.2 Statement of Compliance

The financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) and its interpretations as adopted by the International Public Sector Accounting Standards Board (IPSASB).

The Financial Statements are presented in Tanzania Shillings (TZS), which is the functional and reporting currency of the Institute with the round of one thousand ('000') and is based on the going concern and the accounting policies have been applied consistently throughout the period.

2.3 Estimates and Assumptions

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 Institute'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.

The Institute makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next year are disclosed.

2.4 Revenue

Revenue is accounted for on accrual basis. Income received in advance, if any, is deferred to the relevant period. Interest income is realizable on proportional basis that takes account of the effective yield on the assets and an appropriate accrual is made at each accounting reference date.

(i) Government Subventions for Other Charges

Government subventions are accounted for on cash basis. Revenue subventions are accounted for in the Statement of Financial Performance while funds for development activities received from the Government are recorded as Capital Fund;

(ii) Donations

Material and financial assistance from donors, comprise of assets or funds received from donors or other stakeholders. Financial assistance which is received in capital is credited to capital account and amortized at the depreciation rates used in property, plant and equipment for the respective assets, whereas, assistance used to finance recurrent expenditure are credited to Statement of Financial Performance in the relevant period.

(iii) **Student Fees**

The amount reported in Statement of Financial Performance as student fees represents fee paid by students as contribution towards cost of services which the Institute incurs in rendering academic services. The amount is recognized at the time they accrue and not at the time cash is received.

2.5 Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less subsequent accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributed to the acquisition of the items.

Subsequent cost are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Financial Performance during the financial period in which they are incurred.

Depreciation

Depreciation is charged on assets from the date when they are ready for use and stop on the date when the asset is derecognized by the Institute. Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Gain and losses on disposal proceeds with the carrying amount and the resulting difference credited/charged to Statement of Comprehensive Income account.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to write off the cost of each asset value over its estimated useful life at a given rate per annum as listed below:

Description of Asset	Rate p.a.
Residential Building	2%
Hospital	2%
Office	2%
Furniture & Fixtures	20%
Laboratory and Workshop Equipment	14%
Motor vehicles Below 5 tons	20%
Motor vehicles 5 tons and above	10%
Plant & Machinery	7%
Computers (desk & laptops)	25%
Document processing equipment; e.g. printers, photocopier etc. UPS	14%
Servers and other equipment	14%
Boreholes	7%

2.6 Computer software

Cost associated with developing or maintaining computer software is realizable as an expense as incurred. Cost that are directly associated with identifiable and unique software products that the Institute controls, and that will probably generate economic benefit exceeding cost beyond one year is recognized as intangible assets. Direct cost includes the software development cost and an appropriate portion of relevant overheads.

Expenditure that enhances or extends the performance of computer software programmes beyond their original specifications is recognized as a capital improvement and added to the original cost of the software. Computer software development cost is recognized as assets and amortized using the straight-line method over their useful lives.

2.7 Debtors and other receivables

Receivables are realizable initially at fair value and subsequently measured at cost less provision for bad and doubtful debt. Provision for bad and doubtful debts is made in the accounts for all known bad and doubtful debts. The amount of the provision is reported in the Statement of Financial Performance. Bad debts are written off after all steps to recover them have failed.

2.8 Impairment

The carrying amounts of the Institute's assets are reviewed at each Statement of Financial Position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is realizable whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the Statement of Financial Performance

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

2.9 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on first in first Out (FIFO) basis. Any obsolete items are provided for in full in the year they are detected.

2.10 Employee benefits

(i) Retirement benefit

The Institute contributes 15% of employee's basic salary to the Public Service Social Security Fund for the benefit of its employee.

(ii) Gratuity

Employees working on contract basis are paid gratuity which is 25% of basic salary. The gratuity is accrued on monthly basis during the contract period.

(iii) Incentives and benefits

The cost of all employees' benefits and incentives such as salaries, leave pay, medical aids, housing allowance, extra duty allowance and overtime allowances are recognized during the period in which the employees render the related services.

(iv) Terminal benefits

Terminal benefit is payable whenever an employee's employment is terminated before the normal retirement date or on retirement.

2.11 Cash and Cash Equivalent

Cash and cash equivalents are reported in the Statement of financial position at cost. For the purposes of the cash flow statement, cash and cash equivalent comprise cash on hand, deposits held at banks.

2.12 Foreign Currency Translations

(i) Functional and Presentation Currency

The financial statement is presented in Tanzania Shillings, which is the Institute's functional and presentation currency.

(ii) Translation and Balances

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

2.13 Financial Risk Management

The overall risk management focuses on the unpredictable financial markets and is aimed at minimizing potential adverse effects on the Institute's financial performance. The role of the Institute's risk management is primarily vested in the Finance Department under guidance of the council.

(i) Liquidity Risk

The Institute has a prudent liquidity risk management through maintaining sufficient cash to cover committed-credit facilities and working capital requirement as budgeted in each financial year based on the approved funds disbursed to the Institute from the government and other donors as well as internally generated revenue.

NOTE 4: CASH AND CASH EQUIVALENTS

	Consolidated		Institute	
	30 JUNE 2023	Restated 30 JUNE 2022	30 JUNE 2023	Restated 30 JUNE 2022
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
NBC Bank	2,145,142	-	599,279	-
CRDB Bank	395,440	1,278,027	42,983	957,007
NMB Bank	56,701	836,389	33,627	7,304
Bank of Tanzania	10,952,811	253,903	261,991	253,903
HESLB NBC	1,149,580	73,883	1,149,580	73,883
	<u>14,699,675</u>	<u>2,442,202</u>	<u>2,087,460</u>	<u>1,292,097</u>
NBC Main	2,187,393	275,598	1,738,488	275,598
Ademnea	13,660	-	-	-
	<u>16,900,728</u>	<u>2,717,800</u>	<u>3,825,948</u>	<u>1,567,695</u>

NOTE 5: RECEIVABLES

	Consolidated		Institute	
	30 JUNE 2023	30 JUNE 2022	30 JUNE 2023	30 JUNE 2022
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
Trade debtors	4,939,309	3,817,233	-	-
Student debtors	2,822,690	1,714,988	2,822,690	1,714,988
Staff Loan and advances	-	32,863	-	-
Purchase Imprest	1,579,522	1,037,573	31,340	29,973
Other receivables	217,259	25,340	217,259	21,140
Receivable from ICB	-	-	100,000	100,000
Prepayments	8,725,697	-	-	-
	<u>18,284,477</u>	<u>6,627,997</u>	<u>3,071,289</u>	<u>1,866,101</u>
Provision for Bad and Doubtful debts	(1,884,239)	-	-	-
	<u>16,400,238</u>	<u>6,627,997</u>	<u>3,071,289</u>	<u>1,866,101</u>

Dar es Salaam Institute of Technology

NOTE 6: INVENTORIES

	Consolidated		Institute	
	30 JUNE 2023	30 JUNE 2022	30 JUNE 2023	30 JUNE 2022
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
Teaching Materials	369,867	296,689	369,867	296,689
Stationery Stocks	131,042	122,528	131,042	122,528
Building Materials and CNG Kits	425,973	380,385	7,410	14,460
Dispensary Stocks	7,061	8,598	7,061	8,598
	<u>933,943</u>	<u>808,200</u>	<u>515,380</u>	<u>442,275</u>
Provision for obsolete stock (DIT Company)	(231,667)	-	-	-
	<u>702,276</u>	<u>808,200</u>	<u>515,380</u>	<u>442,275</u>

NOTE 7: PROPERTIES, PLANT AND EQUIPMENT
CONSOLIDATED

Particulars	Land TZS '000	Buildings TZS '000	Motor Vehicles TZS '000	Furniture & Equipment TZS '000	Plant & Machines TZS '000	Computers TZS '000	DIT Network TZS '000	Bore holes TZS '000	Lab Equipment TZS '000	Asset In Transit TZS '000	Medical Equipment TZS '000	Total TZS '000
Cost/valuation												
As at 1 July 2022	21,822,953	22,525,585	1,898,184	2,720,850	498,290	818,873	152,120	48,000	1,605,780	-	-	51,323,483
Additions	-	-	527,317	122,545	477,121	117,855	183,561	-	-	-	155,502	1,583,901
Transfer from WIP	-	2,003,972	-	-	-	-	-	-	-	-	-	2,003,972
Transfer to Assets in Transit	-	-	(258,657)	-	-	-	-	-	-	258,657	-	-
As at 30 June 2023	21,822,953	24,529,557	2,166,844	2,843,395	975,411	936,728	335,681	48,000	1,605,780	258,657	155,502	55,678,508
Depreciation												
As at 1 July 2022	-	1,662,245	646,405	1,800,628	123,530	644,600	86,517	9,284	504,274	-	-	5,477,483
Charge for the year	-	490,591	417,025	547,779	80,603	38,668	21,738	3,202	107,105	-	-	1,706,711
Prior Year adjustment DIT	-	-	-	-	73,916	-	-	-	-	-	-	73,916
Prior Year adjustment ICB	-	-	(547)	-	-	-	-	-	-	-	-	(547)
As at 30 June 2023	-	2,152,836	1,062,883	2,348,407	278,049	683,268	108,255	12,486	611,379	-	-	7,257,563
Net book value												
As at 30 June 2022	21,822,953	20,863,340	715,032	872,556	370,013	165,246	65,603	38,716	1,101,506	-	-	45,941,049
Net book value as at 30 June 2023	21,822,953	22,376,721	1,103,961	494,988	697,362	253,460	227,426	35,514	994,401	258,657	-	48,420,945

Controller and Auditor General

Dar es Salaam Institute of Technology

INSTITUTE Particulars	Land TZS '000	Buildings TZS '000	Motor Vehicles TZS '000	Furniture & Equipment TZS '000	Plant & Machine TZS '000	Computers TZS '000	DIT Network TZS '000	Bore holes TZS '000	Lab Equipment TZS '000	Asset In Transit TZS '000	Medical Equipment TZS '000	Total TZS '000
Cost/valuation As at 1 July 2022	21,822,953	22,525,585	1,112,891	2,661,555	492,770	797,498	152,120	48,000	1,605,780	-	-	51,219,152
WIP Capitalization Transfer to assets in transit	-	2,003,972	258,657	114,002	140,900	65,106	-	-	-	258,657	-	578,665
Adjustments	-	-	(258,657)	-	-	-	-	-	-	-	-	-
As at 30 June 2023	21,822,953	24,529,557	1,112,891	2,775,557	633,670	862,604	152,120	48,000	1,605,780	258,657	-	53,801,789
Depreciation												
As at 1 July 2022	-	1,662,245	471,190	1,791,734	196,673	638,292	86,517	9,284	504,274	-	-	5,360,209
Charge for the year	-	490,591	188,625	534,211	79,198	21,945	21,738	3,202	107,105	-	-	1,446,615
As at 30 June 2023	-	2,152,836	659,815	2,325,945	275,871	660,237	108,255	12,486	611,379	-	-	6,806,824
Net book value												46,994,965
As at 30 June 2023	21,822,953	22,376,721	453,076	449,612	357,799	202,367	43,865	35,514	994,401	258,657	-	45,858,943
Net book value at 30 June 2022	21,822,953	20,863,340	641,701	869,821	296,097	159,206	65,603	38,716	1,101,506	-	-	45,858,943

Controller and Auditor General

Dar es Salaam Institute of Technology

NOTE 8: CAPITAL WORK IN PROGRESS	Consolidated		Institute	
	30 JUNE 2023 TZS '000	30 JUNE 2022 TZS '000	30 JUNE 2023 TZS '000	30 JUNE 2022 TZS '000
Opening Balance	2,717,442	1,530,910	2,003,973	1,530,910
Addition	4,607,411	473,063	16,472	473,063
WIP Capitalization in the period	(2,003,973)	-	(2,003,973)	-
WIP Closing Balance	<u>5,320,880</u>	<u>2,003,973</u>	<u>16,472</u>	<u>2,003,973</u>

NOTE 9: INVESTMENTS IN SUBSIDIARY

During the year 2017/18, the Institute invested TZS 30 million in the subsidiary named DIT Company Limited which is jointly owned with the Treasury Registrar (TR). The Institute owns 85% while the TR owns 15%.

NOTE 10: PAYABLES AND ACCRUALS

	Consolidated		Institute	
	30 JUNE 2023 TZS '000'	30 JUNE 2022 TZS '000'	30 JUNE 2023 TZS '000'	30 JUNE 2022 TZS '000'
Trade creditors	1,281,755	881,235	1,281,755	847,129
Provision for accrued charges	156,480	1,032,000	-	1,032,000
DIT SACCOS payable	-	123,712	-	123,712
Ministry of Labour Tanzania	-	65,551	-	65,551
Industrial visit	-	78,195	-	78,195
Deposits received	2,343,213	58,536	1,554,000	58,536
Caution money	-	52,130	-	52,130
Sports	-	26,065	-	26,065
Students' refundable fee	26,649	-	26,649	-
BM Family Investments	429,648	429,648	-	-
Distribution Payable	129,755	180,809	-	-
Taxes payable	437,282	14,395	4,337	14,395
Staff Claim	869,269	-	869,269	-
VAT Payable	1,058,675	610,598	-	-
	<u>6,732,726</u>	<u>3,552,874</u>	<u>3,736,010</u>	<u>2,297,713</u>

NOTE 11: DEFERRED REVENUE

The amount TZS 13,530,869,000 refers to fees from consultancy contracts and civil works that were not yet completed (ICB: TZS 1,793,132,000) and (DIT Company: TZS 509,549,000) but the clients had already paid for those assignments. The balance also relates to funds received from donors for activities that have not been implemented (Rafic: TZS 5,063,200,000), (Ademnea Project: TZS 13,660,000) and (Celpat project: 6,151,327,000). Deferred revenue in the year ending June 2022 amounted to TZS 1,811,729,463

NOTE 12: DEFERRED CAPITAL GRANT

The amount TZS 780,352,000 refers to funds granted by the Ministry of Education for the construction of buildings at Myunga campus. The construction work is in progress. Total deferred capital grant in the year ending June 2022 amounted to TZS 19,039,456

NOTE 13: CAPITAL FUND

The Institute is 100% owned by the Government. Capital fund TZS 33,416,535,000 comprises contribution of capital expenditure funds from Government of Tanzania to the Institute

NOTE 14: ACCUMULATED SURPLUS

	Consolidated		Institute	
	30 JUNE 2023	30 JUNE 2022	30 JUNE 2023	30 JUNE 2022
	TZS '000'	TZS '000'	TZS '000'	TZS '000'
Balance as at 01 July	19,004,908	17,034,548	16,035,700	15,623,458
Prior year Adjustments (note 15)	-	399,809	-	399,809
Prior year surplus (Celpat & Rafic)	1,432,022	-	-	-
Surplus for the year	12,659,271	1,570,551	591,009	12,433
Balance as at 30 June	<u>33,096,201</u>	<u>19,004,908</u>	<u>16,626,709</u>	<u>16,035,700</u>

NOTE 15 PRIOR YEAR ADJUSTMENTS

	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2022/23 TZS '000'	2021/22 TZS '000'
<u>Adjustments on Accumulated Surplus</u>				
Correction on cash and cash equivalent	-	30,712	-	30,712
Adjustment to Property, Plant and Equipment	-	(73,916)	-	(73,916)
Correction of Payables and Accruals	-	(11,011)	-	(11,011)
Correction of Deferred Income	-	454,024	-	454,024
		<u>399,809</u>		<u>399,809</u>

NOTE 16: REVENUE FROM EXCHANGE TRANSACTIONS

	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2022/23 TZS '000'	2021/22 TZS '000'
Receipts from tuition fees	5,317,735	5,625,533	5,317,735	5,625,533
Registration fees	57,330	53,370	57,330	53,370
Application fees	72,545	65,171	72,545	65,171
Internal Examination	323,445	308,900	323,445	308,900
Identification cards fees	52,717	-	52,717	-
Transcript fees	10,679	14,351	10,679	14,351
Consultancy fees (ICB)	4,268,789	3,684,217	-	-
Income from installation activities (DIT Company)	2,183,364	1,098,604	-	-
Short course & Professional fees	427,661	249,497	281,896	124,503
	<u>12,714,265</u>	<u>11,099,643</u>	<u>6,116,347</u>	<u>6,191,828</u>

NOTE 17: REVENUES FROM NON-EXCHANGE TRANSACTIONS

	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2021/22 TZS '000'	2021/22 TZS '000'
Rent & Services-Income	221,600	209,804	221,600	209,804
Accommodation fees	120,221	101,945	120,221	101,945
Sale of Tender Documents	250	2,772	250	2,772

Dar es Salaam Institute of Technology

Certificate of Competence	19,033	-	19,033	-
Miscellaneous	637,385	-	637,385	-
Foreign exchange differences (Gain)	197,927	-	-	-
- CELPAT				
	<u>1,196,416</u>	<u>314,521</u>	<u>998,489</u>	<u>314,521</u>

NOTE 17: REVENUES FROM NON-EXCHANGE TRANSACTIONS - GRANTS

		Consolidated		Institute	
		2022/23	2021/22	2022/23	2021/22
Government	Subvention-Other	928,651	539,908	928,651	539,908
Charges					
Government	Subvention-Personnel	10,483,239	10,387,410	10,483,239	10,387,410
Emoluments					
Government	Subvention-	1,354,422	990,984	1,354,422	990,984
Development					
Amortization of income ADEMNEA		163,095	-	-	-
Funds from World Bank (CELPAT)		9,573,517	-	-	-
Funds from World Bank (RAFIC)		7,340,748	-	-	-
		<u>29,843,672</u>	<u>11,918,302</u>	<u>12,766,312</u>	<u>11,918,302</u>
Total Revenue Non-Exchange		<u>31,040,088</u>	<u>12,232,823</u>	<u>13,764,801</u>	<u>12,232,823</u>

NOTE 18: STAFF SALARIES AND BENEFITS

	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2022/23 TZS '000'	2021/22 TZS '000'
Salaries & Wages	11,253,576	10,140,123	11,253,576	10,140,123
Leave Passage	179,346	217,116	179,346	217,116
Risk Allowance	2,850	3,870	2,850	3,870
House Allowance	-	198,687	-	198,687
Staff Training	32,504	78,666	32,504	30,784
Staff Welfare	12,676	52,045	12,676	51,188
Extra duty Allowance	88,220	117,098	88,220	50,300
Entertainment	12,353	18,217	12,353	12,629
Staff Sports & Recreation	220	24,682	220	24,682
Retirement benefit	48,862	-	48,862	-
Responsibility Allowance	390,150	475,661	390,150	475,661
Casual Labour	162,130	-	161,141	-
Facilitation Allowance	50,476	-	-	-
Food and Refreshment	21,512	-	-	-
Outfit Allowance	200	-	-	-
Uniform Allowance	4,311	-	-	-
	<u>12,259,386</u>	<u>11,326,165</u>	<u>12,181,898</u>	<u>11,205,040</u>

NOTE 19: TEACHING COSTS

	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2022/23 TZS '000'	2021/22 TZS '000'
Short Course Expenses	42,762	58,326	42,762	0
Teaching Expenses, Materials	770,305	644,872	770,305	644,872
Sports & Recreation	0	55,843	0	55,843
Research and Dissertation	1,000	1,027	1,000	1,027

Dar es Salaam Institute of Technology

Field Training Expenses	26,675	101,551	26,675	101,551
External Examiners	-	388,630	-	388,630
Messing Expenses	-	572,811	-	572,811
Examination Expenses	43,709	92,796	43,709	92,796
Assessors Allowance	43,589	23,500	43,589	23,500
Project Expenses	-	450,699	-	197,850
Extra Work Load	284,510	217,527	284,510	217,527
	<u>1,212,550</u>	<u>2,607,582</u>	<u>1,212,550</u>	<u>2,296,407</u>

NOTE 20: FINANCES AND ADMINISTRATIVE COSTS	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2022/23 TZS '000'	2021/22 TZS '000'
Contribution to consolidated fund	-	60,000	-	60,000
Publicity	48,582	4,209	1,000	4,209
Fuel expenses-m/vehicles	202,106	29,983	78,638	29,983
Motor vehicle repairs and services	82,165	38,762	49,023	38,762
Short Course Expenses	420,059	58,326	-	0
Teaching Expenses, Materials	19,740	45,566	-	45,566
Sports & Recreation	6,718	55,843	-	55,843
Library Expenses	-	1,027	-	1,027
Field Training Expenses	-	11,551	-	11,551
External Examiners	-	88,630	-	88,630
Messing Expenses	-	572,811	-	572,811
Examination Expenses	-	92,796	-	92,796
Students Association Cost	-	23,500	-	23,500
Project Expenses	-	56,440	-	56,440
Extra Work Load	-	217,527	-	217,527
Building upkeep	-	32,334	-	32,334
Medical expenses	14,948	15,626	4,535	15,626
Water and sanitation	43,470	67,327	43,470	67,327
Printing and stationery	66,424	295,505	32,686	339,822
Postage and telephone	10,817	126,233	10,817	118,744
Office equipment repairs and maintenance	348,209	51,096	342,232	22,575
Council meeting expenses	284,643	122,710	227,901	68,276
Conference and seminars	80,857	33,907	30,767	33,907
Repairs and maintenance of ICT facilities	85,023	40,157	83,704	40,157
Transport and traveling	744,007	233,220	270,465	233,220
Insurance and property taxes	-	31,782	-	31,782
Legal and professional charges	2,450	23,972	930	6,216
Graduation expenses	-	42,428	-	42,428
Subscription and newspapers	17,394	11,667	9,033	9,967
General expenses	1,252,655	13,767	660,728	4,178
Trade fair and exhibition	148,152	25,923	101,012	25,923
Workers Council	-	53,500	-	53,500
Tender board meeting expenses	2,342	45,000	2,342	45,000
Budget expenses	-	3,250	-	3,250
Electricity bills	371,580	356,597	371,580	278,081
Bank charges	41,535	33,516	25,241	24,266
Hired cleaning services	176,598	155,514	176,598	155,514

Dar es Salaam Institute of Technology

Hired security services	219,599	193,381	219,599	193,381
Fumigation	20,679	43,423	20,679	43,423
Advertising	64,604	69,775	58,189	62,630
Accountancy and audit expenses	1,320	18,691	1,320	17,020
Quality assurance fees	-	80,119	-	80,119
Audit fees	177,413	132,741	79,652	97,934
Incentive Scheme/Honorarium	96,736	24,456	94,969	17,951
Bank Guarantee	-	9,964	0	0
Interest on loan	-	12,907	0	0
Consultancy-related expenses	3,413,223	1,724,785	0	0
Expenses related to installation activities	2,002,630	851,374	0	0
Withholding taxes	52,020	27,052	0	0
Clothing Expenses	42,526	-	40,226	0
Staff Allowances	75,532	-	29,966	-
Food, accommodation and Refreshments	934,104	-	795,773	-
Staff training and other costs	233,034	-	67,627	-
Perdiem Expenses	1,937,522	-	623,926	-
Expenses - Ademnea Project	163,095	-	-	-
Provision for Non-Existing Inventory	231,667	-	-	-
Tax Expense - Company	1,575	-	-	-
Provision for Doubtful Debts	1,884,239	-	-	-
	<u>16,021,992</u>	<u>6,360,670</u>	<u>4,554,628</u>	<u>3,463,196</u>

NOTE 21: DEPRECIATION OF PROPERTY, PLANT & EQUIPMENT

Depreciation expenses	1,706,711	1,467,498	1,446,615	1,447,575
	<u>1,706,711</u>	<u>1,467,498</u>	<u>1,446,615</u>	<u>1,447,575</u>

CASH FLOW STATEMENT EXPLANATORY NOTES

NOTE 22: REVENUES FROM NON-EXCHANGE TRANSACTIONS

	Consolidated 2022/23 TZS '000'	2021/22 TZS '000'	Institute 2022/23 TZS '000'	2021/22 TZS '000'
Opening balance	1,095,776	1,420,368	151,114	1,258,591
Less: Closing Balance	8,638,239	2,785,424	748,599	1,844,961
Recognition during the year	31,040,088	18,307,411	13,764,801	18,182,417
Net Inflows	23,497,625	16,942,355	13,667,316	17,596,047

NOTE 23: REVENUE FROM EXCHANGE TRANSACTIONS

Opening balance	5,532,221	1,348,668	1,714,988	121,916
Less: Closing Balance	7,761,999	3,842,573	2,822,690	21,140
Recognition during the year	12,714,265	5,025,055	6,116,347	242,234
Net Inflows	10,484,487	2,531,150	5,008,645	343,010

NOTE 24: STAFF SALARIES AND BENEFITS

Gross expenditure	12,259,386	11,326,165	12,181,898	11,205,040
Add: Opening payables	123,712	111,823	123,712	111,823
Subtotal	12,383,098	11,437,988	12,305,610	11,316,863
Less: Closing payables	869,269	123,712	869,269	123,712
Net Outflows	11,513,829	11,314,276	11,436,341	11,193,151

NOTE 25: FINANCE AND ADMINISTRATIVE EXPENSES

Gross expenditure	16,021,992	6,360,670	4,554,628	3,463,196
Closing Balance inventory	702,276	808,200	515,380	442,275
Add: Opening payables, accruals & provisions	3,429,162	3,228,812	2,174,001	2,093,184
Subtotal-A	20,153,430	10,397,682	7,244,009	5,998,655
Less: Closing payables, accruals & provisions	5,863,457	3,418,150	2,866,741	2,162,991
Opening inventory	808,200	639,060	442,275	368,864
Subtotal-B	6,671,657	4,057,210	3,309,016	2,531,855
Net Outflows	13,481,773	6,340,472	3,934,993	3,466,800

Controller and Auditor General

NOTE 26 EVENTS AFTER THE REPORTING DATE

Up to the time of concluding audit work for financial year 2022/23 there were no events which would require to be adjusted and or warrant to be disclosed after the reporting date.

NOTE 27 COMPARATIVE FIGURES

Previous year's figures have been re-grouped whenever considered necessary to make them comparable with current year's figures. Some DIT Institute's balance sheet items have been restated to make presentation of previous year more accurate, table below highlights the restatements made and the reasons thereto.

	Consolidated		Institute		Restatement
	Audited FS 2021/22 TZS '000'	Restated 2021/22 TZS '000'	Audited FS 2021/22 TZS '000'	Restated 2021/22 TZS '000'	
Cash and Cash Equivalent	2,687,088	2,717,800	1,536,983	1,567,695	30,712
Property, plant and equipment	46,014,965	45,941,049	45,932,859	45,858,943	(73,916)
Payables and accruals	3,541,863	3,552,874	2,286,702	2,297,713	(11,011)
Deferred capital grant	473,063	19,039	473,063	19,039	454,024
Accumulated surplus	18,605,099	19,004,908	15,635,891	16,035,700	(399,809)

Correction of cash and cash equivalent prior year balance
Correction of prior year depreciation undercharge
Correction of prior year payables and accrual balance
Correction of prior year deferred capital balance
Correction of the prior year accumulated balance with the effect of the prior year restatements

STATEMENT OF RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS FOR THE YEAR ENDED 30 JUNE 2023

	Consolidated		Institute	
	2022/23 TZS '000'	2021/22 TZS '000'	2022/23 TZS '000'	2021/22 TZS '000'
Surplus	12,659,264	1,570,551	485,457	12,433
Non-cash movements				
Depreciation	1,706,711	1,467,498	1,446,615	1,447,575
Provision for Receivables	1,884,239			
Provision for Stock	231,667			
Change in payables	3,179,852	201,558	1,438,297	81,696
Change in receivables	(11,656,480)	(3,858,961)	(1,205,188)	(485,594)
Change in inventory	(125,743)	(169,471)	(73,104)	(73,411)
Net cash flows from operating activities	7,773,960	(788,825)	2,092,077	982,699

NOTE 28 CONSOLIDATION SUMMARY

The consolidation presented in these financial statements include figures for DIT Institute, DIT ICB and DIT Company. Along those, there are three projects namely Rafic, Celpat and Ademnea. The table below shows a summary of consolidation from the six entities.

	DIT Institute	DIT ICB	DIT Company	Rafic	Celpat	Ademnea	Total
	2022/23 TZS '000'	2022/23 TZS '000'	2022/23 TZS '000'	2022/23 TZS '000'	2022/23 TZS '000'	2022/23 TZS '000'	2022/23 TZS '000'
Total Current Assets	7,412,617	4,500,569	1,144,712	10,048,462	10,883,222	13,660	34,003,242
Total non-current assets	47,011,437	68,061	3,328	2,151,500	4,507,500	-	53,741,826
Total current liabilities	3,736,010	2,776,805	1,420,040	5,729,497	6,587,582	13,660	20,263,594