



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



TANZANIA SHIPPING AGENCIES CORPORATION (TASAC)

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

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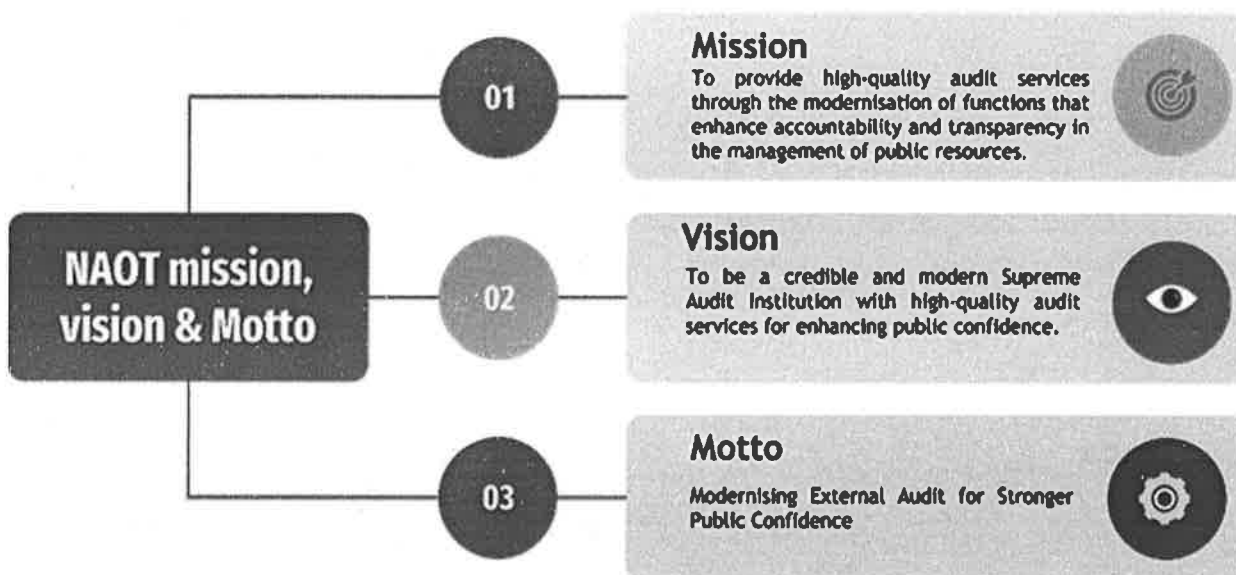
February 2024

AR/PA/TASAC/2022/23

About the National Audit Office

Mandate

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



Independence and objectivity

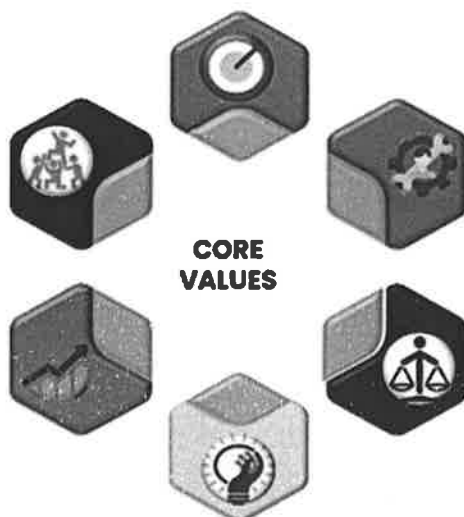
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

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



Professional competence

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

Integrity

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

Creativity and Innovation

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

© This audit report is intended to be used by Tanzania Shipping Agencies Corporation (TASAC) and may form part of the annual general report, which once tabled to National Assembly, becomes a public document; hence, its distribution may not be limited.

TABLE OF CONTENTS

Abbreviations	iii
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL.....	1
2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 30 JUNE 2023	5
3.0 STATATEMENET OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE	111
4.0 DECLARATION BY THE DIRECTOR OF FINANCE AND ACCOUNTS	112
5.0 FINANCIAL STATEMENTS	113

Abbreviations

CAG	Controller and Auditor General
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
LAAC	Local Authorities Accounts Committee
PAA	Public Audit Act
PAC	Public Accounts Committee
PAR	Public Audit Regulation
PFA	Public Finance Regulations
PPA	Public Procurement Act
PPR	Public Procurement Regulations
AIDS	Acquired Immunodeficiency Syndrome
APP	Annual Procurement Plan
BoT	Bank of Tanzania
CFA	Clearing and Forwarding Agency
CFS	Container Freight Station
COVID-19	Corona Virus Disease - 2019
DMI	Dar es Salaam Maritime Institute
ECD	Empty Container Depot
ECL	Expected Credit Loss
eGA	e-Government Authority
EWURA	Energy and Water Utilities Regulatory Authority
GePG	Government Electronic Payment Gateway
GPSA	Government Procurement Services Agency
GT	Gross Tonnage
HIV	Human Immunodeficiency Virus
ICD	Inland Container Depot
ICT	Information and Communications Technology
IFMIS	Integrated Financial Management Information System
IMO	International Maritime Organization
IOMOU	Indian Ocean Memorandum of Understanding
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISCOS	Inter-governmental Standing Committee on Shipping
ISO	International Organization for Standardization
ISPS	International Ship and Port Facility Security
ISSAI	International Standard of Supreme Audit Institutions

JNIA	Julius Nyerere International Airport
KIA	Kilimanjaro International Airport
LATRA	Land Transport Regulatory Authority
MLVMCTP	Multinational Lake Victoria Maritime Communication & Transport Project
MoFP	Ministry of Finance and Planning
MoWT	Ministry of Works and Transport
MRCC	Maritime Rescue and Coordination Centre
MSCL	Marine Services Company Limited
MTEF	Medium-Term Expenditure Framework
MUSE	Mfumo wa Uhasibu Serikalini
NAO	National Audit Office
NBAA	National Board of Accountants and Auditors
NCCDs	Non-Communicable and Communicable Diseases
NCDs	Non-Communicable Diseases
NHIF	National Health Insurance Fund
NMOSCP	National Marine Oil Spill Contingency Plan
OMCs	Oil Marketing Companies
OTR	Office of the Treasury Registrar
PAA	Public Audit Act
PAYE	Pay As You Earn
PBPA	Petroleum Bulk Procurement Agency
PMAESA	Port Management Association of Eastern & Southern Africa
POS	Point-of-Sale
PPRA	Public Procurement Regulatory Authority
PSSSF	Public Service Social Security Fund
PST	Permanent Secretary Treasury
QMS	Quality Management System
SAR	Search and Rescue
SBMS	Shipping Business Management System
SOP	Standard Operating Procedure
STCW	Standards of Training, Certification and Watchkeeping for Seafarers
SUMATRA	Surface and Marine Transport Regulatory Authority
TAFFA	Tanzania Freight Forwarders Association
TASAA	Tanzania Shipping Agents Association
TASAC	Tanzania Shipping Agencies Corporation
TBS	Tanzania Bureau of Standards
TCM	Tanzania Chamber of Mines
TCRA	Tanzania Communications Regulatory Authority



TCWG	Those Charged with Governance
TEMESA	Tanzania Electrical, Mechanical and Services Agency
TICTS	Tanzania International Containers Terminal Services Limited
TIRA	Tanzania Insurance Regulatory Authority
TPA	Tanzania Ports Authority
TPSF	Tanzania Private Sector Foundation
TRA	Tanzania Revenue Authority
TZS	Tanzania Shillings
URT	United Republic of Tanzania
US\$	United States Dollar
VAT	Value Added Tax
WMA	Weights and Measures Agency
ZMA	Zanzibar Maritime Authority

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Board Chairman,
Tanzania Shipping Agencies Corporation,
PSSSF Tower House,
Ohio Street/Garden Avenue,
P. O. Box 989,
Dar es Salaam, Tanzania

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Shipping Agencies Corporation, which comprise the statement of financial position as at 30 June 2023, and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Shipping Agencies Corporation 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 Tanzania Shipping Agencies Corporation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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



Other Information

Management is responsible for the other information. The other information comprises the Director's Report, statement of management responsibility, Declaration by the Head of Finance and but does not include the financial statements and my audit report thereon which I obtained prior to the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

In addition, Section 10 (2) of the Public Audit Act, Cap 418 [R.E 2021] requires me to satisfy myself that the accounts have been prepared in accordance with the appropriate accounting standards.

Further, Section 48(3) of the Public Procurement Act, Cap 410 [R.E 2022] requires me to state in my annual audit report whether or not the audited entity has complied with the procedures prescribed in the Procurement Act and its Regulations.

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

I performed a compliance audit on the procurement of works, goods, and services of TASAC for the financial year 2022/23 as per the Public Procurement laws.

Conclusion

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

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I performed a compliance audit on budget formulation and execution of TASAC for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

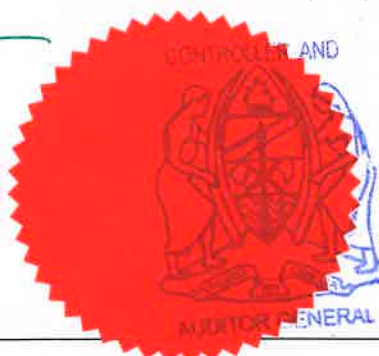
Conclusion

Based on the audit work performed, I state that, except for the matters described below, Budget formulation and execution of Tanzania Shipping Agencies Corporation (TASAC) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.

Annual development budget not implemented by 78%

The approved TASAC annual plan and budget for 2022/23 is in the second year of implementation of the five-year Corporate Strategic Plan (CSP) 2020/21-2025/26. TASAC planned to implement development budgeted activities with total amount of TZS 27,536,575,653. However, it managed to implemented activities with total amount of TZS 6,171,764,494 (22%) only leaving activities of TZS 21,364,811,159 (78%) not implemented.


Charles E. Kichère
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
February 2024



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

2.1 INTRODUCTION

Those Charged with Governance (TCWG) present this report together with the audited financial statements for the year ended 30 June 2023, which provides the results of TASAC operations and its state of affairs. TCWG prepared this report in compliance with TFRS 1 - The report by those charged with governance issued by NBAA and became effective on 1 January 2021.

The report is addressed to Primary Users and Other Stakeholders by setting out analysis of the Corporation's operations and financial review, with a forward-looking orientation. The report will assist primary users and other stakeholders in assessing the strategies adopted by the Corporation and the potential for those strategies to succeed toward creating value over the short-term, medium-term and long-term periods.

2.2 THE CORPORATION CULTURE

TASAC's culture consists of the shared vision, mission, core values and the culture statement as provided hereunder.

2.3 Vision

TASAC vision statement provides the outlook and direction of the Corporation to enable employees to undertake their responsibilities with a common purpose. The Corporation's vision is:

"A leading Corporation in maritime administration and shipping business transforming Tanzania into global maritime transport hub"

2.4 Mission

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

"To ensure efficient provision of safe, secure, reliable and environmentally friendly maritime transport and shipping business services in order to contribute to socio-economic development"

2.5 Core Values

TASAC core values represent moral boundaries within which the Corporation operates. They define personality and are ethical standards by which the Corporation's employees would be measured. The values are TASAC commitment to its stakeholders. Therefore, in day to day operations, the Corporation's employees are guided by the following core values:-

- i) **Professionalism:** Adopting an approach that demonstrates professionalism in competency, character, attitude and conduct;

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- i) **Professionalism:** Adopting an approach that demonstrates professionalism in competency, character, attitude and conduct;

- ii) **Accountability:** Being accountable to our stakeholders and to the Nation in the execution of the functions and mandate bestowed upon the Corporation;
- iii) **Fairness:** Being fair in all dealings with consumers, service providers and the other stakeholders and discharge our duties with neutrality and impartiality, without fear or favour;
- iv) **Integrity:** Being exemplary in our behaviour and acting with honesty and integrity in all our transactions;
- v) **Transparency:** Being transparent in all our activities and dealings and ready for public scrutiny; and
- vi) **Innovation:** Always striving to reach out and embrace new technologies and innovative methods of executing our mandate and contributing to national development.

2.6 The Culture Statement

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

2.7 NATURE OF OPERATIONS

2.7.1 Descriptions of the nature of the operations

a. Industry in which the entity operates

TASAC was established under Section 4 of the Tanzania Shipping Agencies Act, Cap. 415 as a body corporate to carry out shipping business and enhance maritime administration to regulate ports, shipping services, maritime environment, safety and security and related matters in Mainland Tanzania. TASAC is under the Ministry of Works and Transport, (Transport Sector). The Corporation became operational on 23rd February 2018. The Corporation has exclusive mandate to carry out clearing and forwarding of specific goods in accordance with section 7 of the Tanzania Shipping Agencies Act, Cap. 415 as amended by Finance Act No.5 of 2022.

b. Services, customers, business processes and distribution methods

The corporation operates both, as a regulator in maritime industry and a player in shipping business. As a regulator, the Corporation provides license to Regulated services providers, regulate maritime transportation, maintain register of seafarers, maintain register of ships and small vessels and regulates maritime safety and security. On the other hand, as a player in Shipping business, the Corporation provide Clearing and Forwarding services exclusively for arms and ammunitions, mineral concentrates, chemicals used by mining companies, Government trophies, and wild animals under the wildlife conservation act.

The Corporation's customers include, Regulated Services providers, vessels owners, importers, and exporters.

The Corporation's business processes transform inputs through its operating activities into outputs and outcomes that aim to fulfil TASAC's strategic purposes and create value over the short term, medium and long term. Service provision to the Corporation's customers is through online and face to face.

c. Structure of the entity's operation, and its economic model, including an overview of the main operating facilities and their location.

TASAC is governed by the Board of Directors established under Section 21 of the Tanzania Shipping Agencies Act Cap. 415. The Board is responsible for overseeing the management of business and affairs of the Corporation. TASAC Head Office is in Dar es Salaam and it operates in eight (8) regions of Geita, Mara, Mwanza, Kagera, Kigoma, Mtwara, Rukwa and Tanga; and two (2) districts of Kyela and Ukerewe in Mainland Tanzania.

Furthermore, the Corporation operates in Kahama, Kabwe, Tunduma, Namanga, Holili, Horohoro, Sirari Border, Mutukula and Murongo.

d. Effectiveness and efficient utilization of resources

The Corporation utilizes tangible and intangible resources including intellectual resources, human resources, social and relationship resources, natural resources, financial resources and others. Efficient and effective utilization of Corporation's resources is pegged on a well-composed Board of Directors, effective Management, competent human resources, deployed ICT infrastructure and documented internal operating procedures.

2.7.2 External Environment

Analysis of Corporation's External Environment

Every organization is impacted by its surrounding environment. The following is a summary of the analysis of external environment issues that could have an impact on the operations of the Corporation:

(a) Market and Competitive Position

The Corporation is the regulator for maritime sector and has an exclusive mandate on undertaking shipping business. For Government corporation to act as regulator and operator in shipping business was a new phenomenon and practice in the Country which took time for the stakeholders to understand and cope. With passage of time and education campaigns made to the public, the Corporation increased awareness of its functions and improved provision of service in the industry.

(b) Legislative and Regulatory Environment

The legal environment contributes potential impact in the Corporation as it embraces legislative change in the external atmosphere the corporation is operating. The changes brought by Finance Act, 2022 has brought the necessity of doing amendment of some regulations and

procedures. The existence of the Tanzania Shipping Agencies Act, regulations and guidelines and being IMO member state ratified to different conventions, protocols and agreements enhance the corporation to perform its function. The corporation is cautious of what is legally permissible to execute its functions successful. Nevertheless, the existence of two maritime legislation operating under URT (Merchant Shipping Act of 2003 and Zanzibar Maritime Transport Act of 2006) and presence of two maritime authorities (TASAC and ZMA) and different laws and regulations that govern maritime affairs for the vessel's operations in the neighbouring countries such as Democratic Republic of Congo is a challenge in executing Corporations functions. However, the Corporation has coordinated a process of entering into Memorandum of Understanding to facilitate cooperation and recognition of laws during the execution of regulatory functions between TASAC and ZMA.

(c) The legitimate needs and interests of key stakeholder

The Corporation embraces the needs and interests of key stakeholders in its decision making. In this regard, the Corporation has identified eight (8) categories of stakeholders; the Government, employees, regulated service providers, shipping business customers, suppliers, business partners, society and regulators and policy-makers. The needs and interest of each stakeholder has been identified under Note. 10, of the Report by TCWG.

(d) Macro and Micro Economic Conditions

Macro and Micro Economic Conditions determine an economy's performance impacting the Corporation operational capabilities as well as its sustainability. These comprise; interest rate, exchange rate and a remained single digit rate of inflation which influence the corporation to perform its mandated function.

Despite of aforementioned opportunities, the corporation took into consideration the following challenges; rise in global oil demand as a result of impact of war between Russia and Ukraine which resulted to increased operational cost and affect our budget, competition with neighbouring maritime nations to become the maritime gateway of a choice in the region, tariff and non-tariff barriers on trade, imbalance of trade due to low level of export cargo as well as poor infrastructure at port terminals which cause shipping delays.

(e) Market Forces

TASAC operates as a player in shipping business with given exclusive mandate on items as stated on establishing Act Cap.415. There is no competition with internal players in the industry but our performance in the area of shipping business is key to the Nation in ensuring business sustainability and economic growth. The Corporation thrives to provide better regulatory services in order to stimulate demand of services in export and import of products under regulated service providers.

(f) The speed and effect of technological Change

In globalized world two key issues play vital role; development in information technology and improvements in technology related to the industry. The Corporation continues to cooperate with e-GA to ensure compliance with applicable requirements in the implementation of technological initiatives to enhance service delivery to customers and stakeholders through utilization of digital transformation and innovation strategies.

During the financial year, the Corporation initiated the development of Maritime Administration Management System (MAMS) that integrates maritime administration processes and accommodates customer Online Self services. In its maritime safety regulatory role issues, the corporation has procured search and rescue Radar that will enhance search and rescue coordination and pollution prevention activities. The Corporation has embraced the technological changes and advancement opportunities and will ensure future investment on ICT is enhanced, including building capacity to ICT staff to cope with technological changes.

The Corporation continues to adopt new technologies such as advanced data analytic; internet of Things, cyber-security and artificial intelligence in conducting its processes.

On the other hand, the availability of new technologies and technology changes comes with challenges of cyber-attacks on digital platforms. This has made the corporation to closely monitor its systems and enhance its cyber security capacity on its critical system to ensure continued services to customers.

(g) Societal Issues

The corporation is operating in areas that involve shared culture and attitudes of the population in which the organization is operating. In this regard, the Corporation has been participating and supporting the societies programs under the corporate social responsibilities.

However, despite continuous participation and support, demands from societies are higher than approved annual budgets. Going forward, the Corporation will consider increasing its budget allocation and focus its contribution to welfare of the society.

To strengthen its efficiency and effectiveness, the Corporation is taking into consideration the following challenges: non-compliance culture amongst maritime transport stakeholders, existence of unregulated ports (cluster ports) and negative perception of the society towards maritime carrier.

(h) Environmental Challenges

Policy: Merchant Shipping Act - is in place to support management of aquatic habitat in response to numerous environmental challenges facing freshwater, coastal and marine ecosystems and wetlands. The Act provide legal and policy guidance on how to effectively manage the aquatic habitat and the associated resources.

Implementation of the Policy: Pollution of the maritime environment has been a major challenge in the industry. This includes pollution in waters, ports and maritime vessels. The Corporation overseas compliance with ratified IMO conventions (MARPOL convention with its annexes) by collaborating with other Public Institutions such as Tanzania Meteorological Authority (TMA) to strengthen its capacity to implement its mandated functions. The Corporation continued with its efforts to educate and create awareness to the public on this area and held several stakeholder's meetings during monitoring visits conducted at the maritime regions and stations.

(i) Political Environment

The political environment in the country is calm for the Corporation to perform its functions without political challenges. The Corporation plans, and budgets are prepared and implemented while observing the leading political party (Chama cha Mapinduzi) manifesto. As well, there was no political interference to the Corporation in exercising its mandate.

2.8 OBJECTIVE AND STRATEGIES

2.8.1 Objective of the Corporation

The objective of the Corporation in exercising its powers as provided in the establishing Act, is to enhance the benefits of maritime transport in Mainland Tanzania by performing the following functions: -

- (a) Promoting effective management and operations of shipping agencies;
- (b) Promoting effective operations of ports and shipping services;
- (c) Maintaining cargo safety and security;
- (d) Promoting and maintaining maritime environment, safety and security;
- (e) Promoting efficiency, economy and reliability;
- (f) Fostering the development and expansion of the maritime transport sector;
- (g) Promoting competition in the maritime transport services; and
- (h) Entering into contractual obligations with other persons or body of persons in order to secure the provision of quality and efficient shipping services and maritime environment, safety and security, whether by means of concession, joint venture, public private partnership or other means and to delegate its own functions of providing shipping services and maritime environment, safety and security to one or more parties.

2.8.2 Strategies for Achieving Objective

The Corporation was implementing its 2nd Strategic Plan (2021/22-2025/26) when executing Work Plan and Budget for the financial year 2022/23. The Strategic Plan is the leading instrument for planning, priority setting and decision making. It facilitates discharging of the roles and functions of the Corporation for the period of five (5) years. Specifically, the Plan places emphasis on strategies to be executed to achieve the strategic objectives.

The Strategic Plan has the following six (6) strategic Objectives whose implementation are summarized into short-term, medium-term and long-term periods:-

i) Health Services improved, and HIV/AIDS infections reduced

(a) Short- Term

- Care and support services to People Living with HIV (PLWHIV) increased;
- Program on health, nutrition and fitness approved and implemented.

(b) Medium- Term

Audit on implementation of HIV AIDS programs conducted and assurance reports issued.

(c) Long-Term

Programs to fight HIV/AIDS and Non-Communicable Diseases (NCDs) at work place conducted.

ii) Effective implementation of National Anti-Corruption Strategy enhanced and sustained

(a) Short- Term

- Zero tolerance level on corruption practices and malpractice maintained.

(b) Medium- Term

- Anti-corruption programs prepared and implemented.

(c) Long-Term

- Risk assessments and fraud related audits performed.

iii) Maritime transport regulatory services enhanced

(a) Short- Term

- Compliance to port and shipping services regulations attained;
- Compliance of regulated port and shipping services' benchmarks as per checklist attained;
- Timely issuance of Licenses/Registration Certificates to regulated Service Providers in compliance with prescribed time; and
- Draft legislation in relation to maritime transport regulatory services prepared.

(b) Medium- Term

- Culture and Practice of Cargo Safety and Security in terminals enhanced;
- Understanding of contemporary regulatory issues enhanced;

- Effective competition in the regulated services promoted; and
- Complaints and litigation for or against Corporation handled/resolved/defended.
- Long-Term
- Coverage/Scope of monitored regulated services providers widened;
- Institutional relationship with National, Regional or International Maritime Regulatory organizations strengthened;
- Terms and conditions of supply of regulated services streamlined and harmonized;
- Involvement of importers and exporters in maritime transport sector effectively and efficiently promoted;
- Economic Efficiency Promoted; and
- Audits on services providers licensing, monitoring activities and manifest billing system conducted.

iv) Maritime safety, security and pollution prevention improved

(a) Short- Term

- Staff with recognized professional Certificates are registered under their respective professional boards;
- Maritime officers attend specialized trainings and upgraded to professional certificates;
- Seafarers' Certificates issued in accordance with STCW-1978 as amended;
- Low level of maritime accidents attained;
- All aids to navigation are inspected and monitored; and
- Draft Regulations in relation to Maritime Safety, Security and pollution prevention prepared.

(b) Medium- Term

- Pollution incidents resulting from maritime transport activities maintained/sustained at zero;
- Audits of compliance with domesticated international conventions, maritime rescue & coordination, and effectiveness of maritime safety and security ICT systems; and
- Maritime incidents and accidents are timely relayed for activation of SAR operations.

(c) Long-Term

- IMO instruments ratified;
- All ISPS Ports Facilities Compliance maintained to IMO White list;
- Low level of maritime accidents attained;
- Compliance with domesticated international conventions, Maritime Rescue and Coordination and Maritime Safety and Security ICT systems audited;
- Regional and International meetings/trainings attended;
- Maritime accidents death toll reduced;

- Zero accidents on ships of 50 GT or above;
- Ship Registered or Unregistered/De-Registered for license and mortgages;
- Audits on compliance with domesticated International Conventions, Maritime Rescue and Coordination and effectiveness of maritime safety and security ICT systems conducted; and Regulations on Seafarer matter established and capacity building on related matters enhanced.

v) Shipping business services improved

(a) Short- Term

- Average time to clear cargo reduced;
- Level of Customer Satisfaction to all shipping services (clearing and forwarding services) increased; and
- Draft Regulations in relation to Shipping Business Services reviewed/amended for publication.

(b) Medium- Term

- Shipping Business Management System Developed /Upgraded/ Customized and Operationalized; and
- Level of Customer Satisfaction to all shipping services (clearing and forwarding services) increased.

(c) Long-Term

- Automation of Shipping Business system;
- Capacity building to Staff on compliance to East African Customs Management Act conducted;
- Long-term business relationship with national, regional and international organizations established/maintained; and
- Audits of ICT controls over shipping business applications (CFA) systems, operations and revenues conducted.

vi) Institutional capacity for service provision strengthened

(a) Short- Term

- Increased average of annual revenue collection;
- Timely release of revenue and expenditure performance reports;
- MTEF and Performance Reports prepared and documented;
- Lesson learnt, meeting resolution and recommendations made to TASAC by key stakeholders implemented through planned activities;
- Timely contribution to Government Consolidated Fund, National and International bodies, taxes and other statutory payments;
- Audits of draft financial statements conducted, and assurance reports issued; and

- Draft Legislation on maritime safety, security, environment protection, regulated transport services and shipping business prepared for vetting and approval.

(b) Medium- Term

- Performance contract with Ministry responsible for transport and Treasurer Registrar signed;
- ISO 9001:2015 Standards on Quality Management System Developed and Implemented;
- Timely availability of working tools and equipment;
- TASAC Offices (Head office, Regions and Stations) established and furnished; and
- Regional benchmarking of tariffs and quality of services conducted.

(c) Long-Term

- Statistical Management System established and operationalized;
- Customer self- service online portal developed and operationalized;
- Tariff regulations improved (Period/Time between tariff reviews for Maritime transport services/Operations increased);
- Effective competition in the regulated services promoted; and
- Complaints and litigation for or against Corporation handled/resolved/defended.

To realize the strategic goals, the Corporation prepares annual plan and budget with a result-based management orientation as envisioned in the five (5) years strategic plan. Also, the Corporation employ its resources such as financial resources, Intellectual resources, human resources, social and relationship resources, natural resources and other resources in achieving its objectives.

2.8.3 Managing Operations of the Corporation

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

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

2.9 STATEMENT OF SERVICE PERFORMANCE INFORMATION

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

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

The Corporation reporting of service performance information is provided in this report under Para 14: Key Performance Indicators.

2.10 TASAC OPERATING MODEL

The Corporation's operating model is the system of transforming inputs, through its operating activities, into outputs and outcomes that aim to fulfil TASAC's strategic purposes and create value over the short, medium and long term. Thus, TASAC Operating Model is explained below:

2.10.1 Inputs

These are the Corporation's capital/resources being used in delivering value to customers. These capital/resources have been further elaborated in Note 8 of the Report by TCWG.

(a) Human Capital

The Corporation has staff with adequate skills and competence to ensure delivery of quality services. Employees are well motivated and perform their duties responsibly and in an ethical manner. These are explained further in note 8(b)

(b) Financial Capital

Financial capital is composed of financial resources obtained from regulatory and shipping business activities. The cooperation as a maritime transport regulator collects fees from services provided in areas of maritime transport, maritime safety, security and environment. In the context of shipping business, the Corporation earns agency fees and commissions from clearing and forwarding services. These are explained further in note 8(e)

(c) Social and Relationship Capital

In executing its functions, TASAC has established an ethical and transparent relationship with employees, government institutions, customers, suppliers, policy makers and the society in general. The corporation conduct stakeholders' meetings to provide awareness and receive feedback on various corporate issues. TASAC engaged actively on Corporate Social

Responsibilities. Each year, the corporation set aside funds directed to contribute to the society well-being. These are explained further in note 8(c)

(d) Intellectual Capital

The Corporation has developed Shipping Business management system, Seafarers Management System, M-bill systems and TASAC Revenue Gateway (TRG) to ensure effective and efficient services delivery. In addition, the Corporation initiated the development of Maritime Administration Management System (MAMS) that integrates maritime administration processes and accommodates customer Online Self services as improvement of the existing Seafarers Management System. These are explained further in note 8(a)

(e) Natural Capital

The Corporation has been actively engaged in ensuring maritime safety by conducting seminars and drills on Oil spill along the Indian Ocean. These are explained further in note 8(d)

(f) Other Capital

These are Legislation which assist the corporation discharging its functions judiciously and fairly. These are explained further in note 8(f)

2.10.2 Operating/Business Activities

The Corporation implements a number of activities in converting inputs into quality service delivery. The operating activities are divided into two major groups;

(a) Maritime sector regulatory functions

- Inspection of marine vessels;
- Monitoring visits to border posts;
- Management of regulated services providers;
- Licensing of marine vessels and regulated service providers; and
- Survey of marine vessels.

(b) Shipping business function

- Clearing and forwarding of specified items;

The Corporation continues to be innovative in-service delivery by incorporating the use of modern technology in executing its regulatory and shipping business functions. The Corporation continued using POS machines for smooth revenue collection in remote areas as well as online services for regulated service providers through M-Bill system. The Corporation future plans involve acquisition and use of drones and speed boats in survey of small vessels.

2.10.3 Outputs

(a) Maritime sector regulatory functions

In its regulatory role, the Corporation had the following outputs:

- 192 monitoring visits and 33 inspections to dry ports;
- 16 monitoring visits to seaports were conducted;
- 28 monitoring visits to Inland waterways ports;
- 88 inspection and thirty (30) monitoring visit was made to Gross Mass Verifiers' (GMVs');
- 128 Inspections visits and 36 Monitoring visits to Miscellaneous Ports Services providers;
- 13 visits for ports formalization purpose on compliance with Tanzania Shipping Agencies (Port Terminal Operators) Regulations, 2020;
- 1,492 licences were issued to Shipping Agent, Cargo Consolidator, Dry Ports, Clearing and Forwarding Agents, Miscellaneous Port Service and Port Terminal Operator;
- The Corporation conducted quarterly monitoring visits to seven border posts of Holili, Horohoro, Murongo, Mutukula, Mwanza, Namanga, Tunduma and Sirari;
- 288 surveys and inspections on ships of 50 GT and above;
- 7,414 surveys and inspections on vessels below 50 GT (boats);
- 16,543 Seafarers' Certificates in accordance with STCW-1978 were issued;
- 355 Maritime safety awareness programmes conducted.

(b) Shipping business functions

In its shipping business function, the Corporation had the following outputs:

Cargo clearance averaged five (5) days;

2.10.4 Outcomes

Key outcomes, including

(a) Internal Outcomes, both positive and negative:

- Increased compliance with ports legislation; see note 14 - Objective C
- Decreased number of maritime accidents; see note 14 - Objective D
- Low level of labour turnover; see note 20 of TCWG and
- Increase number of competent staffs. See note 20 of TCWG

(b) External Outcomes, both positive and negative

- Increased compliance with ports legislation; see note 14 - Objective C
- Increased customers satisfaction; see note 10 of TCWG
- Decreased number of maritime accidents; See note 14 - Objective D
- Increased compliance among shipping agents; see note 14 - Objective E and

- Improved maritime safety standards; see note 14 - Objective D

2.11 CURRENT AND FUTURE DEVELOPMENT AND PERFORMANCE

The Corporation's current and future development and performance are explained below:

2.11.1 Corporate Strategic Plan

The corporation is in implementation of its Second 5-Year Corporate Strategic Plan (2021/22 - 2025/26). The Corporation's future development plan includes constructions of the office at Headquarters and regions. The Corporation plan also include to modernize its operations by enhancing the ICT infrastructure and automate its business processes to improve service provision. Additionally, the Corporation aims to enhancing staff performance on service delivery through short and long-term training, improving implementation of QMS based on ISO 9001:2015 standard requirements which focused on customer satisfaction, enhancing risk culture, enhancing operational efficiency, compliance and control mechanisms and increase levels of engagements with key stakeholders in regulated and shipping business services.

The Corporation registered achieved milestones of its First 3-Year Corporate Strategic Plan (2018/19 - 2020/21) as at 30 June 2021. Among the registered milestones are operationalization of TASAC regulatory roles and shipping business functions, which involved regulation of maritime transport services, regulation of maritime environment, safety and security services, and undertaking shipping business services in relation to shipping agency, clearing and forwarding, ship tallying and document control. Furthermore, the Corporation acquired and implemented ICT application systems to enhance its operations and service delivery and registered increase in recognized revenue from TZS 47.39 billion (2018/19), TZS 70.87 billion (2019/20) to TZS 84.51 billion in (2020/21).

In its second Corporate Strategic Plan (2021/22 - 2025/26), the Corporation continued to improve achievements registered in the first strategic plan including enhancement of regulatory roles and shipping business functions, which involved regulation of maritime transport services, regulation of maritime environment, safety and security services, and undertaking shipping business services. During the period, the Corporation registered revenue of TZS 102.32 billion (2021/22) and TZS 89.23 billion (2022/23). The decrease in revenue by TZS 13.09 billion was due to amendment of Section 7 of Tanzania Shipping Agencies Act, Cap. 415 introduced by Finance Act. No.5 of 2022 which tremendous reduced the scope of TASAC operation in shipping business.

However, the major challenge encountered by the Corporation was the dispute by some mining companies on TASAC clearing and forwarding fees charged 1% of customs values on minerals, mineral extracts or concentrates. The dispute was tendered to the Minister of Works and Transport in accordance with Section 59 of the Act, Cap 415. Until the date of authorization of this report, the Corporation recorded 6,021 files from 72 customers with contingent revenue of TZS 147.95 billion and VAT of TZS 26.63 billion, making a total of TZS 174.58 billion. The dispute is unresolved by the Ministry of Works and Transport until the end of the financial year.

2.11.2 Development Plans and Performance

During the financial year the corporation carefully managed both costs and associated risks in its operations. These initiatives were focused on improving productivity and enhancing efficiency in service delivery to regulated service providers and shipping business customers and ultimately, to contribute to the national and international activities related to maritime transport services and environmental protection. In addition, the Corporation continued with automation and modernize its business operations to ensure rendered services satisfy and meet needs and expectations of its customers and all stakeholders in general.

This includes enhancing the ICT systems in use to address the existing and future operational requirements that provide quality services to our customers, stakeholders and the general public.

Furthermore, the Corporation coordinated implementation of activities set out in the corrective action plan for implementation of audit findings and observations from the audit conducted under IMO Member State Audit Scheme (IMSAS). Initially, the United Republic of Tanzania (URT) signed Memorandum of Cooperation (MoC) with IMO in March 2019 to undergo mandatory audit under IMSAS. The audit for URT was conducted from 8 to 18 March 2019 and the audit report was issued on 24th May 2020 with twenty (20) findings and three (3) observations. According to IMO guidelines, URT is required to take corrective actions within three (3) years from the date when audit report was issued. MoT, TASAC, ZMA and other audited entities are in the process of implementation of the IMSAS recommendations to address the findings and observations. The Scheme aims to promote the consistent and effective implementation of applicable IMO instruments and to assist Member States to improve their capabilities, whilst contributing to the enhancement of global and individual Member State's overall performance in compliance with the requirements of IMO instruments.

Implementation of applicable IMO instruments and to assist Member States to improve their capabilities, whilst contributing to the enhancement of global and individual Member State's overall performance in compliance with the requirements of IMO instruments

Moreover, through MLVMCT project, the Corporation expect to procure three (3) speed boats one (1) with medical facilities, improve network coverage by constructing three (3) Network Towers and construct three (3) Search & Rescue centres along Lake Victoria. These initiatives are expected to improve search and rescue operations on Lake Victoria

i. Significant Aspects of the Statement of Financial Performance

(a) Revenue

The Corporation's total recognized revenue during the year ended 30 June 2023 was TZS 89.23 billion (30 June 2022: TZS 102.32 billion), which is a decrease of TZS 13.09 billion. The main reason for the decrease in recognised revenue was amendment on Section 7(1) of the Tanzania Shipping Agencies Act, Cap. 415 by Finance Act No. 5 of 2022 which eliminated Shipping Agency, Ship Tallying and Document Control management services functions, while narrowing scope on

Clearing and Forwarding functions. This led to a decrease in Shipping Business revenue from TZS 39.13 billion (2021/22) to TZS 6.56 billion (2022/23) equivalent to a decrease of 83.23%.

(b) Expenses

The Corporation's expenses for the financial year ended 30 June 2023 amounted to TZS 82.00 billion (30 June 2022: TZS 100.80 billion). The major components of expenditure during the year ended 30 June 2023 were:

- (i) Wages, salaries and employees benefit at TZS 26.91 billion (30 June 2022: TZS 24.04 billion), this increase was attributed by the additional 31 staffs transferred from other Government organisation and staff salary adjustments as a result of performance appraisal for the financial year ended 30 June 2022.
- (ii) Contribution to the Government Consolidated Fund at TZS 17.90 billion (30 June 2022: TZS 43.49 billion), which comprise 15% of gross revenue TZS 10.40 billion (30 June 2022: TZS 13.78 billion) and redemption of excess capital TZS 7.5 billion (30 June 2022: TZS 29.71 billion), Thus, led to a decrease of TZS 25.59 billion as result of decrease in shipping business revenue.
- (iii) Travelling and other facilitation expenses at TZS 17.23 billion (30 June 2022: TZS 13.03 billion). This increase by 4.20 billion was attributed by increase in monitoring on regulated shipping service providers, inspections of small vessels and boats, technical meetings for IMSAS Audit and effective implementation of Corporations' training plan.
- (iv) Services, supplies and other consumables expenses at TZS 6.90 billion (30 June 2022: TZS 5.14 billion). The increase of TZS 1.77 billion was attributed by increase of consumption of office supplies following increase in monitoring and administrative activities.
- (v) Director's fees and other Board expenses at TZS 405.14 million (30 June 2022: TZS 407.29 million). The decrease of TZS 2.15 million was attributed by rescheduling of some planned Board activities such as Board visits and training due to various reasons.

(c) Surplus

Surplus fund during the year was TZS 7.22 billion (30 June 2022: TZS 1.52 billion). This increase of TZS 5.70 billion was mainly attributed by increase of Service Provider Levy from TPA as result of recognition of revenue for the year 2018/19 that was less declared during the same year and close monitoring of expenditures in line with the approved revised budget.

ii. Significant Aspects of Statement of Financial Position

(a) Cash and Cash Equivalents

The Corporation's cash and cash equivalents as at 30 June 2023 was TZS 23.59 billion (30 June 2022: TZS 36.20 billion), which is a decrease of TZS 12.61 billion, equivalent to 35%. This

decrease was mainly attributed by uncollected Service Provider Levy from Tanzania Port Authority (TPA) for the year amounting to TZS 26.56 billion. Moreover, as required by IPSAS 41, an Expected Credit Loss (ECL) of TZS 22.68 million has been recorded to take into consideration of the uncertainties in the expected impairment of bank balances, if any.

(b) Receivables and Prepayments

Receivables and Prepayment as at 30 June 2023 was TZS 49.97 billion (30 June 2022: TZS 36.61 billion) in which TZS 39.65 billion was current while TZS 10.32 billion was non-current. Receivables was increased by TZS 13.36 billion equivalent to 36.49% mainly caused by increase of outstanding Levy from TPA to TZS 31.47 billion (30 June 2022: TZS 11.88 billion) and MSCL to TZS 627.80 million (30 June 2022: TZS 553.50 million). Management is still making close follow up to ensure these debts are paid. Components of receivable and prepayment during the year ended 30 June 2023 were:

- (i) Receivables from non-exchange transactions at TZS 43.97 billion (30 June 2022: TZS 27.68 billion). An increase of TZS 16.29 billion was mainly caused by unpaid Levy from TPA and MSCL.
- (ii) Receivables from exchange transactions at TZS 5.28 billion (30 June 2022: TZS 6.90 billion). The decrease of TZS 1.62 billion was attributed by the effort to collect ship tallying, document control and clearing and forwarding fees.
- (iii) Other receivables from non - exchange transactions (LATRA and MLVMCT Project) TZS 1,416.91 million (30 June 2022: TZS 895.99 million). Increase of TZS 520.92 million was caused by payments made by the Corporation during the year on behalf of the MLVMCT Project. This amount will be refunded by the project after receiving fund from the bank (AfDB).

Advances to suppliers and Prepayments at TZS 87.01 million (30 June 2022: TZS 1.74 billion), record a decrease of 1.65 billion. This decrease was a result of receipt of motor Vehicles with value of 970.05 million and refund of unused amount from GPSA TZS 513.69 million.

- (iv) Staff advances and imprest at TZS 57.21 million (30 June 2022: TZS 49.26 million), the increase of TZS 5.52 million was attributed by cash retirements that were banked after the year end.
- (v) Expected credit loss on receivables increased from TZS 652.22 Million (2021/22) to TZS 8,091.42 Million (2022/23). This increase of TZS 7,439.2 Million was the result of recognizing receivables from Customers from Shipping Agency and Clearing and forwarding, low rate of payment of receivables and was computed as per new adopted IPSAS 41. The movement of ECL and age analysis of receivables is given in Note 23.

(c) Property and Equipment

The property and equipment during the year ended 30 June 2023 stood at TZS 16.85 billion (30 June 2022: TZS 16.35 billion) the difference of TZS 505.99 million was attributed by motor vehicles received from GPSA and procured office and ICT equipment. However, Asset with carrying value of TZS 442.41 million were transferred to other Government entities.

(d) Intangible Assets

The intangible assets as at 30 June 2023 was TZS 1.39 billion (30 June 2022: TZS 1.43 billion) which decreased by TZS 43.53 million mainly attributed by amortisation charges for the year 2022/23. There was also a Work-In Progress for development of TASAC Revenue Gateway (TRG) whose cost was TZS 274.46 million.

(e) Payables and Accrued Expenses

The payables and accrued expenses as at 30 June 2023 were TZS 9.82 billion (30 June 2022: TZS 5.44 billion), an increase of TZS 4.38 billion was mainly caused by TZS 6.56 billion and TZS 691.46 million of uncollected amounts on behalf of to TPA from Shipping Agency operation and amount not paid by customers to TBS when the Corporation was performing its role as Clearing and Forwarding Agent, respectively payment of TZS 2.76 billion of various ship handling expenses made from Customer deposit funds.

(f) Overall Performance

The Corporation's Statement of Financial Position as at 30 June 2023 reported Net Assets amounting to TZS 83.09 billion (30 June 2022: TZS 84.05 billion) which is composed of Capital Fund TZS 24.26 billion (30 June 2022: TZS 24.26 billion) and Accumulated Surplus TZS 58.82 billion (30 June 2022: TZS 59.79 billion). Net decrease of accumulated surplus of TZS 0.96 billion was mainly caused by effect of the Corporation transfer/contribution of TZS 7.79 billion to MLVMCT project as Counterpart fund.

The general financial performance indicates that the Corporation's existing sources of revenue can sustain execution of the Corporation's functions. However, the Corporation shall continue to closely monitor its current sources of revenue, explore other sources of revenue to enable it to sustain its operations services to the public, monitor expenditure operations and control expenses within approved budgets.

a. Level of Capital Expenditure

During the financial year, the Corporation spent TZS 2.58 billion (30 June 2022: TZS 1.20 billion) for procurement of office equipment, plots, ICT equipment, System software and improvement of existing system. Five (5) motor vehicle that were paid in financial year 2020/21 were received from GPSA in this financial year to improve transport services.

Moreover, through MLVMCT project, the Corporation is expected to procure three speed boats (TZS 6.51 billion), one (1) with medical facilities, improve network coverage by constructing three (3) Network Towers (TZS 1.6 billion) and construct three (3) Search & Rescue centres (TZS 2.75 billion) along Lake Victoria. These initiatives are expected to improve search and rescue operations on Lake Victoria.

b. Implementation of QMS based on ISO 9001:2015

The corporation has been QMS Certified with ISO 9001:2015 by Beaural Veritas in the financial year 2021/2022. QMS aims to improve the Corporation's service delivery through competent and motivated employees who focus on value-added services that consistently satisfy customers/stakeholders or exceed their expectations while meeting regulatory and statutory requirements.

During the financial year, the Corporation conducted one (1) QMS Surveillance audit with positive opinion that the Corporation meets ISO 9001:2015 standard requirements. More-over, the Corporation continued implementing QMS through commitment to improve the customer experience and simultaneously improving Corporation processes and operations.

c. Integrated Financial Management Information System

During the financial year the Corporation continued using, an Integrated Financial Management Information System (IFMIS) based on EPICOR 10.2. As preparation of migration to Government Accounting System known as 'Mfumo wa Uhasibu Serikalini' (MUSE), the Corporations staff attended training for capacitation in using the system with effect from 1st July, of financial year 2023/2024 as previously planned.

d. Description of Budget Information

The Corporation's final revenue budget for the financial year ended 30 June 2023 was TZS 73.86 billion (30 June 2022: TZS 92.57 billion) and the recognized revenues for the year was TZS 89.23 billion (30 June 2022: TZS 102.32 billion) which is TZS 15.38 billion (30 June 2022: TZS 9.74 billion) above the final budget, equivalent to over-performance by 20.82% (30 June 2022: 10.53%). This performance is mainly attributed by the increased revenue in Service Provider Levy and Shipping Fees as result of close monitoring made on these revenue sources.

The final approved recurrent expenditure budget of the Corporation for the financial year ended 30 June 2023 was TZS 71.05 billion (30 June 2022: TZS 83.61 billion) and the actual expenditure was TZS 75.99 billion (30 June 2022: TZS 100.80 billion), which was above the final budget by TZS 4.95 billion (30 June 2022: TZS 17.20 billion). The over-spending is attributed to the payment of redemption of excess fund to the Government consolidated fund TZS 7.5 billion and non- budgeted items such as depreciation, amortization and impairment of Current and Non - current Assets.

2.12 RESOURCES

The Corporation's key strengths which assist in the performance of its functions to achieve its objectives are pegged on a well-composed Board of Directors, effective Management, competent human resources, deployed ICT systems and documented internal operating procedures (IoPs). These strengths continuously create value to the Corporation. In terms of resources, the Corporation has tangibles and intangibles, which include intellectual resources, human resources, social and relationship resources, natural resources, financial resources and other resources as explained here under: -

(a) Intellectual Resources

The Corporation intellectual resources include ICT application systems which has automated and modernized operations, thus, improved provision of maritime transport regulatory services and shipping business operations. The Corporation's ICT Systems in operations include the following: -

- Shipping Business Management System (SBMS);
- Maritime Safety and Seafarers System (MSSS); Cargo Manifest Billings (M-Bill) System;
- IFMIS based on Epicor 10.2;
- Aruti Integrated Payroll & Human Resource Management System;
- Electronic Document Management System (EDMS); and
- Time Attendance (Biometric) System.

Other Systems provided by other Government institution and were in operation during the financial year includes:

- E-Revenue Collection System (GePG system and POS Software);
- Global Maritime Distress and Safety System (GMDSS);
- Long Range Identification and Tracking of Ships (LRIT);
- National Project Management Information System (NPMIS);
- Planning and Reporting System (PLANREP);
- Online procurement system (TANEPS);
- Government Asset Management Information System (GAMIS); and
- E-Office Management System.

During the financial year, the Corporation developed TASAC Revenue Gateway (TRG) and initiated improvement of Maritime Safety and Seafarers System to Maritime Administration Management System (MAMS) which is under development

In general, implementation of ICT application systems improves the Corporation's service delivery process and enhances efficiency. The Corporation shall continue with its initiative to automate business operations to enhance efficiency and reduce costs of business operations. Factors that may affect availability, quality and affordability of intellectual resources include fast technological changes, Government legislative changes, systems hackers where access

controls and firewalls are weak, and unexpected power outage. However, the Corporation is organized to cope with future changes and expects intellectual resources will continuously be available to meet future demand.

(b) Human Resources

The Corporation has skilled, ethical, committed, motivated and competent employees dedicated to the provision of quality services that meet and exceed customers' expectations. Management adheres to the principles of good governance and promotes good working environment and labour relations. In addition, the Corporation has continually invested on human resource development focusing on training, staff wellness, staff recognition, competitive remuneration and career growth.

By 30 June 2023, the Corporation had offices in various Regions of Tanzania Mainland and a total of employees 362 (30 June 2022: 331 employees). Factors that may affect the Corporation in ensuring availability of competent human resources at an approved establishment includes; absence of employees' incentive package, low level of support to staff careers development, and budgetary limitations and control processes. Nevertheless, the Corporation is taking close care of its human resources to ensure they are highly motivated to continuously working with the Corporation and meet future demand.

(c) Social and Relationship Resources

The Corporation maintains ethical and transparent relationship with its internal and external stakeholders by establishing processes which ensure stakeholders' views are timely collected and addressed.

The Corporation's has created shared value strategy relating to social development initiatives such as education and leadership development, financial inclusion, health and safety facilities which are delivered to the communities in the areas of operations. The Corporation participates and contributes to local and international communities' activities through financial contributions and subscriptions.

During the financial year, stakeholders from both the regulated maritime sector and the shipping business areas extended required cooperation and support to the Corporation's activities. In addition, the Corporation had established and maintained good working relationships with local entities both public and private within the country such as DMI, TPA, TRA and TICTS and maintained international networking with relevant organs including IMO, IOMOU, ISCOS and PMAESA.

(d) Natural Resources

The Corporation's major natural resources are water and solar power with the view of environmental protection. Various initiatives have been taken by the Corporation to promote environment sustainability through internal engagements and external partnerships and

commitments. The National Marine Oil Spill Contingency Plan (NMOSCP) is a good example of the Corporation's commitment to conserve the environment.

NMOSCP establishes a national framework and strategy to coordinate marine pollution preparedness and response. The framework addresses all oil and chemical pollution originating from marine vessels, harbours, offshore units and chemical handling facilities.

During the financial year the Corporation conducted awareness workshop on ballast water management which was delivered by IMO in December, 2022 at Dar es Salaam, formulation of Oil Spill Response Mutual Aid group in December, 2022 and Workshop on National Oil spill Contingency Plan held at Bagamoyo (Coast Region) in March, 2023.

In addition, the Corporation proclaim on proper utilization of water being a key natural resource in sustaining human life. Strict control on misuse of water, both from water taps and natural sources, is highly emphasized. Furthermore, the use of solar power at TASAC offices is encouraged to substitute hydropower, where possible.

Factors that may affect availability, quality and affordability of natural resources include natural calamities, draught, human sabotage, laxity in compliance with legislation and minimum commitments from leaders. However, the Corporation values natural resources and will continuously take necessary steps to ensure protection and availability of such resources to meet the Corporation's future demand.


(e) Financial Resources

The Corporation enhances its financial sufficiency by improving management of its resources through prioritization of initiatives, implementing initiatives within the available financial resources to generate adequate revenue for timely implementation of planned activities.

The Corporation Sources of finance is derived from the mandate it has been given through Sect. 35(1) of the establishment Act "The Tanzania Shipping Agencies Act, Cap. 415 which consists:

- Moneys appropriated by the Parliament;
- Fees, charges, or commissions that shall be prescribed;
- All other payments or property due to the Corporation in respect of any matter incidental to its functions;
- Service Provider Levy not exceeding 1.5 percent of turnover;
- Such sums of money or property which may become payable to or vested in the Corporation under the Act establishing TASAC or any other written laws; and
- Any grants, donations, bequests, money derived from loans and other payment or property due to the Corporation in respect of any matter incidental to its functions.

Factors that may affect availability of financial resources include natural economic recession which lead to low level of international business, reduced scope of the Corporation's exclusive mandate, ineffective debt collection strategies, and legislation loopholes which provides 30 days credit period for settlement of fees notes and tax invoices issued for the rendered



Corporation's services. Nevertheless, the Corporation will take administrative and legislative measures to ensure financial resources are available to finance existing and future programs of the Corporation.

(f) Other Resources

In the discharge of its functions, the Corporation is guided by the Tanzania Shipping Agencies Act, Cap. 415, Merchant Shipping Act, Cap. 165, and their respective Regulations, staff rules and regulations, financial regulations, Standing Orders for the Public Service, sector Legislation on shipping business, maritime transport services, maritime safety, maritime security and prevention of pollution from ships and maritime activities. These instruments were key in discharging its functions judiciously and fairly during the financial year.

Factors that may affect availability of other resources mentioned above include length of process to come with the relevant legislation for implementation, amendment by the Parliament of the legislation applicable to the Corporation and amendment or issuance of new Regulations by the Minister responsible for maritime transport. The Corporation will collaborate with the key stakeholders, including the Ministry of Works and Transport, to ensure availability and timely amendments, where necessary, of legislation for implementation to address the current and future needs of the Corporation.

2.13 PRINCIPAL RISKS, UNCERTAINTIES AND OPPORTUNITIES

2.13.1 Principal Risks and Uncertainties

The Corporation's risk analysis is based on TASAC risk management framework/guidelines and TASAC risk management policy. The principal risks and uncertainties with their impacts and mitigation are summarized under Table 1 below:

Table 1: The Corporation Risks, Impacts and Mitigation

No	Strategic objective	Risk and impact	Risks Mitigation
1	HIV/AIDS infections and non-communicable disease reduced, and supportive services improved.	Prevalence of HIV/AIDs infections and NCCDs among staff: Possible increase of HIV/AIDs infection and NCCDs due to failure by the Corporation to develop and implement anti-HIV/AIDS and NCCDs interventions/ mechanisms and to provide supportive services. Likelihood of risk occurrence: Low	<ul style="list-style-type: none"> HIV/AIDS and NCCDs Policy developed and implemented. HIV/AIDs and NCCDs Committee which oversee the implementation of the HIV/AIDs and NCCDs Policy established. HIV/AIDS and NCCDs awareness program established and implemented. HIV/AIDs and NCCDs Focal Person (Coordinator) appointed. Healthily supportive working tools (Chairs, Tables etc) acquired. The Corporation Sports Club established and operationalize
2	National Anti-Corruption strategy and Action Plan (NACSAP) implemented.	Unethical practices and fraud incidence: Possible increase in unethical and fraudulent incidences by the failure of the Corporation to institute and enforce corruption (fraud) control mechanisms leading to jeopardized reputation and credibility of the Corporation. Likelihood of risk occurrence: Low	<ul style="list-style-type: none"> Whistle blowing policy developed. Corporations activities in executing its mandated operations Automated. The corporations foster compliance to internal controls e.g. segregation of duties Compliance to Legislations requirements and other documents i.e. Financial Regulations, Staff Rules and Regulations, QMS and Client Service Charter. Ant-corruption posters and flyers prepared and placed in corporations' offices. Ethics, fraud and corruption education and awareness programs prepared and implemented. TASAC Anti-corruption action plan implemented. Audit on risk assessment related to the implementation of NACSAP Assessment of corruption incidences - zero tolerance
3	Maritime regulatory services enhanced.	Failure to enforce maritime transport services regulatory and operating standards (requirements): TASAC may fail to enforce Maritime legislation (performance benchmarks and operating standards) due to inadequate skills and staff capacity, etc. which may affect maritime transport services negatively, increased complaints and tarnished credibility. Likelihood of risk occurrence: Low	<ul style="list-style-type: none"> Checking Compliance to rules, regulations, performance standards and benchmark. Licensing and registration of Qualified Port terminal Operators and Shipping services issued timely. Institutional relationship with national, regional or international maritime port organizations Assessment report on the extent of competition in regulated services Monitoring assignments for anticompetitive behaviours conducted in the regulated services Review of maritime transport regulatory services legislations.

No	Strategic objective	Risk and impact	Risks Mitigation
			<ul style="list-style-type: none"> Set of terms and conditions for port and shipping services streamlined and harmonised. Cost of services for regulated services established and monitored. Audits of Ports, shipping regulatory services and Manifest Billing Maritime monitoring plan developed and implemented. Survey/surveillance plan prepared and implemented. Tariff application determined within prescribed period. Skills upgrading program for staff prepared and implemented. Online System for handling service providers and customers developed and implemented.
4	Maritime safety, security and pollution prevention improved.	<p>Prevalence of accidents, insecurity incidences and marine environment pollution</p> <p>The possible increase of maritime accidents, insecurity incidences and marine environment pollution due to failure by the Corporation to develop and implement effective maritime, safety, security and marine environment protection mechanisms (e.g. inadequate surveillances, surveys) may jeopardize the image of the Corporation.</p> <p>Likelihood of risk occurrence: Moderate</p>	<ul style="list-style-type: none"> The National Maritime Security Oversight meetings plans were developed and implemented. Review of Seafarers regulations. Institutional Strategy for implementing the IMO instruments customized and developed Awareness and education program on safety, security and marine environment protection conducted. Marine environment protection plan implemented. Maritime incidents and accidents are timely relayed for activation of SAR operations. Modern surveillance and survey equipment and facilities were acquired i.e. Binoculars Aids to navigation inspected and monitored Memorandum of Understanding with other Institutions (e.g. NEMC, National Bureau of Statistics, ZMA, Police Marine, LGAs, Navy etc) were enforced. Marine surveillance and survey were conducted. Audits of compliance with domesticated international conventions, Maritime Rescue and Coordination, and Maritime Safety were conducted. Issuance of certificates to qualified Seafarers. Professional development for DMSE Staff. Attended regional and International meetings/ trainings Online Registration, Certification and Licensing System (ORCLSS) was implemented. Compliance with registration and certification procedures.
		Inappropriate registration and certification (Vessels and Seafarers)	

No	Strategic objective	Risk and impact	Risks Mitigation
		<p>The Corporation may fail to register and certify appropriate vessels and seafarers due to ineffective surveys, assessment, and registration process as well as determination of eligibility, examination and certification. This may affect the country's standing on maritime matters and jeopardized image of the Corporation.</p> <p>Likelihood of risk occurrence: Low</p>	<ul style="list-style-type: none"> • Staff training plan on registration and certification, prepared and implemented. • Communication between TASAC and Maritime Institute on qualified seafarers before certification was strengthened. • Audit Plan for marine training institutes prepared and implemented.
5	Shipping business services improved	<p>Ineffective execution of exclusive mandates (Clearing and forwarding)</p> <p>The Corporation may fail to effectively execute clearing and forwarding activities due to inadequate skills, poor customer care, delays, ineffective systems etc. thereby leading to customer dissatisfaction, revenue loss and distorted image and credibility.</p> <p>Likelihood of risk occurrence: Low</p>	<ul style="list-style-type: none"> • Training on Customs laws for shipping business staff conducted. • Implementation plan for exclusive mandates executed. • Regional and International meetings attended. • Efficiency in Cargo clearance increased. • Audit Plan for shipping business services prepared and implemented • Shipping Business Marketing Strategy and Plan developed • Shipping Business Management System (SBMS) developed, implemented and integrated with GePG. • Customer care training program developed and implemented. • Safety protocols and awareness programs in handling dangerous goods were prepared and implemented. • Online customers' complaints handling mechanism developed.
6	Institutional capacity for service provision strengthened	<p>Failure to create and maintain right perception and visibility</p> <p>Possible failure by the Corporation to create right perception and visibility to stakeholders due to lack of communication strategy, inappropriate engagement with media, inadequate awareness creation programs, consequently affecting its public image.</p> <p>Likelihood of risk occurrence: Moderate</p>	<ul style="list-style-type: none"> • Relevant and skilled staff for the Marketing and Public relation section recruited. • Marketing Strategy developed. • Social media policy developed. • Annual advocacy (media engagement) plan developed • Collaboration of MPR Section with directorate and other Unit enhanced. • Proper branding of the Corporation prepared
7	Institutional capacity for service provision strengthened.	<p>ICT systems failure</p> <p>Possible failure of ICT systems due to power outage, cyber-attack, virus infection, internet connectivity etc., which may lead to disruption of the Corporation's operations and activities, increased customers complaints, jeopardize marine safety and security and impair institution image and credibility.</p> <p>Likelihood of risk occurrence: Moderate</p>	<ul style="list-style-type: none"> • Developed and Implemented ICT Policy, ICT Security policy and strategy, ICT maintenance and replacement policy and ICT Disaster recovery Plan. • Established Data Recovery Site (Centre) and maintained data centralization back-up system. • ICT Audits on Governance, ICT Security and data management conducted.

No	Strategic objective	Risk and impact	Risks Mitigation
			<ul style="list-style-type: none"> Awareness programs on effective and safe use of ICT services to staff Conducted. Statistical guideline developed and implemented. ICT Support (Help) Desk established. Server power backup facility for critical ICT systems acquired. Business Continuity Plan (BCP) developed. Service Level Agreements for ICT service providers and stakeholders established, communicated and enforced.
8	Institutional capacity for service provision strengthened.	<p>Employees perform less than expected:</p> <p>Employees may perform less than expected due to low morale, wrong placement, and lack of appropriate guidelines etc. leading into ineffective and inefficient operations.</p> <p>Likelihood of risk occurrence: Low</p>	<ul style="list-style-type: none"> Quality Management System (QMS)-ISO 9001 Certification for the entire Corporation acquired. Staff and management trained on leadership and soft skills. Results and evidence-based performance appraisal system enforced. Human Resources Development Plan (HRDP) implemented. Corporation staff meetings prepared and executed. Regional and International conferences attended. Guidelines and policies governing staff matters developed and implemented. Staff engagement enhanced. Administrative expenses covered. Institutional relationship with National, Regional and International organization attained. Provision of statutory benefits to employees attained. MTEF and performance reports prepared and documented. QMS audit implemented.
9	Institutional capacity for service provision strengthened	<p>Failure to embed risk management and QMS practices into the Corporation's processes, operations and decisions</p> <p>Possible failure to embed risk management and QMS practices into the Corporation's operations and processes which may affect its ability to achieve strategic and operational objectives.</p> <p>Likelihood of risk occurrence: Moderate</p>	<ul style="list-style-type: none"> Risk Management Manual developed and implemented. QMS planned activities implemented. Risk Management treatment action Plan prepared and implemented. QMS and Risk management training programs prepared and implemented. Institutional/Principal Risk Management Register and Risk Treatment Actin Plan updated. QMS Procedures enforcement plan prepared and implemented. ISO 9001:2015 certification for the entire Corporation maintained.

No	Strategic objective	Risk and impact	Risks Mitigation
			<ul style="list-style-type: none"> • Risk management and QMS monitoring reports prepared and reported Quarterly. • Risk Management Framework continuously reviewed and improved.
10	Institutional capacity for service provision strengthened	Ineffective management of legal issues. Untimely management of legal issues may have financial implications and affect negatively the image of the Corporation. Likelihood of risk occurrence: Low	<ul style="list-style-type: none"> • Handling of complaints or litigation for or against the Corporation handled, settled, resolved, defended or instituted. • Legal awareness programs on new enacted, existing and amended legislation conducted. • Capacity building sessions on legal matters facilitated. • Legislation on maritime safety, security and pollution prevention facilitated for enactment, amendment or publication. • National, regional or international agreements, services contracts and lease agreements vetted. • Board and committee meetings conducted and facilitated.
11	Institutional capacity for service provision strengthened	Ineffective financial management practices (Revenue collection, management and reporting) The Corporation may fail to develop and implement effective and proper revenue collection, financial management and reporting mechanisms due to inadequate capacity and skills, inadequate automation, bribery and corruption leading to revenue loss, qualified opinion and tarnished Corporation image. Likelihood of risk occurrence: Low	<ul style="list-style-type: none"> • Compliance to Legislations requirements and other documents i.e. Financial Regulations, Staff Rules and Regulations, QMS procedures, IPSAS, TFRS 1, Government Asset Management Guidelines etc. • Revenue collection automated. • Timely reporting of Revenue collections and expenditure attained. • Timely preparation and submission of draft annual financial statements to internal and external auditors (CAG) attained. • Professional Codes of conduct adhered. • Collaboration of Finance and Accounts Unit with other directorates and units enhanced. • Continues Professional Education programs to accounting staff prepared and implemented.
12	Institutional capacity for service provision strengthened	Financial Risk (Foreign exchange risk, interest rate risk, credit risk and liquidity risk) The Corporation may suffer financial loss or fail to meet its long-term and short-term financial obligations. Likelihood of risk occurrence: Low	<ul style="list-style-type: none"> • Expenditure controlled by strict adherence to budget. • Revenue collection enforced. • Monthly cash flows projections prepared.
13	Institutional capacity for service provision strengthened	Inability to effectively implement annual procurement plan This may lead to delay in execution of Corporation's activities on time. Ineffective stock control/management.	<ul style="list-style-type: none"> • Timely submission of tender requirements by User department. • Reorder level established. • Stock taking and codification of Assets conducted. • Capacity building training conducted.

2.13.2 Opportunities

The Corporation's risk assessment process identified opportunities that would expectedly enhance the strategic plan execution as summarized below:

- (i) Technological advancement and avenues for digitization of processes and operations are opportunities for improving the Corporation's performance. This is possible through the use of cargo and vessels tracking and internet of things. The Corporation has potential of enhancing quality service delivery and increase revenue generation by taking advantage of new technology in making transformative changes in its operations and processes.
- (ii) Favourable legal setup and exclusive mandate on shipping business is another key opportunity. The Corporation has potential to command large market share thereby increasing revenue generation due to existence of favourable legal setup being the public institution guaranteed by the Government in its undertaking, which is seemingly commanding public trust and good reputation. Furthermore, increase in size of population, economic growth level within Eastern and Sothern Africa countries and presence of neighbouring land-linked countries, TASAC has opportunity of increasing its revenue and build financial sustainability by taking advantage of available demand for Maritime transport services from land-linked countries like Republic of Uganda, Republic of Burundi, Democratic Republic of Congo and Republic of Rwanda, as well as demand derived from increased population size and income levels (economic growth) within the region.
- (iii) Existence of international and regional collaboration and agreements to promote maritime matters and increased regional agreements and policies on maritime and related developments

2.13.3 Assumptions on Risks, Uncertainties and Opportunities

The Corporation is mindful of the following assumptions during assessments of the risks, uncertainties and opportunities:

- (i) Macro- economic factors or conditions like Inflation, Interest rates, Gross Domestic Product, per capital income, economic growth rate, and terms of international trade exchange rate will continue to perform well and remain fairly stable;
- (ii) Political environment will remain stable and political support to the maritime transport sub-sector prevail during the implementation of the Corporation's functions;
- (iii) Stable and predictable regulatory environment like Policies, Laws and Regulations will exist during the implementation of TASAC functions;
- (iv) Competent, skilled and motivated staff will be available during the Strategic Plan implementation period;
- (v) Good or stable relationship with key stakeholders like IMO, PMAESA, IOMOU and ISCOS will be maintained during the implementation of the Corporate Strategic Plan; and

- (vi) Availability of sufficient financial and physical resources like buildings, working tools, and sops for the implementation of the Corporate Strategic Plan;

2.14 STAKEHOLDERS' RELATIONSHIP

The Corporation believes that the stakeholders are what make its existence. In this regard, the Corporation has identified eight (8) categories of stakeholders; the Government, employees, regulated service providers, shipping business customers, suppliers, business partners, society and regulators and policy-makers. Before making its decisions, the Board considers the interests of all stakeholders and ensures that engagement with stakeholders is deliberate and planned and that communication is always transparent and effective. Several measures have been taken to institute a responsible behaviour to employees of the Corporation's and other stakeholders. These measures include, but are not limited to, holding interactive stakeholders' meetings or engagements, staff meetings, seminars and workshops; provide education through media and improving customer services at our offices throughout the country.

2.14.1 The Government

The Government established the Corporation with the set of objectives and functions for maritime administration, maritime transport regulation and shipping business. The motive behind establishment of TASAC is to enhance maritime transport sector, revenue collection and development of the national economy.

(a) Key concerns

The Government's concerns to the Corporation includes the following:

- Receive 15% of gross revenue contribution quarterly and 70% of surplus funds at year ends for remittance to the Government Consolidated Fund;
- Existence of maritime safety, security and protection of environment in Tanzania waters;
- Effective regulation of maritime transport sector; and
- Proper undertaking of shipping business functions on items under exclusive mandate.

Source: The Treasury Registrar (Powers and Functions) Act, Cap 370 and the Tanzania Shipping Agencies Act, Cap. 415

(b) Value we create

- Remittance of 15% gross revenue contribution within every quarter and 70% of surplus funds to the Government Consolidated Fund with the view of future growth. During the
- financial year the Corporation contributed TZS 43.49 billion to the government consolidated fund;
- Enhanced maritime safety, security and marine environmental protection;
- Effective regulation of services and timely issuance of service providers licenses; and

- Providing quality services on specified areas of clearing and forwarding, shipping agency, ship tallying and document control under the exclusive mandate.

2.14.2 Employees

Employees are key to make the Corporation the great place to work. They should find working for TASAC an inspiring and a place for elevating personal experience and consequently accepts Co-responsibility for the development of each employee to the full potential. Together with efficient and value-creating solutions, services and operations offer value to our customers. Career progress is based on the individual initiative towards the fulfilment of their responsibilities complemented by the Corporation. The Corporation's commitment to maintain competent and motivated staff evidenced in Note 20 of the Report by TCWG.

(a) Key concerns

Employees' wants friendly, safe and conducive working environment, defined career progression, better salary and benefits, motivation and recognition, opportunities to contribute to the society.

Source: TASAC Staff meetings and the Workers Council meetings.

(b) Value we create

- Transforming into an inclusive society through employment equity and gender equality;
- We focus on developing our employee through targeted training programs and skills upgrading to further their career and improve our services;
- Rewarding employees for the value they add;
- Motivating and energizing our work force; and
- Timely payments of employees' entitlements.

2.14.3 Regulated Service Providers

Regulated service providers include Port terminal Operators, miscellaneous port service providers, gross mass verifiers, dry ports, TPA, Clearing and forwarding agents, shipping agents and cargo Consolidators/De-consolidators. Regulated service providers have important roles in the social economic development specifically on the provision of the regulated services.

(a) Key concerns

The regulated service providers' key concerns to the Corporation includes the following:

- Timely receiving of their licenses upon submission of genuine applications;
- Existence of fair practices in the sector when delivering regulated services;
- Fees Notes and monthly statements of accounts issued timely by the Corporation;
- Frequent engagement with the Corporation to discuss emerging issues;

- Timely response on concerns raised regarding services provided by the Corporation; and
- Timely dissemination of information regarding changes in legislation and directives.

Source: Stakeholders consultative meetings conducted in Dar es salaam, Tanga, Mtwara and Mwanza regions. Other concerns were received through monitoring visits conducted by TASAC staff and communication made by letters and emails.

(b) Value we create

- Issuance of licenses to regulated service providers within statutory periods;
- Handling complaints once received and resolving within the shortest possible time;
- Online self-assessment through M-Bill system;
- Conduct stakeholders' meetings for awareness and conduct periodic seminars;
- Increase adherence level of compliance among regulated service providers; and
- Harmonious relationship in service delivery.

2.14.4 Shipping Business Customers

Meeting shipping business and other customer needs and expectations with innovative solutions and superior experience is critical to maintaining high-quality relationship with our customers.

(a) Key Concerns

- Timely delivery of excellent service to customers and ensure confidentiality of customers' business data and information.
- Tax invoices and monthly statements of accounts timely issued by the Corporation;

Source: Concerns were communicated by official letters and emails.

(b) Value we create

- Providing excellent services to meet and exceed customers' expectations;
- Monitoring changes in customer requirements, technologies and continuously improving customer experience by developing innovative solution that meet their specific needs;
- Providing periodic customers' statements on settled and outstanding liabilities; and
- Engaging customers through consultative meetings for education and advisory matters.

2.14.5 Suppliers

Suppliers are stakeholders who provides goods and services to the Corporation and they are closely monitored to ensure they deliver required or ordered goods and services in time.

(a) Key Concerns

- Transparent and fair procurement process of goods and services;
- Receiving feedback on delivered goods and rendered services; and

- Timely settlement of suppliers' invoices.

Source: Suppliers visits to TASAC Offices and received official letters and emails.

(b) Value we create

- Effective use of online procurement system (TANePS);
- Inclusion of fair terms and proper vetting of procurement contracts; and
- Settlement of genuine suppliers' invoices within 14 days.

2.14.6 Business Partners

The business partners are private sector and public sector entities who have direct or indirect working relationship with the Corporation when performing its statutory functions. These include DMI, EWURA, PBPA, PPRA, TBS, TCAA, TCRA, TICTS, TPA, TRA, TPSF and WMA.

(a) Key Concerns

- Cooperation on areas of common interest in serving the public;
- Sharing business data and information; and
- Honouring business relationship.

Source: Stakeholder's forums, official communication by letters and emails.

(b) Value we create

- Participating in meetings and events related to areas of common interest;
- Providing necessary data and information requested by business partners; and
- Strengthening long-lasting business relation with a focus to customers' satisfaction.

2.14.7 Society

The Corporation acknowledges its responsibility to respond to community social needs. The Corporate Social Responsibility (CSR) interventions included commitment to active participation in environment protection and promotion of socio-economic development of our society through extension of financial support to implementation of community activities.

(a) Key Concerns

- Supporting social development programs organized by communities for socio-economic development where TASAC has offices;
- Awareness on TASAC business functions and applicable legislation; and
- Compliance with environmental, social and governance matters.

Source: Stakeholders meetings held in Dar es Salaam, Tanga, Mtwara and Mwanza regions.

(b) Value we create

- Supporting social community programs using donation and other sources of funds;
- Providing awareness on TASAC business functions and environmental protection;
- Undertake Environmental and Social Impact Assessments periodically.

2.14.8 Regulators, Legislators and Policymakers

The Corporation complies with a wide spectrum of legislation, conventions, protocols, resolutions, directives and guidelines which are issued from time to time by the International Maritime Organization (IMO) as well as the Government entities including NEMC, MoWT, MoFP, OTR, Office of Attorney General (OAG), and Tanzania Parliamentary Committees (Infrastructure Committee, Budget Committee and Parliamentary Accounts Committee).

(a) Key Concerns

- Ratification and/or domestication and compliance with the IMO instruments including Conventions, Protocols and Resolutions for safety of life on seas;
- Protecting environment from pollution including marine environmental pollution;
- Information related to Corporations functions and performance;
- Corporation complies with the relevant legislation and guidelines; and
- Supporting employees on fulfilling their professional membership obligations.

Source: Stakeholders consultative meetings, official letters and emails.

(b) Value we create

- Facilitation ratification of IMO instruments for domestic application;
- Protecting marine environment in compliance with the MARPOL 73/78 Convention;
- Operating within the scope of the legislation, directives and guidelines; and
- Complying by paying membership fees and be active members.

2.15 CAPITAL STRUCTURE AND TREASURY POLICIES

2.15.1 Analysis of financial Position

Total assets have slightly decreased during the year, the main reasons being significant decrease of receivables and prepayments compared to previous year, the reduction of Receivables was *mainly* caused by the effort of the Corporation to collect long outstanding receivables which include long unpaid Service Provider Levy from TPA.

Detailed analysis of the Corporation financial position and events that impacted it during the financial year have been elaborated in Note 7.4 of the Report by TCWG.

Future financial Position of the Corporation is likely to be affected by the amendment of Section 7 (1) of the Tanzania Shipping Act, Cap. 415 through Finance Act No. 5 of 2022 to the following aspects:

- (a) Cash and Cash Equivalents
This will decrease as the corporation activities has been narrowed, hence the expected revenue which were projected for collection will no longer be realised.
- (b) Inventory consumed in executing shipping business functions, for instance container seals may no longer be purchased by the Corporation and therefore be removed altogether as an item of inventory in the Statement of Financial position
- (c) Property Plant and Equipment: the corporation may not need to procure items used in daily operations as its activities has been narrowed
- (d) Intangible asset - SBMS Modules on Tallying, Document Control and Shipping Agency may not be in use hence need for impairment.

2.15.2 Capital Structure

The Corporation's capital structure for the year ended 30 June 2023 consists of Capital Fund 24.26 billion (30 June 2022: TZS 24.26 billion). The Capital Fund was established from the Certificate of Transfer of assets and liabilities from the then Surface and Marine Transport Regulatory Authority (SUMATRA) to TASAC effective from 1st July 2018.

The structure had capital fund originally established at TZS 22.09 billion and during the financial year ended 30 June 2020, additional capital of TZS 2.18 billion was received from the funds set aside at SUMATRA for completion of construction of jointly owned office building at Plot No. 454/160 along Nkrumah Street, Dar es Salaam, thus making the Corporation capital fund of TZS 24.26 billion. Therefore, the Corporation's capital structure for the financial year ended 30 June 2023 and 30 June 2022 are summarized below:

	2022/23 TZS '000	2021/22 TZS '000
ASSETS:		
Current assets	63,536,125	73,477,481
Non-current assets	29,780,253	18,718,823
TOTAL ASSETS	93,316,378	92,196,303
LIABILITIES:		
Current liabilities	9,907,656	7,798,577
Non-current liabilities	319,075	344,385
TOTAL LIABILITIES	10,226,731	8,142,962
NET ASSETS	83,089,647	84,053,342
NET ASSETS:		
Capital Fund	24,264,567	24,264,567
Accumulated Surplus	58,825,080	59,788,775
TOTAL NET ASSETS	83,089,647	84,053,342

2.15.3 Treasury Policies and Objectives

TASAC treasury policies involve mechanisms established by the board, which delegates financial decisions to Management in a controlled manner. The control instruments in place include legislation (i.e. Public Finance Act Cap. 348), Government Circulars (Treasury circulars and Accountant general Circulars), Guidelines (TASAC Financial Regulations 2021).

2.16 CASH FLOWS

The Corporation's cash flows can be analysed from the cashflows statement under three areas; cashflows from operating activities, cashflows from investing activities and cashflows from financing activities. It should be noted that cash flow analysis does not consider any growth in the cash flow statement because the cash flow statement always shows what happened in the past. Therefore, the Corporation's cash flows analysis is summarized below:

(a) Cash Flows from Operating Activities

The net cash flows from operating activities of TZS 1.93 billion (30 June 2022: TZS 20.03 billion), was derived as the difference between cash receipts amounting to TZS 72.47 billion (30 June 2022: TZS 117.97 Billion) from Service Providers Levy, Fees, Licenses and Penalties, Other income and Shipping Business Services revenue; and payments amounting to TZS 74.40 billion (30 June 2022: TZS 97.94 Billion) for wages, salaries and employee benefits; Directors fees and other Board expenses; travelling, training and other facilitation expenses; services, supplies and consumable expenses; repairs and maintenance expenses; contribution to the Consolidated Fund; contribution and subscription to other bodies; bank charges; and corporation tax.

(b) Cash Flows from Investing Activities

The net cash flows from investing activities of TZS 10.79 billion (30 June 2022: TZS 1.35 billion), was derived from cash capital expenditures including acquisition of property and equipment amounting to TZS 2,070 million (30 June 2022: TZS 536.77 million), acquisition of intangible assets amounting to TZS 407 million (30 June 2022: TZS 664.87 million) and funds TZS 8.32 billion paid for the MLVMCT Project.

(c) Cash Flows from Financing Activities

There were no net cash flows from financing activities during the financial year ended 30 June 2023 as well as on 30 June 2023.

2.17 LIQUIDITY

During the financial year ended 30 June 2023, the Corporation managed its liquidity level to ensure there is sufficient funds to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Corporation's reputation. This was achieved through prudent liquidity management which includes maintaining sufficient cash and cash equivalents and

striving to ensure that receivables are settled within grace period of 30 days. The Corporation current ratio for the financial year ended 30 June 2023, which measures the ability of current assets to meet short term obligations (current liabilities) was 6.41 times (30 June 2022: 9.42 times). Moreover, the acid (quick) test ratio which also measure the ability of current assets, without inventories, to meet short-term obligations (current liabilities) was 6.38 times (30 June 2022: 9.34 times). Thus, the Corporation's Liquidity gap which is the excess of current assets (excluding advances, prepayments and inventory) over current liabilities (excluding provisions) for the financial year ended 30 June 2023 was TZS 63.10 billion (30 June 2022: TZS 64.13 billion). All the above ratios, current ratio, acid test ratio and liquidity gap reveal that the Corporation was able to fund its current liabilities when due.

2.18 KEY PERFORMANCE INDICATORS

2.18.1 Key Performance Indicators Matrix

The Corporation's Key Performance Indicators (KPIs) are reported based on the implementation of annual Plan and Budget derived from the Corporate Strategic Plan (2021/22-2025/26). The KPIs for the year ended 30 June 2023 are given under Table 2 below:

Table 2: Key Performance Indicators for the Year 2022/23

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
A: Health Services improved and HIV/AIDS infections reduced	Two (2) programs (2022:3 programme) to fight HIV/AIDS, Communicable and Non-Communicable Diseases at work by June, 2023	To conduct one (1) awareness seminars, four (4) HIV/AIDS/COVID-19 meetings and related activities on Communicable and Non-Communicable Diseases to staff by June, 2024	Number of programs Expected Outcome: Programs to fight HIV/AIDS and Non-Communicable Diseases (NCD) at work place Conducted.	• Two (2) (2022:3) programmes on HIV/AIDS, Communicable and Non-Communicable Diseases were conducted to staff	231,055 (2022:185,800)	231,055 (2022:185,800)
	Care and support services to People Living with HIV (PLWHIV) increased by 100% by June 2023	Care and support services to People Living with HIV (PLWHIV) increased by 100% by June 2024	Percentage Compliance Expected Outcome: Care and support services to PLWHIV increased	• Care and Support was provided to all Employees with HIV and Non-communicable disease	59,787 (2022:69,200)	21,126 (2022:15,499)
	Two (2) (2022:3) programs on health, nutrition and fitness approved and implemented by June 2023	Two (2) programs on health, nutrition and fitness approved and implemented by June 2024	Number of programs Expected Outcome: Program on health, nutrition and fitness approved and Implemented.	• Two (2) (2022:2) programs (Sport and Bonanza awareness on nutrition) were provided to staff	58,882 (2022:117,780)	58,204 (2022:54,276)
	N/A, (2022: One audit report on HIV/AIDS and CDNCD implementation processes produced by June, 2022.)	N/A	N/A, (2022: Number of Audits Expected Outcome: Audit Report on HIV/AIDS and CDNCD_)	• N/A, (2022: One (1) Audit was conducted on HIV/AIDS and CDNCD implementation processes)	N/A (2022:3,820)	0
B: Effective implementation of National Anti-Corruption	Three (3) (2022:4) Anti-Corruption Programme to be prepared and	Conduct one (1) awareness programme on Anti-corruption and TASAC code of Conduct by June 2024	Number of programs Expected Outcome: Anti-corruption programs prepared and implemented	• One (1) Awareness on Anti-corruption and Good governance was provided to staff	237,413 (2022:339,250)	167,415 (2022:101,767)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
Strategy enhanced and sustained	implemented by June, 2023	one (1) Staff Meeting, Good Governance training and Public Service Code of Ethics by June 2024		Two (2) Ethics Committee Meetings were conducted. (2022:3 programmes)		
	Incidents of Corruption practices and malpractices maintained to zero by June, 2023 (2022:4)	100% facilitation of ethical and integrity affairs annually by 2024 by; facilitating Inquiry/Disciplinary Committees; Conduct One (1) Committee Meeting to Prepare and develop TASAC Code of Ethics and Conduct by June, 2024	Number of Incidence maintained Expected Zero on tolerance level on corruption practices and Malpractice maintained.	<ul style="list-style-type: none"> No incidence on corruption was recorded. (2022:3) 	91,805 (2022: 133,919)	91,805 (2022: 60,770)
	One (1), (2022:2) Risk Assessment of NACSAP implementation by June 2023	One (1) fraud risk assessments and planned assurance engagements on implementation of NACSAP action plan performed	Number of Risk assessment report on NACSAP implementation Expected Outcome: Risk assessments and fraud related audits performed	<ul style="list-style-type: none"> One (1), (2022:2) Audits on Risk Assessment related to the implementation of NACSAP was conducted. 	1,138,022 (2022: 36,400)	190,000 (2022: 0.00)
C: Maritime transport regulatory services enhanced	90% (2022:85%) compliance to performance standards and benchmarks of regulated port services as per checklist attained by June, 2023		% of Compliance as per Checklist Expected Outcome: Compliance of regulated port services' benchmarks as per checklist attained	<ul style="list-style-type: none"> 85%, (2022:85%) Compliance to performance standard and benchmark of regulated ports services attained 	75,909 (2022:89,400)	75,909 (2022:62,3480)
	Coverage of monitored port terminals increased from 22 to 40 by June, 2023	Coverage of Monitored Port terminals increased from 22 to 60 by June, 2024	Number of Monitored Port Terminals Expected Outcome: Coverage/Scope of	<ul style="list-style-type: none"> Coverage of Port Monitoring terminals increased by twenty-one (21) 	142,651 (2022:150,260)	135,753 (2022:141,779)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	June, 2023. (2022: from 18 to 30)		monitored regulated services providers widened	Port terminals, from 22 to 43, (2022: by 12 from 18 to 30)		
	85%, (2022:75%) of qualified applicants for licence or registration in port services issued with licences or registration certificate within prescribed time by June, 2023	90% of qualified applicants for licence or registration in port services issued with licences or registration certificate within prescribed time by June, 2024	% of port services licences or Registration certificates issued within time Expected Outcome: Timely issuance of Licenses/Registration Certificates to Port Service Providers.	<ul style="list-style-type: none"> 92%, (2022:75%) of qualified applicants for licence or registration in port services were timely issued with licences or registration certificate 	139,386 (2022:126,260)	139,386 (2022:115,645)
	Institutional relationship with three (3, (2022:3) national, region or international (port) maritime organisations maintained by June, 2023	Institutional relationship with three (3) National, Regional/ International Maritime (Port) Regulatory organizations maintained annually by June, 2024	Number of institutions Expected Outcome: Institutional relationship with National, Regional or International port maritime organisations maintained strengthened.	<ul style="list-style-type: none"> Institutional relationship with three (3), (2022:3) national, regional or international port maritime organisations were maintained. 	25,258 (2022:61,580)	25,258 (2022:36,261)
	90%, (2022:80%) Compliance with Port Service Regulations as per checklist attained by June, 2023	95% Compliance to Port Services Regulatory requirements as per checklist attained by June, 2024	% of Compliance as per Checklist Expected Outcome: Compliance to port services regulations Attained	<ul style="list-style-type: none"> 91%, (2022:80%) compliance with port services regulations were attained by Port terminals as per checklist 	44,064 (2022:62,980)	44,064 (2022:62,980)
	N/A, (2022:40%) of maritime transport terminals (ports and dry ports) cargo observe		% of maritime transport terminals Expected Outcome: Maritime terminals observe cargo safety and	<ul style="list-style-type: none"> N/A, (2022:40%) of maritime transport terminals (ports and dry ports) observed cargo safety and 	N/A (2022:24,000)	N/A (2022:13,980)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	safety and security rules and standards by June, 2022		security rules and standards	security rules and standards		
	Two (2), One (1) sets of terms and conditions for port services streamlined and harmonized by June, 2023		Number of sets of terms and conditions for port services Expected Outcome: Terms and conditions of supply of regulated services streamlined and harmonized	<ul style="list-style-type: none"> Two (2), One (1) set of terms and conditions for port services were streamlined and harmonized 	10,441 (2022:9,600)	10,441 (2022:3,513)
C: Maritime transport regulatory services enhanced	88% , (2022: 85%) compliance to Performance standards and benchmarks for regulated shipping services as per checklist attained by June, 2023	90% compliance to performance standards and benchmarks of regulated port services as per checklist attained by June, 2024	Compliance level with performance standards and Benchmark s as per checklist Expected Outcome: Compliance of regulated shipping services' benchmarks as per checklist attained	<ul style="list-style-type: none"> 88%, (2022:85%) compliance to Performance standards and benchmarks for regulated shipping services as per checklist were attained. It was above target due to an increase of an enforcement on compliance. 	87,112 (2022:40,270)	87,112 (2022:26,011)
	Coverage of monitored shipping services providers increased from 350 to 650 by 2023, (2022:350 to 5000	Coverage of Monitored regulated service providers increased from 476 to 850 by June, 2024	Number of Monitored Shipping Services Expected Outcome: Coverage of monitored regulated services providers widened	<ul style="list-style-type: none"> 726, (2022:567) of shipping services providers were monitored, which is an increase of 76, (2022:67) beyond target. 	149,396 (2022:128,350)	149,396 (2022:157,442)
	85%, (2022:75%) of qualifies applicants for licence or	90% of qualified applicants for licence or registration in shipping	% of shipping services licences or Registration certificates issued	<ul style="list-style-type: none"> 85%, (2022:84%) of qualified applicants for licence or 	65,014 (2022:101,775)	62,400 (2022:59,968)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	registration services issued with licences or registration certificates within prescribed time by June, 2023	services issued with licenses or registration certificates within prescribed time by June, 2024	within time Expected Outcome: Timely issuance of Licenses/ Registration Certificates to Shipping providers in compliance with prescribed time	in registration services were issued with licences or registration certificate within prescribed.		
	Institutional relationship with three (3), (2022:3) National/ Regional/ International Maritime (Shipping Services) Regulatory organizations sustained annually by June 2023	Institutional relationship with three (3) National, Regional/ International Maritime (Shipping) Regulatory organizations maintained annually by June, 2024	Number of institutions Expected Outcome: Institutional relationship with National, Regional or International Maritime Regulatory organizations strengthened.	<ul style="list-style-type: none"> Institutional relationship with three (3), (2022:3) national, region or international maritime shipping organisations were sustained 	1,045,150 (2022:1,151,465)	1,045,150 (2022:1,083,151)
	88%, (2022:84%) Compliance with shipping services regulations attained by June, 2023	92% Compliance to Shipping Services Regulatory requirements as per checklist attained by June, 202	Compliance level with shipping Services regulations Expected Outcome: Compliance to shipping services regulations attained	<ul style="list-style-type: none"> 88%, (2022:85) of Shipping Services Operators complied with regulations as per checklist 	30,129 (2022:151,620)	29,790 (2022:101,215)
C: Maritime transport regulatory services enhanced	One (1), (2022:1) set of Terms and Conditions for shipping services streamlined and harmonized by June, 2023		Number of sets of terms and conditions Expected Outcome: Terms and conditions of supply of regulated services streamlined and harmonized.	<ul style="list-style-type: none"> First Draft of Term and Condition for shipping agents were incorporated in the amendment of the Regulations for shipping agents. (2022: Draft set of terms and conditions for shipping services 	33,732 (2022:94,860)	29,154 (2022:68,469)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
				was done by 50%, waiting for involvement of internal and external stakeholders for accomplishment)		
	60% (2022:40%) of regular importers and exporters involved in maritime cargo traffic covered by June, 2023		% of importers and exporters Expected Outcome: Involvement of importers and exporters in maritime transport sector effectively and efficiently promoted	<ul style="list-style-type: none"> 60%, (2022:40%) of regular importer and exporters were involved in maritime cargo related traffic matters 	87,349 (2022:60,660)	80,036 (2022:28,194)
	Detailed cost of services for One(1), (2022:1) regulated service established and monitored by June, 2023	Detailed costs of services for 4 regulated services established and monitored by June, 2024	Number of regulated services whose costs of services have been Established and monitored Expected Outcome: Economic Efficiency Promoted	<ul style="list-style-type: none"> Detailed Cost of services of One (1), (2022:1) regulated services (MPS) for tariff determination was established and monitored 	22,522 (2022:52,620)	22,518 (2022:24,030)
	Two (2), (2022:2) on reports of compliance of regulated service providers with regulatory benchmarks disseminated by June, 2023	Four (4) reports on compliance of regulated service providers with regulatory benchmarks disseminated by June, 2026	Number of reports on compliance with regulatory benchmarks disseminated Expected Outcome: Two (2) Reports on compliance of regulated service providers with regulatory benchmarks disseminated	<ul style="list-style-type: none"> Two (2), (2022:2) on reports of compliance of regulated service providers with regulatory benchmarks were disseminated 	80,424 (2022:123,600)	80,424 (2022:105,901)
	Received tariff application determined within	Tariff determination completed within 60 days by June 2024	Number of days taken to determine tariff application	<ul style="list-style-type: none"> Tariff application were determined 	145,942 (2022:214,440)	142,805 (2022:173,357)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	60 days by June, 2023. (2022:60 days)		Expected Outcome: Tariff improved (Period/Time between tariff reviews for Maritime transport services/Operations)	within 59.3 days, (2022:60 days)		
C: Maritime transport regulatory services enhanced	One (1), (2022:1) survey conducted by June, 2023.	Three (3) regulatory surveys/ studies/ research conducted by June, 2024	Number of survey reports on contemporary regulatory issues Expected Outcome: Understanding of contemporary regulatory issues enhanced.	<ul style="list-style-type: none"> One (1) survey was conducted on possibilities and required incentives for private operators to establish dry ports to serve the Mtwara Port. (2022: The survey was complemented by 50% (ie Phase I), Phase II of this target was not covered due to work exigency) 	22,534 (2022:67,693)	20,353 (2022:26,855)
	One (1), (2022:2) regulated services subjected to regional tariff benchmarking by June, 2026	Four (4) regulated services subjected to regional tariff benchmarking by June, 2024	Number of regulated services Subjected to regional tariff Benchmarking Expected Outcome: Regional benchmarking of tariffs and quality of services conducted	<ul style="list-style-type: none"> One (1), (2022:2) regulated services were subjected to regional tariff benchmarking 	5,169 (2022:32,551)	5,169 (2022:18,105)
	Four (4), (2022:4) national, regional or international meetings /activities	Four (4) National, regional or international meetings/activities on economic regulation	Number of national, regional or international meetings/activities on economic regulation participated Expected Outcome:	<ul style="list-style-type: none"> Three (3), (2022:4) national, regional or international meetings/activities were participated 	168,465 (2022:17,156)	165,323 (2022:9,007)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	participated by June, 2023.	matters participated by June, 2024.	Outcome: Institutional relationship with National, Regional or International Maritime Regulatory organizations strengthened			
	One (1), (2022:1) report on assessment of extent of competition in the regulated services prepared and recommendations implemented by June, 2023		Number of reports on assessment of extent of competition in the regulated Services and prepared recommendations implemented Expected Outcome: Effective competition in the regulated services promoted.	<ul style="list-style-type: none"> One (1) (2022: Only 60% of the report was completed) report on assessment of extent of competition in provision of maritime passenger transport services on Mwanza - Ukerewe route was prepared 	13,547 (2022:90,450)	12,626 (2022:90,450)
	One (1), (2022:1) monitoring assignment for anti-competitive behaviour conducted by June, 2023.		Number of monitoring assignments for anti-competitive behaviours conducted in the regulated services Expected Outcome: monitoring assignments for anticompetitive behaviours conducted in the regulated services	<ul style="list-style-type: none"> One (1), (2022:1) monitoring assignment for monitoring of abusive practices among shipping agencies in Tanga and Mtwara was conducted 	15,550 (2022:28,450)	15,550 (2022:19,185)
C: Maritime transport regulatory services enhanced	Four (4), (2022:4) Legislation on maritime transport regulatory services facilitated for		Number of drafted or reviewed regulations Expected Outcome: Draft legislation in relation to maritime	<ul style="list-style-type: none"> Nine (9), draft was done. Following the amendment of Cap. 415 through the Finance Act No. 5 of 	143,919 (2022:595,590)	143,919 (2022:480,391)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	enactment, or amendment publication annually by June 2023		transport regulatory services prepared	2022 additional efforts were kept on developing legislation to enable the Corporation to start regulating new service providers. (2022:10 draft was done, due to Increased demand to make Regulations and amendment of Cap. 417 to address international obligations to domesticate them and a need to address legal challenge of exclusive mandate of TASAC to provide shipping business services).		
	One (1), (2022: N/A) audit on effectiveness of Performance Audit on Ports regulatory services activities by June 2023	100% of categories of audits conducted by internal audit and other assurance service providers monitored on quarterly basis by June, 2024	Number of audit report on effectiveness of Performance Audit on Ports regulatory services activities Expected Outcome Audit Reports on Ports regulatory services activities	<ul style="list-style-type: none"> One audit on effectiveness of Performance Audit on Ports regulatory services activities was done. The draft report was prepared. 	700 (2022: N/A)	700 (2022: N/A)
	One (1), (2022: N/A) audit of Manifest billing	100% implementation of audits on revenue and	Number of audit report on Manifest billing system Expected	<ul style="list-style-type: none"> One audit of Manifest billing was conducted at Tanga 	9,410 (2022: N/A)	8,550 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	system by June 2023	expenditure by June, 2024.	Outcome: Audits on manifest billing system conducted.	- Horohoro border post.		
	One (1), (2022: N/A) Audit of shipping services regulatory Activities by June 2023	100% of categories of audits conducted by internal audit and other assurance service providers monitored on quarterly basis by June, 2024	Number of audit report on shipping services regulatory Activities Expected Outcome Audit Reports on shipping services regulatory Activities	• One Audit of shipping services regulatory Activities and the report was issued	4,540 (2022: N/A)	4,540 (2022: N/A)
	N/A, (2022: Three (3) audits of Ports, shipping regulatory services and Manifest Billing by June 2022)	100% of categories of audits conducted by internal audit and other assurance service providers monitored on quarterly basis by June, 2024	N/A, (2022: Number of audits. Expected Outcome: Audit Reports of Ports, shipping regulatory services and Manifest Billing)	• N/A, (2022: Two (2) audits were conducted. One audit was not conducted due to exigency of duties arising from un planned activities during quarter 4)	N/A (2022:48,790)	N/A (2022:28,080)
D: Maritime safety, security and pollution prevention improved	Maritime accidents for vessels less than 50 GT maintained below 9 by June 2023	Accidents of vessels below 50GT maintained below 9 annually by June, 2024	Number of maritime accidents for vessels less than 50 GT Expected Outcome: Reduction of accidents for vessels less than 50 GT maintained	• Maritime accidents for vessels less than 50 GT were maintained below 9 (4 accidents) accidents.	648,602 (2022: 448,928)	364,291 (2022: 411,104)
	Zero accidents on ships of 50 GT or above maintained by June, 2023	Zero accident of vessels above 50GT maintained by June, 2024	Number of accidents on ships of 50 GT Expected Outcome: Zero Accidents on ships of 50 GT or above maintained	• There were no reported accidents on ships of 50 GT or above	183,900 (2022: 295,312)	116,044 (2022: 132,297)
	Ratified Mandatory IMO instruments given fully and complete effect for 20% by June, 2023	25 Ratified Mandatory IMO instruments given fully and complete effect by June, 2024	Percentage of Compliance with IMSAS report Expected Outcome: Ratified Mandatory IMO	• Ratified Mandatory IMO instruments given fully and complete effect for 20%	368,651 (2022: 514,980)	368,651 (2022: 370,138)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
			instruments given fully and complete effect for 20%			
	8 Ships (of 50 GT) Registered, Unregistered/ Deregistered for Licence and Mortgage by June, 2023. (2022:N/A)		Number of Ships Registered/ Deregistered for Licence and Mortgage Expected Outcome:	<ul style="list-style-type: none"> 8 Ships (of 50 GT) were Registered, Unregistered/ Deregistered for Licence and Mortgage. (2022: N/A) 	19,798 (2022: N/A)	16,617 (2022: N/A)
	Six (06), (2022:6) regional and International meetings/ trainings attended by June, 2023		Number of Regional and International meetings Expected Outcome: Regional and International meetings/trainings attended	<ul style="list-style-type: none"> Six (6), (2022:7) regional and International meetings/ trainings were attended 	118,557 (2022: 320,437)	86,419 348,202 2022:
D: Maritime safety, security and pollution prevention improved	1,000, (2022:1,000) Seafarers' Certificates issued annually in accordance with STCW1978 as amended by June 2023	10,000 Certificates issued to seafarers in accordance to STCW-1978 as Amended annually by June, 2024	Number of Seafarers' Certificates Expected Outcome: Seafarers' Certificates issued in accordance with STCW-1978 as amended	<ul style="list-style-type: none"> 16,543, (2022:17,689) Certificates were Issued in accordance with STCW-1978 as amended 	341,706 (2022: 635,024)	320,866 333,953 2022:
	100%, (2022:68%) of DMSE staff with recognized professional to be registered to their respective professional boards by June 2023		Percentage of DMSE staff registered in professional Board Expected Outcome: Staff with recognized professional Certificates are registered under their respective professional boards	<ul style="list-style-type: none"> 75%, (2022:68%) of DMSE staff were registered in professional Board 	88,928 (2022: 173,652)	75,934 108,744 (2022:

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Six (06), (2022:6) Maritime officers upgraded and awarded professional or specialized training certificates by June, 2023		Number of trained Maritime officers Expected Outcome: Maritime officers attend specialized trainings and upgraded to professional certificates	• Seven (7), (2022:5) Maritime officers were upgraded and awarded professional or specialized training certificates	42,579 (2022: 142,840)	39,881 (2022: 34,834)
	One (01), (2022:1) draft of regulations on seafarer matters developed/ amended/ reviewed annually by June 2023		Number of draft Regulations on seafarer developed, amended, reviewed Expected Outcome: Regulations on Seafarer matter established and capacity building on related matters enhanced.	• One (1), (2022:2) draft of regulations on seafarer matters were produced.	130,774 (2022: 207,502)	130,774 (2022: 103,698)
	Ten (10) Legislation on Maritime Safety, Security and pollution prevention facilitated enactment, amendment or publication annually by June, 2023	Twenty (20) regulatory and legal legislations and instruments developed or amended by June, 2024	Number of Legislation on Maritime Safety, Security And Pollution Prevention facilitated Expected Outcome: Draft Legislation on maritime safety, security, environment protection prepared for vetting and approval.	• Fourteen (14) Legislation on Maritime Safety, Security and pollution prevention were produced. Additional measures were needed to respond to IMSAs Audit observations, effort was kept on enacting, amending and or reviewing legislations to accommodate improvement as recommended by	269,477 (2022: N/A)	269,477 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
				the Auditor for the Legislations to suit current working environment and increase compliance on Maritime Safety, Security and pollution prevention		
	Eight (08), (2022:8) ISPS Ports Facilities Compliance to IMO White list maintained by June, 2023	Eight (08) ISPS Ports Facilities Compliance to IMO White list maintained annually by June, 2024	Number of ISPS Port Facilities Expected Outcome: All ISPS Ports Facilities Compliance maintained to IMO White list.	• Eight (8), (2022:8) ISPS Ports Facilities Compliance to IMO Whitelist were maintained.	57,970 (2022: 67,872)	45,222 (2022: 30,271)
	Maritime accidents death toll reduced from 17% to 16% by June, 2023	Maritime accidents death toll reduced to 3% by June, 2024	Percentage of death toll from Maritime accidents Expected Outcome: Reduction of Maritime accidents death toll from 17% to 16%	• Maritime accidents death toll reduced to 5%, (2022:15%) due to Effective SAR awareness programmes	28,281 (2022: 45,380)	24,190 (2022: 14,863)
	Incidents related to Maritime Security sustained at zero by June, 2023	Incidents related to Maritime Security sustained at zero by June, 2024	Number of incidents Expected Outcome: Zero incidents related to maritime security sustained	• No incidents related to maritime security	155,579 (2022: 236,262)	128,520 (2022: 114,621)
D: Maritime safety, security and pollution prevention improved	Major incidents resulting from maritime transport activities maintained/sustained at zero by June, 2023	Zero major pollution incidence resulting from maritime activities maintained by June, 2024	Number of incidents Expected Outcome: Zero incidents of pollution related to maritime transport activities maintained/sustained	• No incidents of pollution related to maritime transport activities	150,196 (2022: 225,690)	138,791 (2022: 133,986)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	84%, (2022:84%) of aids to navigation inspected and monitored by June, 2023		Percentage of aids to navigation Expected Outcome: All aids to navigation are inspected and monitored	<ul style="list-style-type: none"> 86%, (2022:84%) of aids to navigation were inspected and monitored. Additional Staff to NSE section through management effort has enable effective and additional inspections 	43,029 (2022: 61,128)	30,749 (2022: 18,589)
	100% of Maritime incidents and accidents are timely relayed for activation of SAR operations by June, 2023	100% of Maritime incidents and accidents are timely relayed for activation of SAR operations by June, 2024	Number of incidents and accidents received against the ones which are timely reported for SAR operations Expected Outcome: Maritime incidents and accidents are timely relayed for activation of SAR operations	<ul style="list-style-type: none"> 100% of Maritime incidents and accidents were timely relayed for activation of SAR operations 	29,637 (2022: 35,304)	15,528 (2022: 11,668)
	One audit of Ship Registration, Survey and Inspection Activities. (2022: N/A)	100% of categories of audits conducted by internal audit and other assurance providers monitored on quarterly basis by June, 2024	Number of audits on Ship Registration, Survey and Inspection Activities Expected Outcome: Audits on effectiveness of Ship Registration, Survey and Inspection Activities conducted	<ul style="list-style-type: none"> One (1) audit of Ship Registration, Survey and Inspection Activities was conducted. (2022: N/A) 	5,820 (2022: N/A)	5,820 (2022: N/A)
	One (1)), (2022:4) of audit implementation of domesticated international conventions related		Number of audit report on implemented domesticated international conventions related to Seafarers Training and	<ul style="list-style-type: none"> One (1), (2022:3) of audit implementation of domesticated international conventions related 	22,243 (2022: 60,930)	22,243 (2022: 10,460)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	to Seafarers Training and Certifications (incl. STCW.) by June 2023		Certifications (incl. STCW.) Expected Outcome: Audits of compliance with domesticated international conventions in related to Seafarers Training and Certifications (incl. STCW.)	to Seafarers Training and Certifications was conducted		
	One audit to Assess and report on implementation of national and international audit findings (including IMSAS, STCW, QMS, e.t.c) and Lake Victoria Project by June 2023. (2022:N/A)		Number of audit report on implementation of national and international audit findings (including IMSAS, STCW, QMS, etc.) and Lake Victoria Project Expected Outcome: Audit findings communicated and recommendations implementations followed-up	<ul style="list-style-type: none"> Two (2) audits to Assess and report on implementation of national and international audit findings (including IMSAS, STCW, QMS, etc.) and Lake Victoria Project. The additional audit was IMSAS audit 	19,3362 (2022: N/A)	18,821 (2022: N/A)
	One audit to evaluate adequacy and effectiveness of Maritime Security Environment activities by June 2023. (2022: N/A)		Number of audit report on evaluation, adequacy and effectiveness of Maritime Security and Environment activities Expected Outcome: Audits on effectiveness of maritime safety and security conducted	<ul style="list-style-type: none"> One (1) audit to evaluate adequacy and effectiveness of Maritime Security and Environment activities was conducted. (2022: N/A) 	5,060 (2022: N/A)	4,926 (2022: N/A)
E: Shipping business services improved	Average cargo clearance time maintained to	Average cargo clearance time maintained within 5 days after cargo has been	Average time (number of days) to clear cargo Expected Outcome:	<ul style="list-style-type: none"> Average cargo clearance time were within 5 days. 	365,146 (2022: 595,553)	365,146 (2022: 486,275)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	within 5 days after receiving full set of documents from clients by June, 2023	carried-in and full set of relevant documents received, by June, 2024.	Average time to clear cargo reduced	(2022:7) after receiving full set of documents from clients		
	50%, (2022:40%) of responsibilities of freight forwarding services performed by June, 2023	75% of responsibilities of freight forwarding services performed by June, 2024.	Percentage of responsibilities of freight forwarding services Expected Outcome: 40% of responsibilities of freight forwarding services	<ul style="list-style-type: none"> 30%, (2022:30%) of responsibilities of freight forwarding services were performed as other Procedures for forwarding function were not finalized. 	158,897 (2022: 304,540)	119,435 (2022: 197,701)
	25, (2022:30) CFA staff to attend courses on EACCMA, 2004 by June, 2023	N/A	Number of trained CFA staff IN EACCMA Expected Outcome: Capacity building to Staff on compliance to East African Customs Management Act conducted.	<ul style="list-style-type: none"> Forty (40), (2022:114) CFA staff attended courses on EACCMA, 2004 	65,025 (2022: 131,500)	45,983 (2022: 80,555)
	70%, (2022:50%) of clearing and forwarding agency services automated by June 2023	N/A	Percentage of automation of Clearing and forwarding agency services Expected Outcome: Automation of Clearing & Forwarding services by 70%	<ul style="list-style-type: none"> 50%, (2022:50%) of Clearing and forwarding services were automated. The automation of forwarding part is yet to be implemented awaiting tendering process to be completed by PMU 	58,028 (2022: 71,755)	47,963 (2022: 70,333)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
E: Shipping business services improved	Two (2), (2022:2) regional and international meetings in relation to CFA attended annually by June, 2023	N/A	Number of regional and international meetings in relation to CFA Expected Outcome: Long-term business relationship with national, regional and international organizations established/maintained	<ul style="list-style-type: none"> One (1) invitation for international program was received and attended as the activity depending on international invitation. (2022: Two (2) Regional and international meetings in relation to CFA were attended) 	21,055 (2022: 34,317)	14,373 (2022: 25,821)
	Three (3), (2022: N/A) reviews of Legislation in relation to clearing and forwarding agency initiated for publication by June, 2023	N/A	Number of Legislation facilitated Expected Outcome: Draft in relation to clearing and forwarding agency	<ul style="list-style-type: none"> Eighteen (18), (2022: N/A) reviews of Legislation in relation to clearing and forwarding agency were produced. The amendment of Cap. 415 has led to increase number of legislations to be amended and others to be amended to address the changes in regulating shipping business. 	122,114 (2022: N/A)	122,114 (2022: N/A)
	One (1), (2022: N/A) audits to assess effectiveness of clearing and Forward activities	N/A	Number of reports on audits to assess effectiveness of clearing and Forward activities Expected Outcome:	<ul style="list-style-type: none"> One (1), (2022: N/A) audits to assess effectiveness of clearing and Forward activities was conducted 	12,925 (2022: N/A)	12,925 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	conducted by June 2023		Clearing and Forward processes audited			
	One (1), (2022: N/A) audits to assess effectiveness of shipping agency activities by June 2023	N/A	Number of reports to assess effectiveness of shipping agency activities Expected Outcome: shipping processes agency audited	• One (1), (2022: N/A) audits to assess effectiveness of shipping agency activities conducted	18,389 (2022: N/A)	18,389 (2022: N/A)
	One (1), (2022: N/A) audits to assess effectiveness of ship Tallying activities by June 2023	N/A	Number of audit report on effectiveness of ship Tallying activities Expected Outcome: Ship Tallying processes audited	• One (1), (2022: N/A) audits to assess effectiveness of ship Tallying activities conducted	4,400 (2022: N/A)	4,400 (2022: N/A)
	One (1), (2022: N/A) audits to assess effectiveness of Integrated Shipping Business Application System by June 2023	N/A	Number of reports on audits to assess effectiveness of Integrated Shipping Business Application System Expected Outcome: Audits of IT controls over shipping business applications (CFA, Ship Tallying, and Document control) systems, operations and revenues conducted	• One (1), (2022: N/A) audits to assess effectiveness of Integrated Shipping Business Application System was conducted	22,290 (2022: N/A)	22,290 (2022: N/A)
	NA, (2022: Five (5) audits of shipping business activities)	N/A	Number of audits conducted Expected Outcome: Audit Reports	• NA, (2022: Four (4) audits of shipping business were conducted, one audit was not done as it was overtaken	NA (2022:75,550)	NA (2022: 18,526)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
				by event - (change in legislation)		
	N/A (2022: Days to close Voyage Disbursement Accounts decreased from 30 to 15 after ship departure)	N/A	Number of days to close Voyage Disbursement Accounts Expected Outcome: Decrease in number of days to close Voyage Disbursement Accounts from 30 to 15 days	<ul style="list-style-type: none"> N/A, (2022:20 days used to close Voyage disbursement Account; it is below target due to Delays in receiving final bills from other government agencies) 	N/A (2022:44,300)	NA (2022:35,862)
	N/A, (2022:340 Ships handled under TASAC Agency)	N/A	Number of ships Expected Outcome: Increase in number of ships handled under TASAC	<ul style="list-style-type: none"> N/A, (2022:448 ships were handled under TASAC Agency, it was above the target due to Substantial increase of ship calls at Mtwara, Tanga and Songosongo) 	N/A (2022:300,100)	N/A (2022:267,052)
	N/A, (2022:16 Staff attended course on EACCMA, 2004)	N/A	Number of Shipping agency staff Expected Outcome: Shipping agency staff attended EACCMA, 2004	<ul style="list-style-type: none"> N/A, (2022: Seventeen (17) staff attended EACCMA, 2004 Course) 	N/A (2022:50,824)	N/A (2022:47,432)
	N/A, (2022:7 Categories of ships handled for shipping agency services annually)	N/A	Number of ship categories Expected Outcome: Seven (7) categories handled under shipping agencies services	<ul style="list-style-type: none"> N/A, (2022: Six (6) Categories of vessels where handled, due to Non-commencement of operation of pure car carrier vessels) 	N/A (2022:162,860)	N/A (2022:155,628)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
				under TASAC Ship Agency due to shortage of manpower).		
	N/A, (2022:2 regional and international meetings related to shipping agency attended)	N/A	Number of meetings Expected Outcome: Attendance of meeting related to shipping agency	<ul style="list-style-type: none"> N/A, (2022: Two (2) regional and international meetings related to shipping agency were attended) 	N/A (2022:47,940)	N/A (2022:12,594)
	N/A, (2022:2 SBMS modules on shipping agency document control fully implemented)	N/A	Number of modules Expected Outcome: Two (2) SBMS modules on shipping agency and document control fully implemented	<ul style="list-style-type: none"> N/A, (2022: Two (2) SBMS modules on shipping agency and document control were fully implemented) 	N/A (2022:52,640)	N/A (2022:32,005)
	N/A, (2022: Tallying services increased to import and export cargo through Tanzania mainland from 62% to 80%)	N/A	% of cargo imported and exported through ports Expected Outcome: 22% increase of tallying services in Tanzania mainland	<ul style="list-style-type: none"> N/A, (2022: Increased by 15.8% due to shortage of staff on implementation of stuffing and de-stuffing areas) 	N/A (2022:540,216)	N/A (2022:326,382)
	N/A, (2022: Ship tallying customers satisfaction increased from 40% to 50%)	N/A	% of satisfied customers of ship tallying service Expected Outcome: Satisfaction of ship tallying customers	<ul style="list-style-type: none"> N/A, (2022: Ship Tallying customers satisfaction increased to 50%) 	N/A (2022:85,755)	N/A (2022:58,187)
	N/A, (2022:10% of tallying data/information capturing and reporting automated)	N/A	Percentage of ship tallying data/information Expected Outcome: Tallying data/information	<ul style="list-style-type: none"> N/A, (2022:10% of tallying data/information capturing and reporting were automated) 	N/A (2022:19,845)	N/A (2022:17,778)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
			capturing, and reporting are automated			
	N/A, (2022: Four (4) National, one (1) Regional and One International meetings attended)	N/A	Number of meetings Expected Outcome: Attendance of meeting	<ul style="list-style-type: none"> N/A, (2022: One (1) person was invited to participate in one national meeting this is because Participation on National, regional and International meeting depend on invitation, therefore no invitation received under the period of review). 	N/A (2022: 42,384)	N/A (2022: 1,265)
	N/A, (2022: Four (4) stages of SBMS module on ship tallying implemented)	N/A	Number of Stages in SBMS modules Expected Outcome: Four (4) stages of SBMS module on ship tallying implemented	<ul style="list-style-type: none"> N/A, (2022: Three (3) stages developed, because of Change of the design requirements of the Ship tallying module affected its final execution stage) 	N/A (2022: 111,800)	N/A (2022: 73,377)
F: Institutional capacity service provision strengthened	DG's self-assessment as per performance contracts maintained at level 1 (Excellent) by June, 2023. (2022: 1)	DG's self-assessment as per contracts rating maintained at level 1 (Excellent) by June, 2024.	Performance Contract Rating Level Expected Outcome: Level one (Excellent) performance contract of DG's self-assessment	<ul style="list-style-type: none"> DG's self-assessment as per performance contracts rated at level 1.06. 	494,366 (2022: 687,540)	455,536 (2022: 540,890)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Four (4), (2022:4) reports on implementation of risk Management Framework produced by June, 2023	Four (4) Risk Implementation reports produced by June 2024	Number of risk management reports Expected Outcome: Risk Institutional Management Framework Developed & Implemented	<ul style="list-style-type: none"> Four (4), (2022:4) reports on the implementation of risk Management Framework were produced 	402,920 (2022: 548,225)	363,389 (2022: 433,794)
	Risk management maturity increased from level 3 (Risk aware) to level 4 (Risk enabled) by June, 2023. (2022: N/A)	Risk management maturity increased from level 3 (Risk aware) to level 4 (Risk enabled) by June, 2024.	Level of risk management maturity Expected Outcome: Risk Institutional Management Framework Developed & Implemented	<ul style="list-style-type: none"> Risk management maturity increased from level 3 (Risk aware) to level 4 (Risk enabled) which is 100%. Risk Management Policy, Risk Management Procedures Manual, Business Continuity Policy and Plan (BCP) are in place. 	143,972 (2022: N/A)	131,446 (2022: N/A)
	Four (4), (2022:4) Reports on the Implementation of Quality Management System (QMS) prepared by June 2023	Four (4), Reports on the Implementation of Quality Management System (QMS) prepared by June 2024	Number of Reports on implementation of QMS Expected Outcome: ISO 9001:2015 Standards on Quality Management System Developed and Implemented	<ul style="list-style-type: none"> Four (4), (2022:4) reports on the implementation of Quality Management System (QMS) were prepared 	593,038 (2022: 790,710)	436,885 (2022: 379,786)
	N/A, (2022: Five (5) of process recruitment activities to be achieved as per establishment)	Five (5) process of recruitment activities to be achieved as per establishment	Number of processes for recruitment activities achieved Expected Outcome: Five (5) process of recruitment activities to be achieved	<ul style="list-style-type: none"> N/A, (2022: Five (5) of process recruitment activities were achieved) 	N/A (2022:288,700)	N/A (2022:112,770)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Nine (9), (2022:10) statutory meeting will be implemented by June, 2023		Number of Statutory meetings Expected Outcome: Implementation of nine (9), (2022:10) statutory meetings	• Nine (9), (2022:9) statutory meeting were implemented.	907,055 (2022: 693,600)	784,915 (2022: 388,263)
F: Institutional capacity for service provision strengthened	Four (4) Regional and one (1) international conferences participated by June 2023. (2022: Three (3) Regional and One (1) International Conferences participated)		Number of regional and international meetings Expected Outcome: Participation in three (3) Regional and One (1) International Conferences	• Four (4), (2022:3) Conferences were participated.	502,882 (2022: 138,414)	499,753 (2022: 107,238)
	Conduct one (1), (2022:2) Performance Appraisal assessment by June, 2023	100% of staff working performance evaluated by June, 2024	Number of stages of performance management Expected Outcome: Performance management (appraisal and reviews) conducted.	• One (1), (2022:2) performance appraisal assessment were conducted	118,957 (2022: 95,025)	106,701 (2022: 58,459)
	N/A, (2022: Three (3) activities established and operationalized)		Number of activities established Expected Outcome: Establishment and operationalization of Three (3) activities	• N/A, (2022: Three (3) activities were established and operationalized)	N/A (2022:79,870)	N/A (2022:19,434)
	N/A, (2022: Two (2) guidelines developed and implemented)	Three TASAC human resources and administration working documents developed/reviewed by June, 2024	Number of guidelines developed and implemented Expected Outcome: Implementation and	• N/A, (2022: Two (2) guidelines were developed and implemented)	N/A (2022:56,100)	N/A (2022:50,283)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
			development of two (2) guidelines			
	N/A, (2022: Three (3) programs prepared and implemented)		Number of programs prepared and implemented Expected Outcome: Preparation and Implementation of three (3) programs	<ul style="list-style-type: none"> N/A, (2022: Two (2) programs were implemented due to exigency of Duties Retention Initiative Manual was not conducted. 	N/A (2022: 101,520)	N/A (2022: 40,741)
	N/A, (2022: 390 staffs engaged)		Number of staffs engaged Expected Outcome: Engagement of 390 staff	<ul style="list-style-type: none"> N/A, (2022: 331 staff were engaged due to inadequate office space) 	N/A (2022: 1,320,240)	N/A (2022: 1,755,983)
	Identifying and negotiating the renting of five (5) offices and Partition 10 office by June, 2023 (2022: N/A)	All over heads and administrative expense met by 100% by June, 2024	Number of newly established TASAC Offices Expected Outcome: TASAC Office (Head office, Regions & Stations) established and furnished	<ul style="list-style-type: none"> Renting and Partition of eleven (11) offices were done. (2022: N/A) 	115,505 (2022: N/A)	112,301 (2022: N/A)
	Gender Policy and Manual to be developed by June, 2023. (2022: N/A)		Number of stages for developing Gender mainstreaming policy, diversity and inclusiveness Expected Outcome: Implementation and development of two (2) guidelines	<ul style="list-style-type: none"> No Gender Policy and Manual developed. Draft of Gender policy in place. (2022: N/A) 	94,588 (2022: N/A)	30,416 (2022: N/A)
	15 Staff transfer, 20 relieving duty, and 250 graduate internships to be engaged by June, 2023. (2022: N/A)		Number of internal staffs transfer, Duty released and internships engaged Expected Outcome: Engagement of 390 staff	<ul style="list-style-type: none"> 215 internal staffs transfer, Duty released and internships engaged. (2022: N/A) 	629,916 (2022: N/A)	620,970 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Human resources development policies, manual, circulars, programs and guidelines in place and implemented by June, 2023. (2022: Nine (9) human resources development policies and programs implemented)	Three TASAC human resources administration documents developed/reviewed by June, 2024	Number of policies and programs developed and implemented Expected Outcome: Development and Implementation of three (3) human resources policies, programs and guidelines	<ul style="list-style-type: none"> Three (3) human resources development policies and programs were developed and implemented. (2022: Seven (7) human resources development policies and programs were implemented, due to extended approving procedures on the reviewed organization structure and scheme of services by Utumishi affected attainment of the target) 	202,659 328,225	192,632 (2022:117,469)
F: Institutional capacity for service provision strengthened	Hundred percent (100%) implementation of capacity building to staff by June, 2023. (2022: Three (3) training programs implemented)	100% Staff training implemented annually by June, 2024	Percentage of implementation of Capacity building program Expected Outcome: Human Skills Development Plan and Developed and implemented	<ul style="list-style-type: none"> Training Needs Assessment was prepared Training plan was prepared and implemented. (2022: Three (3) training programs were implemented) 	143,466 80,400	143,466 60,199
	All Administrative expenses covered by 100% by June,	All over heads and administrative expense	Percentage of administrative Expenses Expected Outcome:	<ul style="list-style-type: none"> All administrative expenses were covered. (2022: 	3,915,916 (2022:7,992,530)	3,548,554 (2022:2,721,015)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	2023. (2022: Eleven (11) administrative expenses covered)	met by 100% by June, 2024	Administrative expenses covered by 100%	Eleven (10) administrative expenses covered)		
	Payment of Statutory Benefits attained by 100% to all employees monthly by June, 2023. (2022: Four (4) statutory benefits attained by all staff)	100% of statutory benefit contributions to responsible personnel provided by June, 2024	Percentage of employees' statutory benefit paid Expected Outcome: Payment of Statutory benefits to all staff effected	<ul style="list-style-type: none"> Statutory benefits attained by 100% to all staff, (2022: Four (4) statutory benefits attained) 	1,407,118 (2022: 1,885,420)	1,129,260 (2022: 751,088)
	Human Capital Management Information systems (HCMIS) developed and operationalized to 100% by June, 2023. (2022: N/A)	Two internal operations system automated and update by June, 2024	Percentage operationalization of HCMIS Expected Outcome 100% operationalization of Human Capital Management Information systems (HCMIS)	<ul style="list-style-type: none"> Installation and operationalization of Government electronic filing system. (2022: N/A) 	98,513 (2022: N/A)	69,645 (2022: N/A)
	MTEF and sixteen (16), (2022:16) Performance Reports prepared and documented by June, 2023	MTEF and sixteen (16), Performance Reports prepared and documented by June, 2024	Number of MTEF and Performance Reports Expected Outcome: MTEF and Performance Reports prepared and documented	<ul style="list-style-type: none"> MTEF and sixteen (16), (2022:18) Performance Reports were prepared and documented 	1,152,530 (2022: 774,132)	961,104 (2022: 682,266)
	Institutional relationship with Five (5) National, Regional and International Organization sustained by June, 2023	Institutional relationship with Five (5) National, Regional and International Organization sustained by June, 2024	Number of national, regional/inter national organization Expected Outcome: Lesson learnt, meeting and resolution recommendations made to TASAC by key	<ul style="list-style-type: none"> Two (2) JTSR meetings were attended Participated in two Parliamentary Committee Meetings Participated in 	157,892 (2022: 125,520)	63,788 (2022: 30)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
			stakeholders implemented through planned activities	Parliamentary Budget Sessions. (2022: One (1) Meeting was attended)		
	Four (4) stages of developing M&E system implemented by June, 2023. (2022: N/A)	Four (4) stages of developing M&E system implemented by June, 2024.	Number of stages Expected Outcome: Integrated Monitoring and Evaluation System established	<ul style="list-style-type: none"> Four (4) stages of developing M&E system were completed. (2022: N/A) 	508,253 (2022: N/A)	393,184 (2022: N/A)
	Four (4) reports on investment appraisal, project monitoring and evaluation prepared by June, 2023. (2022: N/A)		Number of investment appraisal and Monitoring and Evaluation Reports Expected Outcome: Investment projects appraised, monitored and evaluated.	<ul style="list-style-type: none"> Three (3) reports on investment appraisal, project monitoring and evaluation were prepared. The other report was not prepared due to exigency of other duties, some of planned activities under this target were not implemented as per Action Plan 	246,638 (2022: N/A)	214,316 (2022: N/A)
	Two Hundred and Sixty (260) programs contained in the information, education and communication strategy	The Corporation communication policy and strategy developed and operationalized by June, 2024	Number of information and education programs Expected Outcome: Implementation of two hundred and sixty (260) programs contained in the information, education, and communication Two	<ul style="list-style-type: none"> Two hundred and fourteen (214), (2022:257) programs conducted. Delayed procurement of the service provider to produce TV and Radio programs 	812,086 (2022: 871,755)	572,030 (2022: 599,984)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	implemented by June, 2023		hundred and sixty (260) Programs contained in the Information, education and communication strategy implemented	caused by the need to re-negotiate with the shortlisted service provider as the budget set was minimal to meet the quoted price by the service provider.		
F: Institutional capacity for service provision strengthened	Forty-five (45), (2022:24) awareness programs conducted by June, 2023	Stakeholders engagement program developed and implemented by 100% by June, 2024	Number of awareness programs Expected Outcome: Twenty-four (24) awareness programs conducted and facilitated	<ul style="list-style-type: none"> Forty-two (42), (2022:24) awareness programs were conducted and facilitated 	641,000 (2022: 461,625)	560,853 (2022: 337,304)
	Corporate Marketing Strategy for the Corporation established and implemented by seventy percent (70%) by June 2023. (2022:40%)	The Corporation communication policy and strategy developed and operationalized by June, 2024	Percentage of implementation of the Corporate Marketing Strategy Expected Outcome: 40% of corporate marketing strategy for corporate development	<ul style="list-style-type: none"> 45% of Corporate Marketing Strategy for the Corporation were developed and implemented. The Corporate Marketing Strategy intended to promote Shipping Business. The amendment of the Finance Act from 1st July 2022 ceased most of Shipping Business functions, therefore several activities under Shipping Business could not be implemented. (2022:35%) 	140,245 (2022: 116,620)	92,500 (2022: 88,317)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Revenue collection increased by 4% from Baseline Figure by June, 2023. (2022: Revenue collection increased annually by 20% to achieve 100% increase)	Revenue collection increased by 7.34% from Baseline Figure by June, 2024	Percentage increase in annual collection Expected Outcome: Increased average of annual revenue collection by 4%	<ul style="list-style-type: none"> There were 10%, (2022:10%) increase only, due to Change in tariff for collection of clearing and forwarding agency fee from TZS 3 per litre to TZS 20 Million per vessel triggers underperformance in revenue collection. 	353,849 (2022: 313,910)	309,047 (2022: 178,336)
	Contribution to Government Consolidated Fund, National and International Bodies, Taxes, Deductions and other statutory charges by June, 2023	Contribution to Government Consolidated Fund, National and International Bodies, Taxes, Deductions and other statutory charges by June, 2024	(15% of gross and 70% of surplus fund) Expected Outcome: Timely contribution to Government Consolidated Fund, National and International bodies, taxes and other statutory payments	<ul style="list-style-type: none"> 15% Contribution to the Government Consolidated Fund, National and International bodies, taxes, statutory payments and other charge amounting to TZS 17,904,702,969 were paid. The excess amount was due to payment of 4th Quarter as 15% of Gross Revenue contribution to the Government Consolidated Fund for the Financial Year 2022/23 amounting to TZS 	11,386,351 (2022:13,886,284)	17,904,703 (2022:43,490,222)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
				2.88 billion together with Redemption of TASAC 2021/22 excess capital of TZS 7.5 billion		
	N/A, (2022: Customers' Online Self-service Portal developed for three (3) revenue billing systems)	N/A	Number of Customers' Online Self-service Portal Expected Outcome: Development of three (3) revenue billing system for customer online service portal	<ul style="list-style-type: none"> N/A, (2022: Two (2) Customers' Online Self-service Portal were developed, there were Delay in accomplishment of Maritime Safety System due to change of user design requirements affected development of online self-service portal) 	N/A (2022: 11,500)	N/A (2022: 7,500)
	Consultancy for Tax Advisory services and support in IPSAS compliant financial statements by June, 2023. (2022: N/A)	Consultancy for Tax Advisory services and support in IPSAS compliant financial statements by June, 2024	Level of compliance with tax Legislation in % Expected Outcome:	<ul style="list-style-type: none"> The Consultant continued to provide services on filing tax returns as required by tax legislation 	37,745 (2022: N/A)	15,000 (2022: N/A)
	Capacity building and Consultancy for Support in IPSAS Compliant Financial Statements by	N/A	Number of staff attended building Expected Capacity strengthen on IPSAS	<ul style="list-style-type: none"> Contract with the consultant ended June, 2022 	37,745 (2022: N/A)	0 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	June, 2023. (2022: N/A)		Compliant statements			
F: Institutional capacity for service provision strengthened	Three (3) Revenue Billing Systems and one (1) Payroll Management System integrated with the Financial Management System (IFMIS) by June, 2023	Three (3) Revenue Billing Systems and one (1) Payroll Management System integrated with the Financial Management System (IFMIS) by June, 2024	Number of IFMIS modules Expected Outcome: Revenue Billing Systems and one (1) Payroll Management System integrated with the Financial Management System (IFMIS)	<ul style="list-style-type: none"> Revenue systems integrated with TRG. Training to build capacity of staff in IFMIS (MUSE), TASAC Revenue Gateway (TRG) and tax matters was conducted. (2022: There were no Integration as the Corporation is in the process of shifting to IFMIS based MUSE following Government directives) 	286,113 (2022: 147,280)	206,633 (2022: 111,406)
	N/A, (2022: Reconciliation process for eleven (11) bank accounts automated)	Reconciliation process for eleven (11) bank accounts automated.	Number of bank accounts linked with IFMIS Expected Outcome: Automation of eleven (11) bank account reconciliation process	<ul style="list-style-type: none"> N/A, (2022: There was no automation of reconciliation as the Corporation is in the process of shifting to IFMIS based MUSE following Government directives) 	N/A (2022:200)	N/A (2022:200)
	Three (3) Bank Accounts integrated with Financial		Number of bank accounts linked with IFMIS Expected Outcome: Bank	<ul style="list-style-type: none"> Meeting was conducted on 	5,753 (2022: N/A)	4,210 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Management System (IFMIS) for auto reconciliation process by June, 2023. (2022: N/A)		Accounts reconciliation processes automated.	integration of MUSE with bank accounts.		
	Monthly, Quarterly and Semi-annual reports prepared for revenue and expenditure performance by June, 2023. (2022:8)	Monthly, Quarterly and Semi-annual reports prepared for revenue and expenditure performance by June, 2023	Number of Monthly, Quarterly and Semi-annual Reports Expected Outcome: Timely release of revenue expenditure performance reports	<ul style="list-style-type: none"> Twelve (12), (2022:6) Monthly, quarterly and semi-annual reports were prepared 	258,193 2022: 220,100	230,305 (2022: 165,172)
	Financial Statements prepared annually and submitted to Internal Auditors before 15th August for review and to CAG before 31st August, 2022	Financial Statements prepared annually and submitted to Internal Auditors before 15th August for review and to CAG before 31st August, 2024	Date of submission Expected Outcome: Draft financial statements prepared for internal audit review	<ul style="list-style-type: none"> Financial Statements were prepared and submitted to Internal Auditors on 31st August, 2022 	463,740 (2022:429,200)	400,359 (2022: 273,534)
	(2022: Draft annual financial statements submitted and audited by the Controller and Auditor General (CAG) for auditing before 30th September)	Draft annual financial statements submitted and audited by the Controller and Auditor General (CAG) for auditing before 31 st August, 2024	Date of submission Expected Outcome: Submission of draft financial statements to CAG before 30 th September, 2022	<ul style="list-style-type: none"> 30th September 2022, on progress 	N/A (2022:330,054)	N/A (2022:201,414)
	Annual Report prepared and submitted to the	Annual Report prepared and submitted to the Minister within six (6)	Date of submission Expected Outcome: Submission of draft	<ul style="list-style-type: none"> TASAC Annual Report was printed by October, 2022 	291,127 N/A	274,277 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Minister within six (6) months upon receiving CAG Report for laying it before 30th September, 2022 by June, 2023	months upon receiving CAG Report for laying it before 30th September, 2024 by June, 2024	financial statements to CAG before 30th September, 2022	due to delayed signing of the TASAC Financial Report by CAG.		
	Fifty (50), (2022:50) complaints or litigation for or against the Corporation handled, settled resolved, defended by or instituted by June 2026	Twelve (12) complaints meetings held or litigations for or against the Corporation handled, settled resolved, defended or instituted annually by 2024	Number of Complaints/ litigations handled, settled resolved, defended or instituted Expected Outcome: Fifty (50) Complaints and litigation for or against Corporation handled/resolved/defended	<ul style="list-style-type: none"> Forty-three (43), (2022:41) Complaints Lodged, to the Corporation for resolutions. The decreased is due to increasing awareness on the regulations governing maritime transport has which has led to increase level of compliance amongst service providers, hence less complaints. 	205,049 (2022: 203,960)	160,388 (2022: 113,064)
F: Institutional capacity for service provision strengthened	Forty (40), (2022:52) Management affairs handled annually by June, 2023	Draft Records (Minutes) of the Meetings and Matters Arising prepared and shared to members for comments and response within 7 Days by June, 2024.	Number of management meetings conducted and facilitated Expected Outcome: 40 Management affairs handled and facilitated	<ul style="list-style-type: none"> Forty (40), (2022:41) Management meetings were conducted 	22,842 (2022:38,280)	22,842 (2022:12,327)
	Ten (10) legal awareness programs on new enacted, existing and amended	Four (4) legal awareness programs on new enacted, existing and amended legislation conducted June, 2024	Number of legal awareness programs conducted Expected Outcome: Ten (10) legal awareness programs on	<ul style="list-style-type: none"> Twelve (12), (2022:10) legal awareness programs on new enacted, and existing 	99,473 (2022: 182,305)	99,473 (2022: 75,114)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	legislation conducted June, 2023		new enacted, existing, and amended legislation conducted	amended legislation were conducted. The increase was due the amendment of Cap. 415 through the Finance Act No. 5 of 2022 much efforts were kept on awareness programs to different stakeholders.		
	Capacity building attended or conducted on legal matters to seven (7), (2022:10) legal staff by June, 2023	Capacity building attended or conducted on legal related matters to seven (7), legal staff by June, 2023	Number of legal staff trained Expected Outcome: Capacity Building sessions on legal related matters facilitated	<ul style="list-style-type: none"> Capacity building sessions on legal related matters were facilitated to seven (7), (2022:7) legal staff 	133,329 (2022: 112,380)	133,329 (2022: 62,179)
	N/A, (2022: Ten (10) legislation on maritime safety, security and pollution prevention facilitated for enactment, amendment or publication)	Twenty (20) legislation on maritime safety, security and pollution prevention facilitated for enactment, amendment or publication)	Number of Legislation on Maritime Safety, Security and Pollution Prevention facilitated Expected Outcome: Ten (10) legislation on maritime safety, security and pollution prevention facilitated for amendment	<ul style="list-style-type: none"> N/A, (2022: Fifty-four (54) legislation on maritime safety, security and pollution prevention facilitated for enactment was amended) 	N/A (2022:595,590)	N/A (2022:480,392)
	Fourteen (14) national, regional/international agreements, sixty (60) service provisions contracts	Ten (10) legal staff facilitated to attend legal related matters for capacity building annually by June, 2024	Number of agreements negotiation, service provisional contracts and lease agreements attended or vetted Expected Outcome:	<ul style="list-style-type: none"> One hundred and forty-six (146) national, regional/international agreements, service provisions contract 	87,522 (2022: 70,294)	69,094 (2022:35,909)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	and twelve (12) lease agreements attended and vetted by June 2023. (2022: Two (2) national, or regional, international agreements, 50 service provision contracts, and 12 lease agreements attended and vetted)		Fourteen (14) National, Regional or International Agreements and sixty (60) service provision contracts attended and vetted.	and lease agreements attended and vetted. (2022: Sixty-four (64), two (2) national, or regional, international agreements, 50 service provision contracts, and 12 lease agreements were attended and vetted)		
F: Institutional capacity provision service strengthened	Forty-eight (48) Board of Directors and Committees' Meetings conducted and facilitated annually by June, 2023	Draft Records (Minutes) of the Meetings and Matters Arising prepared and shared to members for comments and response within 7 Days by June, 2024.	Number of Board and Committee Meetings conducted and facilitated Expected Outcome: Forty-eight (48) Board of Directors and Committees' meetings conducted and facilitated	<ul style="list-style-type: none"> Forty-eight (48), (2022:41) Board of Directors and Committees' meetings were conducted and facilitated 	551,711 (2022:1,048,461)	410,078 (2022: 426,839)
	Internal Auditors facilitated for attainment of requisite 40 CPE hours for holders of professional certifications including CPA, CIA, CFE, IODT and CISA by June, 2023. (2022: N/A)	100% implementation of planned capacity building activities for IAU by June, 2024	CPE hours attained by Internal Auditors Expected Outcome: Internal auditors' capacity strengthened	<ul style="list-style-type: none"> Internal Auditors facilitated for attainment of requisite 40 CPE hours 	40,953 (2022: N/A)	40,493 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Four (4) auditors facilitated to attain professional certifications (i.e. CPA, CIA, CISA, CRISC, ACDA, IODT Certification and CFE) by June 2023. (2022: Four (4) Auditors to attain professional certifications and attending three (3) international meetings)	100% implementation of planned capacity building activities for IAU by June, 2024	Number of Auditors facilitated to attain professional certifications Expected Internal capacity auditors' strengthened	<ul style="list-style-type: none"> Four (4) Auditors facilitated to attain professional certifications (2022: Four (4) Auditors attained professional certifications and three international meetings) 	15,769 (2022: 148,950)	13,157 (2022: 148,381)
	Four (4) auditors attended international conferences, advanced techniques and maritime operations training (i.e. cyber security, Auditing, Fraud, Maritime operations, Shipping Agency, Data Analytics) by June 2023. (2022: N/A)	100% implementation of planned capacity building activities for IAU by June, 2024	Number of Auditors attended international conferences, advanced Audit techniques and maritime operations training Expected Internal capacity auditors' Strengthened.	<ul style="list-style-type: none"> Five (5) auditors attended international conferences, advanced techniques and maritime operations training. One additional auditor was finance by using overall Training budget under HR 	40,111 (2022: N/A)	40,111 (2022: N/A)
	To participate in one ISCOS Meeting and other member states meeting by June, 2024.	To participate in one ISCOS Meeting and other member states meeting by June, 2024.	Number of ISCOS and other member states meetings Expected Institutional Outcome:	<ul style="list-style-type: none"> No ISCOS Meeting and other member states meeting were attended as there 	4,344 (2022: N/A)	4,344 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	June, 2023. (2022: N/A)		Relationship with ISCOS Meeting and other member states sustained.	was no meeting invitation or request to attend		
	Two (2) training on Audit Management Software and Data analytics Workshop and Training for Internal Auditors and other selected and other attended by June, 2023. (2022: N/A)	100% implementation of planned capacity building activities for IAU by June, 2024	Number of Trainings on Audit Management Software and Data analytics Workshop and Training for Internal Auditors and other selected Expected Outcome: Two (2) training on Audit software (Audit Management System and Data Analytics Applications) attended	<ul style="list-style-type: none"> One (1) training on Audit Management Software and Data analytics Workshop was conducted. Workshop on audit management software not done as procurement process is still in progress 	14,125 (2022: N/A)	10,392 (2022: N/A)
	Ten (10) audit references, books and periodicals acquired by June 2023. (2022: N/A)	100% implementation of planned capacity building activities for IAU by June, 2024	Number of audit references, books and periodicals Expected Outcome: Ten (10) audit references, books and periodicals acquired	<ul style="list-style-type: none"> Four IAU books have been purchased including QAIP Manual, Sapling Guidance, Auditing Procurement, and auditing legal services. The amount will be paid through carry-over fund. 	2,265 (2022: N/A)	0 (2022: N/A)
	N/A, (2022: Eight reports (4 quarterly follow up audits and 4 (quarterly IAU performance reports)	Four (4) quarterly follow up audits and four (4) (quarterly IAU performance reports).	Number of Audit reports Expected Outcome: Audit reports	<ul style="list-style-type: none"> N/A, (2022: Eight reports (4 quarterly follow up audits and 4 (quarterly IAU performance reports) were conducted) 	N/A (2022:31,920)	N/A (2022:14,431)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	Two (2), (2022:3) department and internal stakeholders meeting conducted by June, 2023		Number of annual departmental meeting Expected Outcome: Three (3) Reports	<ul style="list-style-type: none"> Two (2), (2022:3) department and internal stakeholders meeting were conducted 	15,776 (2022: 45,350)	10,617 (2022: 26,866)
	Annual Risk based IA Plan and Budget prepared by June 2023. (2022: N/A)	Annual Risk based IA Plan and Budget prepared by June 2024.	Number of Risk based plan prepared Expected Outcome: Internal and External QAIP assessment conducted	<ul style="list-style-type: none"> IAU Budget and Proposed Risk Based Annual Plan for FY 2023/24 developed 	6,878 (2022: N/A)	2,576 (2022: N/A)
	Internal Audit Policy, Manual and Procedures reviewed by June 2023. (2022: N/A)	100% implementation of planned regulatory oversight audits by June, 2024	Number of Internal Audit Policy, Manual and Procedures documents reviewed Expected Outcome: Internal audit manual and procedures reviewed	<ul style="list-style-type: none"> The Audit policy, Manual and Procedures were reviewed as part of QAIP process 	37,670 (2022: N/A)	23,515 (2022: N/A)
	Three (3), (2022:3) Audit Reports (Financial Statement, Revenue & Expenditure) conducted	100% implementation of audits on revenue, expenditure and 100% implementation of audits on Financial reporting by June, 2024.	Number of Audit reports Expected Outcome: Audit Reports	<ul style="list-style-type: none"> Three (3), (2022:3) Audit Reports (Financial Statement, Revenue & Expenditure) were conducted 	49,811 (2022:35,980)	49,811 (2022:28,473)
	One Audit of Customer Management and Complaint handling by June, 2023. (2022: N/A)	One Audit of Customer Management and Complaint handling by June, 2024	Number of Audit of Customer Management and Complaint handling Report Expected Outcome: Audit on Customer Management and Complaint handling	<ul style="list-style-type: none"> One (1) Audit of Customer Management and Complaint handling was conducted and report was prepared and discussed with management 	3,490 (2022: N/A)	2,735 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	N/A, (2022: Two (2) audit to assess implementation and effectiveness of RMPF and QMS processes)	100% implementation of ISO 9001:2015 Quality Management mandatory requirements by June, 2024	Number of Audits Expected Outcome: Audit Reports	<ul style="list-style-type: none"> N/A, (2022: Two (2) audit to assess implementation and effectiveness of RMPF and QMS processes were conducted) 	N/A (2022:16,460)	N/A (2022:3,195)
	Quarterly follow up on implementation of audit recommendations conducted by June 2023. (2022: N/A)	Quarterly follow up on implementation of audit recommendations conducted by June 2024	Number of reports on follow-up of implementation of audit recommendations Expected Outcome: Quarterly follow up audit reports	<ul style="list-style-type: none"> Eight reports (4 quarterly follow up audits and 4 quarterly IAU performance reports) were conducted 	26,888 (2022: N/A)	26,573 (2022: N/A)
	Quarterly audit and risk committee reports prepared by June 2023. (2022: N/A)	Quarterly audit and risk committee reports prepared by June 2024.	Number of IAU performance reports Expected Outcome: Audit and risk committee reports produced	<ul style="list-style-type: none"> Quarterly audit and risk committee reports prepared, discussed with management and submitted to Board Risk and audit Committee meeting 	24,730 (2022: N/A)	24,730 (2022: N/A)
F: Institutional capacity provision strengthened	Quarterly procurement audits by June 2023. (2022: Four (4) procurement audits performed)	100% quarterly implementation of procurement audits by June, 2024	Number of Procurement Audits Expected Outcome: Audits on Procurement Processes conducted	<ul style="list-style-type: none"> Three (3), (2022:2) procurement audit report were conducted. One remains procurement audit has not been done due to the exigency of duties arising during the preparation of revised budget. 	11,000 (2022: 28,060)	11,000 (2022: 14,720)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	One audit of ICT information and Cybersecurity conducted by June, 2023. (2022: N/A)	100% implementation of audit on ICT security, governance, digital transformation and innovation completed by June, 2024	Number of audits of ICT information and Cybersecurity Reports Expected Outcome: CT Governance and Compliance audit conducted	<ul style="list-style-type: none"> Three (3) ICT Audits on Governance, ICT Security & Data Management were conducted. Two additional ICT audit conducted at once (Database and IT asset Management Audit) due to change in Annual plan following reduction in exclusive mandate. 	27,948 (2022: N/A)	27,948 (2022: N/A)
	Three (3) Border post visits audit report prepared conducted by June, 2023. (2022: Eight (8) Audits on Regional and post-operation and Regional operations conducted)	100% of planned Audit on quality of services, competitiveness, safety, security and environment of Maritime transport performed by June, 2024.	Number of Border post visits audit reports Expected Outcome: Audit Reports	<ul style="list-style-type: none"> Three (3), (2022:8) Audits on Regional and Border post-operation were conducted 	17,878 (2022: 165,860)	17,865 (2022: 106,826)
	One (1), (2022:2) Audit of Software Application Development and Acquisition conducted by June, 2023	100% implementation of audit on ICT security, governance, digital transformation and innovation completed by June, 2024	Number of Audit of Software Application Developed or Acquired Expected Outcome: Audit software (Audit Management System and Data Analytics Applications) acquired, installed and utilized	<ul style="list-style-type: none"> One (1), (2022:2) Audit of Software Application Development and Acquisition was conducted 	3,371 (2022: 48,800)	3,370 (2022: 18,802)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	One audit on human resource, administration and Payroll conducted by June, 2023. (2022: N/A)	100% implementation of planned human resource and administration audits by June, 2024	Number of audits on human resource, administration and Payroll Report Expected Outcome: One audit on human resource, administration and Payroll conducted	<ul style="list-style-type: none"> Three (3) audits on human resource, administration and Payroll was conducted. Two more audits (Payroll & Administration) were conducted due to high risk score in Risk Based audit plan 	4,464 (2022: N/A)	4,464 (2022: N/A)
	One (1) audit on Record Management and EDMS conducted by June, 2023. (2022: N/A)	100% implementation of data management audit by June, 2024	Number of audit reports on Record Management and EDMS Expected Outcome: One (1) audit on Record Management and EDMS conducted	<ul style="list-style-type: none"> One (1) audit on Record Management and EDMS was conducted 	4,928 (2022: N/A)	4,926 (2022: N/A)
	One audit on Public Communication, Website and Social Media Management conducted by June, 2023. (2022: N/A)	100% implementation of audit on ICT security, governance, digital transformation and innovation completed by June, 2024	Number of audit Reports on Public Communication, Website and Social Media Management Expected Outcome: One audit on Public Communication, Website and Social Media Management conducted	<ul style="list-style-type: none"> One audit on Public Communication, Website and Social Media Management was conducted 	3,557 (2022: N/A)	3,557 (2022: N/A)
	Five (5) regional office audit reports conducted by June, 2023. (2022: N/A)	100% implementation of planned regulatory oversight audits by June, 2024	Number of regional office audit reports Expected Outcome: Audits on regional offices conducted	<ul style="list-style-type: none"> Five (5) regional office audit reports was conducted 	28,799 (2022: N/A)	28,655 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	N/A, (2022: Three (3) ICT Audits on Governance, ICT Security & Data Management were conducted)	100% implementation of audit on ICT security, governance, digital transformation and innovation completed by June, 2024	Number of ICT Audits Expected Outcome: Audit Reports	• N/A, (2022: Three (3) ICT Audits on Governance, ICT Security & Data Management were conducted)	N/A (2022:37,250)	N/A (2022:12,279)
	70%, (2022:60%) compliance to e-Government technical standards and guidelines by June 2023	100% implementation of audit on ICT security, governance, digital transformation and innovation completed by June, 2024	Percentage of Compliance To Government technical Standards and guidelines Expected Outcome: 70% compliance to e-Government technical standards and guidelines	• 70%, (2022:68%) compliance to e-Government technical standards and guidelines were conducted	157,453 (2022: 243,650)	134,739 (2022: 121,119)
	N/A, (2022: Three (3) audits on support service)	100% quarterly implementation of Risk based annual plan by June, 2024	Number of Audits on Support Services Expected Outcome: Audit Report	• N/A, (2022: Three (3) audits on support services were conducted)	N/A (2022:46,450)	N/A (2022:12,05)
	Seventy five percent (75%), (2022:70%) of User's satisfaction on ICT service delivery attained by June, 2023		Percentage of users' satisfaction on ICT service delivery Expected Outcome: ICT services made available	• (75%), (2022:70%) of User's satisfaction on ICT service delivery were attained	175,219 (2022: 292,004)	153,821 (2022: 220,401)
	Four (4), (2022:4) Statistical reports and Bulletin produced by June, 2023	Four (4) statistical reports produced and disseminated by June, 2024	Number of statistical Reports Expected Outcome: Statistical reports and/or bulletin prepared and published/disseminated	• Four (4), (2022:4) Statistical reports and Bulletin were produced	166,706 (2022: 200,370)	152,607 (2022: 155,769)
F: Institutional capacity provision service strengthened	ICT infrastructure strengthened in Four (4) TASAC regional offices and		Number of regional offices and stations established with ICT infrastructure Expected	• ICT infrastructure strengthened in two (2) TASAC regional offices and stations.	1,076,562 (2022: N/A)	99,931 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	stations by June 2023. (2022: N/A)		Outcome: Infrastructure provided and maintained to four (4) TASAC regional offices and stations	The decrease in number was due to closure of Border Post and Mineral Market offices due to changes in Finance Act.2022 and cancellation of partitioning at PPF Tower (HQ office)		
	Ten (10) ICT system applications developed, scaled and up operationalized by June, 2023. (2022: N/A)	95% Availability of ICT Systems attained by June 2024	Number of ICT System Applications Expected Outcome: ICT Business Solutions Developed and Operationalized	<ul style="list-style-type: none"> Ten (10) ICT system applications developed, scaled and up operationalized 	1,592,463 (2022: N/A)	774,150 (2022: N/A)
	One (1) stage of developing TASAC Statistical Management System accomplished by June 2023. (2022: Four (4) stages of developing TASAC Statistical Management System accomplished)	Four (4) statistical reports produced and disseminated by June, 2024	Number of development stages of TASAC Statistical Management System Expected Outcome: Statistical Management System established and operationalized	<ul style="list-style-type: none"> One (1) stages of developing TASAC Statistical Management System were accomplished. (2022: Three (3) stages of developing TASAC Statistical Management System were accomplished) 	350,538 (2022:113,976)	316,513 (2022:76,567)
	98% of Annual Procurement plan implemented by June, 2023. (2022: N/A)		Percentage of implementation Expected Outcome: Annual Procurement Plan implemented	<ul style="list-style-type: none"> 86% of Annual Procurement plan implemented. The decrease was due to failure to submit 	216,672 (2022: N/A)	210,154 (2022: N/A)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
				tender requirements in time by user department result to delay in APP implementations		
	98% of office stationery and consumables are procured by June 2023. (2022: N/A)		Number of quarters Percentage of stock replenishment Expected Outcome: Office stationeries and consumables procured	<ul style="list-style-type: none"> 98% of office stationery and consumables were procured 	280,682 (2022: N/A)	249,085 (2022: N/A)
	Stocktaking and codification of all assets (HQ, Regional Offices and Exit and Entry points) conducted annually by June 2023. (2022: Four (4) stock taking and codifications conducted)		Number of offices, stations & Operational points Expected Outcome: Stocktaking & Codification of all assets in TASAS Offices & Stations conducted	<ul style="list-style-type: none"> Four (4), (2022:4) stock taking and codifications were conducted 	82,496 (2022: 207,870)	74,316 (2022: 87,497)
	Four (4), (2022:4) training sessions to Tender Board Members, PMU and User Department conducted by June, 2023.		Number of training sessions Expected Outcome: Training sessions to tender Board members, PMU and User department officials conducted	<ul style="list-style-type: none"> Four (4), (2022:4) training sessions were conducted 	109,977 (2022: 177,596)	105,332 (2022: 100,690)
	N/A, (2022: fifty-two (52) Tenders published)		Number of tenders published Expected Outcome: Fifty-two (52) Tenders	<ul style="list-style-type: none"> N/A (2022: Forty-four (44) Tenders were published) 	N/A (2022:351,200)	N/A (2022:261,744)

Objectives	Target for 2022/23	Target for 2023/24	Key Performance Indicator	Implementation Status as at 30 June 2023	Budget (Revised Budget) (TZS '000)	Actual (TZS '000)
	N/A, (2022: Quarterly replacement of Stock)		Number of quarters Expected Outcome: Quarterly replacement of Stock	• N/A, (2022:100% Quarterly replacement of Stock)	N/A (2022:245,867)	N/A (2022:200,71)
	• TOTAL				40,381,275.00 (2022:48,281,428)	40,637,582.00 (2022:114,781,790)

2.18.2 Implementation Status of the Corporate Strategic Plan

During financial year ended 30 June 2023, the Corporation implemented most of the planned activities in compliance to its five Years Corporate Strategic Plan (2021/22-2025/26). Some of the key results/major activities and developments which took place during the period included the following: -

i) Health Services improved and HIV/AIDS infections reduced

The Corporation organised two (2) HIV/AIDS and NCCDs awareness program which was implemented as planned and also Care and support was provided to employees recognised with HIV/AIDS and NCCDs. Additionally, the Corporation conducted two (2) programmes, one (1) on Spot Bonanza and one (1) on nutrition awareness.

ii) Effective implementation of National Anti-Corruption Strategy enhanced and sustained

The Corporation Ethics and Integrity Committee conducted two (2) ethics committee meetings to deliberate ethical matters and reports were prepared as per requirements. Additionally, the corporation conducted one (1) awareness on anti-corruption and good governance to its staff and training to appointed Complaints Handling Officers and Ethics Committee. Furthermore, during the year there were zero (0) incidents on corruption reported and one (1) audit on risk assessment related to the implementation of NACSAP was conducted.

iii) Maritime transport regulatory services enhanced

Issuing Licenses and registration certificates to Ports and Shipping Regulated Service providers

The Corporation issued 1,492 (30 June 2022: 1,278) licenses and registration certificates to Ports and Shipping Regulated Service Providers. The number of issued licenses and registration certificates are summarized in the Table 3 below:

Table 3: Issued Licenses and certificates in the Year 2022/23

No.	Category of Regulated Service Providers	Quantity
1	Shipping Agents	45
2	Cargo Consolidators/De-consolidators	51
3	Miscellaneous Port Services Providers	85
4	Dry Ports Operators	43
5	Port Terminals	5
6	Clearing and Forwarding Agents	1,218
7	Gross Mass Verifiers	45
Total number of Licenses and certificates issued		1,492

Source: TASAC

- Coverage of monitored shipping service providers.

The Corporation monitored 726 (30 June 2022: 567) of shipping services providers which is an increase of 76% (30 June 2022: 67%) beyond target.

- **Compliance with port services regulations**

Port Service Provider was visited and found to be complied with port Service regulation by 91% as per checklist.

- **Compliance with maritime transport terminals (ports and dry ports) cargo safety and security rules and standards.**

Ports and Dry Ports were visited and found to comply with maritime transport terminals cargo safety and security rules and standards by 40% as per set target.

Note: Formalization of informal maritime transport terminals is ongoing.

- **Monitoring of Cargo Passing through Border Posts**

The Corporation conducted quarterly monitoring visits to seven border posts of Holili, Horohoro, Murongo, Mutukula, Mwanza Port, Namanga and Sirari to oversee maritime cargo passing through border posts and check compliance on the collection of TASAC fees. Observations from the visits were shared with the stakeholders to enforce compliance. This resulted into collection of unpaid shipping fees at Holili, Sirari and Horohoro border posts although some amount continues to be pursued for payment from clearing and forwarding agents.

iv) Maritime Safety, Security and Marine Environment Improved

- **Maritime accidents.**

Four (4) Maritime accidents for vessels less than 50GT reported were Four (4), below target of 9 accidents while there was no reported accident on ships of 50 GT and above.

- **ISPS Ports Facilities Compliance to IMO Whitelist.**

During the financial year, the corporation monitored Eight (8) ISPS Port facilities and found compliance to IMO whitelist were maintained.

- **Issuance of Seafarers Certificates as per the STCW Convention 78 as amended**

The Corporation continued discharging its responsibilities in relation to the International Convention on Standards of Training, Certification and Watch keeping for Seafarers 1978, as amended. The objective of the Convention is to ensure that ships are manned with competent and qualified seafarers. During the financial year ended 30 June 2023 the Corporation issued 16,543 (30 June 2022: 17,689) certificates of Competency (COC) for Deck and Engine Officers, Certificates of Proficiency (COP); and Seafarers' Continuous Discharge Certificates (CDC).

v) Shipping Business Services Improved

• Average cargo clearance time.

The Corporation managed to maintain average cargo clearance time within 5 days after receiving full set of documents from clients.

vi) Institutional capacity for service provision strengthened

• Reports on the implementation of Quality Management System (QMS)

The corporation has been QMS Certified with ISO 9001:2015 by Beaural Veritas in the financial year 2021/2022. During the financial year, the Corporation conducted one (1) QMS Surveillance audit with positive opinion that the Corporation meets ISO 9001:2015 standard requirements. More-over, the Corporation continued implementing QMS through commitment to improve the customer experience and simultaneously improving Corporation processes and operations.

• Preparation of Internal Rules and Regulations:

The Corporation received approved TASAC Staff Rules and Regulations, 2022 and the Incentive Scheme from President Office, Public Service Management and Good Governance. The Staff Rules and Regulations provides guidance to the Board, Management and all employees with a best practice guidance on contemporary human resource, employee relations/industrial relations, and Occupation Health and Safety practices at work place. Whereas the Incentive Scheme provide the motivation to staff to perform their duties in line of the Corporation strategic plan thereby attaining the Corporation objectives.

• Publication of Order

The Government published the Tanzania Shipping Agencies (Local Shipping Agencies Fee) Order, 2023, G.N No. 375 of 26th May, 2023. The Orders became effective for implementation from the date of their publication in the Government Gazette.

• Drafting Sector Regulations.

The Ministry of Works and Transport in consultation with the Corporation participated in preparing draft and amendments of the Merchant Shipping (Authorization of Recognized Organization) Regulations, 2023; Merchant Shipping (Entry into Closed Space) Regulations, 2023; Merchant Shipping (Requirements for Maintenance, Thorough Examination, Operational Testing, Overhaul and Repair of Lifeboats and Rescue Boats, Launching Appliances and Release Gear) Regulations, 2023; Merchant Shipping (Establishment and Operations of Aids to Navigation) Regulations, 2023; Merchant Shipping (Safety of Navigation) Regulations, 2023; Merchant Shipping (Life-Saving Appliances and Arrangements) Regulations, 2023; Merchant Shipping (Medical Examination) Regulations, 2023; The Merchant Shipping (Enquires on

Seafarers) (Amendment) Rules, 2023; The Merchant Shipping (Maritime Education and Training Fund) (Amendment) Regulations, 2023; Merchant Shipping (Musters Training and Decision Support Systems) (Amendment) Regulations, 2023; Merchant Shipping (Training, Certification and Manning) (Amendment) Regulations, 2023; The Merchant Shipping (Fees)(Amendment) Regulations, 2023; The Merchant Shipping (Accident Report and Investigation) (Amendment) Rules, 2023; The Merchant Shipping (Maritime Labour) (Amendment) Regulations, 2023; The Merchant Shipping (Seafarer's Identity Document) (Amendment) Regulations, 2023; The Merchant Shipping (Continuous Discharge Certificate) (Amendment) Regulations, 2023; Tanzania Shipping Agencies (Ship Tallying) Regulations, 2023; Tanzania Shipping Agencies (Cargo Safety and Security Terminal Operations) Regulations, 2023; Tanzania Shipping Agencies (Shippers Registration) Regulations, 2023; Tanzania Shipping Agencies (Shipping Agents) (Amendments) Regulations, 2023 and Tanzania Shipping Agencies (Dry Port) (Amendment) Regulation of 2023.

• ICT Projects and its Application

The Corporation embarked on ICT scale up programs on the following aspects,

- Re-design of TASAC website www.tasac.go.tz with support of eGA;
- Enhance ICT infrastructure by connecting regional offices to National ICT Backbone and access of ICT equipment to staff;
- Installation of data links at border stations and MINERAL Markets TASAC offices;
- Implementing developed modules for Shipping Business Management System (SBMS);
- Configuration, customization and deployment of TASAC Service Desk (Helpdesk) System;
- Preparation of Maritime Administration Management System (MAMS) design, system requirement specifications and process documentations;
- Improvement of EDMS by introducing Acting Roles assignments. Delegating and removing delegation, capturing of recurrent and development budget for commitment;
- Installation of Government Network (GovNet) for access all government shared system; and
- Development of TASAC Revenue Gateway (TRG).
- Payments for 15% Contribution to the Government Consolidated Fund, National and International bodies, taxes, statutory payments

During the year the Corporation managed to pay contribution to the Government fund TZS 17.90 billion (30 June 2022: TZS 43.49 billion), National and international bodies TZS 1.05 billion (30 June 2022: TZS 1.13 billion), and Statutory payments TZS 4.27 billion (30 June 2022: TZS 3.26 billion).

2.19 CORPORATE GOVERNANCE MATTERS

2.19.1 Corporate Governance Statement

Corporate Governance is the backbone to any entity's strategy and success as it provides a framework within which corporate objectives are set and performance is monitored. Good

corporate governance is critical in the public sector entities, and the Corporation in particular, because with good corporate governance, the institutional risks that would lead to failure of the Corporation to perform its regulatory functions on maritime sector and its exclusive mandate in shipping business are mitigated.

The Corporation is committed to the principles of good corporate governance. The Board recognizes the importance of integrity, transparency and accountability. In addition, the Board has an overall responsibility for identifying key risk areas, considering and monitoring investment decisions, significant financial matters and reviewing performance of the Corporation's plans and budgets. Furthermore, the Board is also responsible for ensuring that a comprehensive system of internal control and procedures is operative in compliance with sound corporate governance principles.

Therefore, during the financial year, the Corporation complied with all aspects of good corporate governance principles which include Board operations and control; rights of the Government and general public; stakeholder relations; ethics and social responsibility; accountability, risk management and internal control; and transparency and disclosure. These are briefly explained below:

2.19.2 Membership of Those Charged with Governance

The Board of Directors, which consists of the Chairman and six other members, is established under Section 21 of the Tanzania Shipping Agencies Act, Cap. 415. The Chairman is appointed by the Hon. President of the URT and the Board Members are appointed by the Minister responsible for Maritime. The Board Chairman was appointed on 19th June 2021 by the Hon. President of the URT and Board Members were appointed on 7th July 2021 by the Minister responsible for Maritime. The Board had a Vice Chairman who was appointed by the Board during 7th Ordinary Meeting held from 26th -27th August, 2021 and the appointment renewed during 12th Ordinary Board Meeting held from 7th - 8th December, 2023. The Director General is the Secretary of the Board of Directors.

During the year, there were no resignation or new appointment to TASAC Board members.

Table 4 below shows the Board Members who served the Corporation during the financial year.

Name	Gender	Position	Nationality	Qualification	Age	Appointment
Capt. Mussa Hamza Mandia	Male	Chairman	Tanzanian	Master of Science in Maritime Education & Training, World Maritime University, Malmo, Sweden, 2000; Master Class One Certificate of Competency, Australian Maritime Safety Authority, 1997; Chief Mate Course (Certificate), Arab Maritime Transport Academy, Alexandria, Egypt, 1988.	66	19 June 2021
Ms. Rukia D. Shamte	Female	Member/ Vice-Chairman	Tanzanian	Fellow-Member of the Chartered Institute of Logistics (UK), 2013; Master of Science in Transport Studies (Business Logistics Management), Cranfield Institute of Technology (UK), 1988; Postgraduate Diploma in Transport Planning and Development, Polytechnic of Central London (UK), 1983; Advanced Diploma in Transport Management, National Institute of Transport (NIT), 1979.	73	7 July 2021
Mr. Said Ally Nzori	Male	Member	Tanzanian	Master Degree (LLM)(Hons) in Commercial Laws (International Trade), the Russian People's Friendship University, Moscow Russia (1995); Bachelor Degree in Law (LLB), the Peoples Friendship University, Moscow Russia (1993); Diploma in Translation, the Russian People's Friendship University, Moscow Russia (April 1995).	60	7 July 2021
Mr. Said Athumani Kiondo	Male	Member	Tanzania	Masters of Customs Administration Law and Policy, Wilhelm University of Muenster, Germany, 2006; Master of Business Administration (MBA), University of Dar es Salaam, 2003; Bachelor of Commerce (Marketing), University of Dar es Salaam, 1998.	54	7 July 2021
Eng. Aron Johnson Kisaka	Male	Member	Tanzania	Registered Mechanical Engineer (T) No. 0141, Engineers Registration Board (ERB); Member of Chartered Institute of Transport and Logistics (CLT); Master of Science in Automobile and Automobile Services, Moscow State Automobile & Road Construction Institute (Technical University) - Russian Country; Moscow City, 1996; Full Technician in Mechanical Engineering, Dar es Salaam Technical College, 1986; Diploma in Marine Surveying with Accreditation in ISM Code, International Institute of Marine Surveyors and the National Sea Training Centre, 2002; Master of Science in Maritime Education and Training (Nautical). World Maritime University, Malmo, Sweden, 1997; Diploma in Applied Science (Shipmaster), Australian Maritime Academy (AMC), 1994; Diploma in Navigation, Dairen Marine Transport College, Dairen, China, 1978.	58	7 July 2021
Capt. King Kwirujila Ngabho Chiragi	Male	Member	Tanzanian	Diploma in Marine Surveying with Accreditation in ISM Code, International Institute of Marine Surveyors and the National Sea Training Centre, 2002; Master of Science in Maritime Education and Training (Nautical). World Maritime University, Malmo, Sweden, 1997; Diploma in Applied Science (Shipmaster), Australian Maritime Academy (AMC), 1994; Diploma in Navigation, Dairen Marine Transport College, Dairen, China, 1978.	70	7 July 2021
Mr. Cassian H. Ng'amilo	Male	Member	Tanzanian	Master of Science in International Shipping, University of Plymouth, UK, 1995; Diploma in Professional Shipping: Norwegian Shipping Academy, Oslo, Sweden, 1994; Advanced Diploma in Business Administration, the Institute of Development Management (IDM), Mzumbe, 1986; and Certificate in Maritime Law, Oslo, 1994.	63	7 July 2021
Mr. Kaimu Abdi Mkeyenge	Male	(Director General)	Tanzanian	Master of Business Administration, De Montfort University - UK, 2009; Postgraduate Diploma in Tax Management, the Institute of Finance Management, 2014; Bachelor of Business Administration, 2004.	43	4 April 2021

Source: Board Chairman and Members Curriculum Vitae, Appointment Letters.

2.19.3 Board Operations and Control

The principle on appointment, composition, size and qualifications of Board members was observed by the appointing authorities; the President of the United Republic of Tanzania on appointment of the Board Chairman, and the Minister of Works and Transport on appointment of Board Members. These principles were observed as follows:

(a) Diversity

The Board is composed of members of different qualifications with diversity of strength and knowledge of the maritime transport sector. Diversity is observed through differentiation in the age of Directors, their gender, professional qualifications and previous experiences. In addition, members were appointed from the public institution; namely the Ministry responsible for maritime, Attorney General's Office and the Customs Department of the Tanzania Revenue Authority while others were appointed from the public and private sectors. As well, they are members of professional bodies.

(b) Structure of the Board

To ensure effectiveness and value addition to the Corporation, the Board has a maximum of seven (7) members including the Chairman. The Board has four (4) established Committees including Audit and Risk Committee, Regulated Services Committee, Shipping Business and ICT Committee and Corporate Affairs Committee. The Board and its Committees have Charters which provide terms of reference and guidance on undertaking their oversight role. Thus, the Board ensures that its Committees are appropriately constituted with members who have the necessary skills and expertise to handle the responsibilities allocated to them.

(c) The Functions of the Board

As per Section 22 of Tanzania Shipping Agencies Act, Cap.415, The main function of the Board is to oversee and supervise the management in the performance of the functions of the Corporation by;

- (i) Providing strategic guidance and formulate policies for operation and management of the Corporation;
- (ii) Conducting managerial oversight and review the activities and performance of management of the Corporation;
- (iii) Securing and ensure efficient use of resources, including approval of annual work plan annual budget and supplementary budget;
- (iv) Approving strategic and investment plans and operations manual;
- (v) Carrying out the appraisal of the corporation's strategic plan;
- (vi) Evaluating the performance of the entire management team and take necessary measures;
- (vii) Approving performance reports of the Corporation including reports on disciplinary matters of staff;
- (viii) Exercising disciplinary powers over senior management staff;

- (ix) Approving management reports on quarterly basis;
- (x) Approving code of conduct and proceeding; and
- (xi) Approving the disposal of capital items.

(d) Enhancing Accountability of the Board to the Government and the General Public

To enhance accountability to the Government and the public at large, the Corporation has ensured that:

- It has distinguished the roles reserved for the Board and those delegated to the Management of the Corporation;
- The functions of the Board Chairman and the Director General of the Corporation are not exercised by the same individual;
- The Board Chairman is a non-executive director;
- The Director General is the Secretary to the Board assisted by a qualified and competent officer of good standing from the Legal Services Unit trained for such service at the Institute of Directors in Tanzania (iodt);
- The Corporation's strategies are sustainable;
- The Corporation has clearly identified the Board's fiduciary duties; and
- It has established a Conflict of Interest Policy where during every Board or Committees meetings, there is an agenda for declaration of conflict of interest by participants.

(e) The Board Independence

The Corporation assesses the independence of Board members on an annual basis, to ensure that the Board always benefits from independent and objective judgment.

(f) The Board Instruments

The Corporation has developed the Board's Code of Ethics and Conduct, 2021 in compliance with the Treasury Registrar's Board of Directors Code of Ethics and Conduct Guidelines, 2016. The Code has been cascaded down to all employees, as well as to the established Charters of the Board and its Committees so as to guide the Board in undertaking its oversight role and planned activities. The Code and the Charters are reviewed where needs arise to cope with changes. Further, the Board develops a work plan and an evaluation toolkit annually, to ensure effectiveness.

(g) Governance on Audit

The Board continues to oversee Management implementation of the Controller and Auditor General's recommendations made during the statutory audits. In addition, the Board continues to oversee Management implementation of recommendations made by the Office of the Treasury Registrar following Management/ Governance audit conducted in the financial year 2019/20.

(h) Rights of the Government and the General Public

The Corporation recognizes, respects and protects the rights of the Government and the general public through:

- Availing information on the Corporation's performance by submission of quarterly performance reports to relevant Government authorities and publishing annual reports together with audited financial statements;
- Ensuring equitable treatment of all regulated service providers and customers in discharging the Corporation functions;
- Ensuring that Government, Ministries and Agencies hold meetings with the Corporation's Management, when required, to discuss any matter related to the Corporation's performance or service delivery; and
- Engaging the media on dissemination of important Corporation's information.

(i) Stakeholder Relations

The Board has identified eight (8) categories of stakeholders; the Government, employees, regulated service providers, shipping business customers, suppliers, business partners, society and regulators and policy-makers. Before making its decisions, the Board takes the interests of all stakeholders into account to ensure that engagement with stakeholders is deliberate and planned. Furthermore, the Board wishes to ensure that communication with stakeholders is always transparent and effective.

(j) Ethics and Social Responsibility

The Board has identified the following four ethical values, which underpin good corporate governance, to guide all its deliberations, decisions and actions:

- **Responsibility:** The Board assumes responsibility for the assets and actions of the Corporation and is willing to take corrective actions to keep the Corporation on a strategic path that is ethical and sustainable;
- **Accountability:** The Board justifies its decisions and actions to the Government and other stakeholders;
- **Fairness:** The Board ensures that it considers the legitimate interests and expectations of all stakeholders; and
- **Transparency:** The Board discloses information in a manner that enables stakeholders to make an informed analysis of the Corporation's performance and sustainability.

The Corporation has developed the Board's Code of Ethics and Conduct, 2021 to ensure that its business is conducted according to the highest ethical standards and in compliance with all the applicable laws and regulations governing the regulation of maritime sector and exclusive mandate on shipping business. The provisions of the Code apply to the Board, Management and all staff of the Corporation.

(k) Risk Management, Internal Control and Accountability

The Corporation is committed to ensure existence of a continuous process of risk management and internal controls which ensures business continuity on service delivery so as to achieve the strategic goals while managing the risks.

An overall policy framework on risk and internal control has been developed, which includes the institutional Risk Management Framework and Policy with its related processes, guidance and tools. The Corporation is committed to identifying and managing risks to its work plans and defining and implementing efficient and effective internal controls, to strengthen its ability to meet objectives and deliver benefits and goals expected by its regulated service providers, customers and all stakeholders.

Good risk management identifies the potential events which could affect the achievement of goals and develops action plans for addressing these risks - allowing informed decision-making, better prioritization and improved use of resources. The Corporation's approach to risk management does not aim to eliminate or avoid risk but to be aware of it, reducing risk to an acceptable level and balancing risks and opportunities when deciding on a course of action.

The established risk management process includes the implementation of regularly updated risk analysis and mitigation plans at all levels of the Corporation, both at head office and upcountry offices. The purpose is both, to create a tool for internal management of each Directorate, Unit or Section so as to provide information to the Corporation's Management on key risks identified and how these are managed. In addition to this bottom-up review of risks, the Corporation has integrated risk management in its corporate strategic planning and results-based management processes.

Every staff of the Corporation has an important role in risk management process and controls as part of their work. In particular, all Directors, Heads of Unit and Managers are accountable for identifying and managing risks and overseeing definition and implementation of internal controls, policies and procedures within the area under their authority, including management of issues which arise.

(l) Transparency and Disclosure

i) Policy on Conflict of Interest

The Board has established a Conflict of Interest Policy, in recognition that excessive activities, gratuities and access to information may lead to actual or potential conflicts of interest between the interests of the Corporation and those of its relevant persons. The Policy identifies the activities which may compete or conflict with the Corporation's interests and outlines the steps to manage conflict of interest when it arises.

ii) Policy on ICT

The Board has developed various ICT policies, so as to enable the Corporation to realise its digitization agenda. The policies provide in-depth coverage and guidance on ICT-related matters such as: business continuity plan (BCP)/disaster recovery plan (DRP), Service Level Agreement (SLA) management, project management, server room management, business partnerships, database procedures, incident management, invoice processing, quality assurance, security procedures and software design, development and testing.

iii) Policy on Procurement

The Corporation developed the Draft Procurement Policy in line with the Public Procurement Act, Cap 410 and its Regulations as amended, so as to:

- Promote best practices, transparency and professionalism in all acquisition processes within the Corporation;
- Ensure that suppliers of goods and services are subjected to a competitive tendering process in order to achieve quality, price competitiveness and reliability;
- Ensure that all expenditures are incurred in accordance with the approved plan and budget and the annual procurement plan (APP); and
- Ensure compliance with applicable regulations and Legislation.

iv) Policy on Environmental Protection

Environmental protection is a social and economic necessity and an integral component of sustainable development. Similarly, sustainable development is the central concept on environmental policy. Sustainable development means achieving a quality of life that can be maintained for many generations because it is socially desirable, economically viable and environmentally sustainable.

The Corporation is committed to support the Government to ensure sustainable development is made through short, medium and long-term social and economic growth. This will be achieved by observing the following:

- Coordinate implementation of the International conventions, protocols and codes issued by IMO and ratified by the Government including International Convention for the Prevention of Pollution from Ships, 1973, as modified by the Protocol of 1978 relating thereto and by the Protocol of 1997 (MARPOL);
- Compliance with legislation on environmental protection including the guidance of the National Environmental Management Council (NEMC) issued from time to time;
- Provide education and create awareness on maritime safety, security and maritime environmental protection to the maritime transport operators, service providers, consumers and public.

2.19.4 Meetings of Those Charged with Governance

The Board is required to meet at least four times a year. The Board meetings are held once quarterly with additional meetings convened as and where necessary. During the financial year ended 30 June 2023, the Board held Five (5) meetings, of which four (4) were ordinary and one (1) was extra-ordinary.

During the financial year, apart from other agenda, the Board discussed and deliberated on the following main issues: -

- Approved Annual Plan and Budget (APB) and Annual Procurement Plan (APP) for Financial Year 2023/2024;
- Approved the revised Annual Procurement Plan (APP) for the FY 2022/23;
- Approved reallocation of TZS 5.431 billion and revised Budget of TZS 73.855 billion for the FY 2022/23;
- Deliberated on the Status of Unpaid Debts, Experienced Challenges and Proposed Mitigation Strategies to Collect Debts;
- Approved Revised 2nd Corporate Strategic Plan (2021/22 -2025/26):
- Approved the process of translating the Merchant Shipping (Small Ships, Local Cargo Ship Safety, Small Ship Safety, Surveys and Inspections for Vessels Engaged on Local and Coastal Voyages, Inland Waters) Regulations, GN. No. 106/2006 into the Swahili language;
- Directed the Management to get prepared for the audit on the International Convention on Standards of Training and Certification of and Watch keeping for Seafarers, 1978 (STCW Convention);
- Directed the Management to increase the speed of implementation of the IMSAS Corrective Action Plan Page 10 of 13 (CAP); and
- Directed Management to direct TPA to install navigational aids in the formalized ports to avoid incidences or accidents, inform TPA to repair control lights at the entrance channel of Pangani port and advise TPA to consider widening the port area near Pangani Ports for security.

2.19.5 Committees of Those Charged with Governance

To ensure a high standard of corporate governance throughout the Corporation, the Board formed four (4) Committees in compliance with section 24 of the Tanzania Shipping Agencies Act, Cap. 415. The formed Committees of those charged with governance are:

- (i) Audit and Risk Committee;
- (ii) Corporate Affairs Committee;
- (iii) Shipping Business & ICT Committee; and
- (iv) Regulated Services Committee.

The composition and details of the Board Committees and number of meetings attended by the Chairman and members of the committee during the financial year ended 30 June 2023 are provided hereunder:

(a) **Audit and Risk Committee**

The Audit and Risk Committee (ARC) was formed by the Board on 9 July 2019 under section 24(1) of the Tanzania Shipping Agencies Act, Cap 415. The Committee is)

The responsibilities of the ARC are to assist the Board in its oversight responsibility with respect to internal audit functions, internal control systems, internal and external audit reports, financial statements, risk management policy and implementation of the auditors' and Parliamentary Accounts Committee (PAC) recommendations. The ARC planned to meet once quarterly with additional meetings convened as and when necessary. During the financial year ended 30 June 2023, the Committee held four (4) meetings, of which all were ordinary meetings. There was no extra-ordinary meeting held. The Members of ARC who served during the financial year ended 30 June 2023 are shown in Table 5 below:

Table 5: Board's Audit and Risk Committee Members in 2022/23

Name	Position	Ordinary Meetings held and attended (4)
Ms. Rukia Diwani Shamte	Chairman	4/4
Mr. Said Athuman Kiondo	Member	2/4
Capt. King Kwirujila Chiragi	Member	4/4

The ARC meetings, apart from other agenda, discussed and deliberated on the following main issues: -

- Annual Report for the FY 2021/22 of the Audit and Risk Committee (ARC);
- Draft TASAC Financial Statements for the Financial Year 2021/22;
- Draft TASAC Financial Statements for the Multinational Lake Victoria Maritime

Communications and Transport Project (MLVMCT);

- Controller and Auditor General (CAG) Action Plan for the Financial Year audit 2021/2022;
- 1st, 2nd and 3rd Quarter Internal Audit Unit (IAU) Performance report for the financial year 2022/23;
- Controller and Auditor General (CAG) Remedial Action Plan for Management Letter for the Financial Year 2021/22;
- Monitoring Report on the Implementation of Risk Management Framework for the Period Ending December 2022;
- Draft TASAC Risk Management Policy and Risk Management Procedures Manual;
- 3rd quarter Internal Audit Unit (IAU) performance report for the financial year 2022/23;
- Follow-up report on the implementation of audit recommendations as at 30th April, 2023 (IMSAS, Internal Audit, CAG, QMS, PPRA, and eGA);
- Monitoring Report on the Implementation of Risk Management Framework for the Period Ending December 2022;

- Draft TASAC Risk Management Policy and Risk Management Procedures Manual;

(b) Corporate Affairs Committee

The Corporate Affairs Committee (CAC) was formed by the Board after merging of two Committees Corporate Affairs Committee (CAC) and Finance and Planning Committee (FPC) under Section 24(1) of the Tanzania Shipping Agencies Act, Cap 415. The Committee is composed of a Chairman and two (2) members, who are also the Board Members.

The responsibilities of the CAC are to assist the Board in its oversight responsibility with respect to human resource and administration, planning, investment and budgeting, procurement management, finance and accounts, marketing and public relations and quality management system. The CAC planned to meet once quarterly with additional meetings convened as and when necessary.

During the financial year ended 30 June 2023, the Committee held four (4) ordinary meetings of which all were Ordinary, and there was no extra-ordinary meeting. The Members of CAC who served during the financial year ended 30 June 2023 are shown in Table 6 below:

Table 6: Board's Corporate Affairs Committee Members in 2022/23

Name	Position	Ordinary Meetings held and attended (4)
Eng. Aron Johnson Kisaka	Chairman	2/4
Mr. Said Ally Nzori	Member	4/4
Ms. Rukia Diwani Shamte	Member	3/4

Source: TASAC

The Committee meetings, apart from other agenda, discussed and deliberated on the following main issues: -

- Adopted the revised 2nd Five-Year Corporate Strategic Plan (2021/22 -2025/26);
- Adopted draft Annual Plan and Budget for the FY 2023/24 and recommended to the Board for Approval;
- Adopted draft Annual Procurement Plan (APP) for the FY 2023/24 and recommended to the Board for Approval;
- Adopted the draft TASAC Investment Policy and Guidelines and recommended submission to the Board for approval;
- Adopted reallocation of TZS 5.431 billion and revised Budget of TZS 73.855 billion for the FY 2022/23 and recommended submission to the Board for approval;
- Adopted the revised Annual Procurement Plan (APP) for the FY 2022/23 and recommended submission to the Board for approval;
- 1st, 2nd and 3rd Quarter Performance Report of the Corporation;
- New Signatories to the TASAC Lake Victoria Project's Bank Accounts;
- Proposal of New Signatories to TASAC Bank Accounts to enhance banking operations;
- Proposed Training Plan for the Financial Year 2023/24;

- Draft Staff training and development policy;
 - Draft Records Management Policy;
 - Draft TASAC Employee Induction Manual;
 - Draft of TASAC Occupational Health and Safety Policy, 2023;
 - Draft Corporate Social Responsibility Policy, 2023;
 - Draft of TASAC Social Media Policy, 2022; and
- Draft of Complaints Management Policy, 2022.

(c) Shipping Business and ICT Committee

The Shipping Business and ICT Committee (SBIC) was formed by the Board on 9 July 2019 under Section 24(1) of the Tanzania Shipping Agencies Act, Cap 415. The Committee is composed of a chairman and two (2) members, who are also the Board Members.

The responsibilities of the SBIC are to assist the Board in its oversight responsibility with respect to the execution of the Corporation's exclusive mandate on shipping business functions, which include shipping agency, document control, ship tallying and clearing and forwarding agency. It will also be responsible for ICT and Statistics. The SBIC planned to meet once quarterly with additional meetings convened as and when necessary.

During the financial year ended 30 June 2023, the Committee held four (4) meetings, of which three (3) out of four (4) statutory meetings were ordinary and one (1) was extra-ordinary meeting. The Members of SBIC who served during the financial year ended 30 June 2023 are shown in Table 7 below:

Table 7: Board's Shipping Business and ICT Committee Members in 2022/23

Name	Position	Ordinary Meetings held and attended (3)	Extra-Ordinary Meetings held and attended (1)
Mr. Casian H.Ng'amilo	Chairman	3/3	1/1
Mr.Said Athumani Kiondo	Member	2/3	0/1
Eng. Aron Johnson Kisaka	Member	1/3	1/1

Source: TASAC

The SBIC meetings, apart from other agenda, discussed and deliberated on the following main issues: -

- TASAC ICT Infrastructure Status Report;
- TASAC ICT Policy, ICT Security Policy, Acceptable Use Policy, and Disaster Recovery Plan;
- Approved TASAC ICT Security Strategy;
- TASAC ICT standard Database Guidelines;
- Report of the analysis of unpaid agency fees for minerals, equipment and products related to minerals;
- Adopted the Internal Institutional Guidelines and recommended submission to the Board for noting;

- Adopted the TASAC Cyber Security Policy and recommended submission to the Board for approval;
- Status of the Shipping Business Management System (SBMS) development;

(d) Regulated Services Committee

The Regulated Services Committee (RSC) was formed by the Board on 9 July 2019 under Section 24(1) of the Tanzania Shipping Agencies Act, Cap 415. The Committee is composed of a Chairman and two (2) members, who are also the Board Members.

The responsibilities of the RSC are to assist the Board in its oversight responsibility with respect to the regulated services under the Directorate of Maritime Transport Services and the Directorate of Maritime Safety, Security and Environment. The RSC planned to meet once quarterly with additional meetings convened as and when necessary.

During the financial year ended 30 June 2023, the Committee held four (4) meetings of which all was ordinary, there was no extra ordinary meeting held. The Members of RSC who served during the financial year ended 30 June 2023 are shown in Table 8 below:

Table 8: Board's Regulated Service Committee Members in 2022/23

Name	Position	Ordinary Meetings held and attended (4)
Mr. Said Ally Nzori	Chairman	4/4
Capt. King Kwirujila Chiragi	Member	4/4
Mr. Casian H. Ng'amilo	Member	4/4

Source: TASAC

The Committee meetings, apart from other agenda, discussed and deliberated on the following main issues:

- Adopted draft translation of the Merchant Shipping Act, Cap. 165 into Kiswahili which was recommended submission to the Board for noting and approval;
- draft Regulations Addressing Tanzania Shipping Agencies Corporation Findings observed during the Mandatory International Maritime Organisation Member State Audit Scheme (IMSAS);
- Adopted proposed amendment of the Merchant Shipping Act, Cap. 165, to address the current development in the maritime sector which was recommended submission to the Board for noting and approval;
- Tanzania Shipping Agencies (Shipping Agents) (Amendments) Regulations, 2022
- proposed Tanzania Shipping Agencies (Ship Tallying) Regulations, 2022;
- Adopted the proposal for establishment of the Land and Maritime Transport Consumer Consultative Council and recommended submission to the Board for deliberations;
- Adopted the proposed Tanzania Shipping Agencies (Safety and Security of Cargo and Terminal Operations) Regulations, 2022 and recommended submission to the Board for noting and approval;

- Adopted the proposed Tanzania Shipping Agencies (Shippers Registration) Regulations, 2022 and recommended submission to the Board for noting and approval;
- Adopted the applications of tariff submitted by Inland Container Depot (ICD) operators and recommended submission to the Board for noting and approval;
- Adopted the draft report on the Census of Small Vessels in Mainland Tanzania and recommended submission to the Board for noting and approval;
- Adopted the proposed performance benchmarks for terminal operators at the Dar es Salaam Port and recommended submission to the Board for noting and approval;
- Adopted the Management's recommendations on the application for tariff review submitted by Marine Services Company Limited for services rendered by MT. Sangara and recommended submission to the Board for approval;
- Adopted the Management's recommendations on freight rate application submitted by Marine Services Company Limited for services to be offered by MV. New Victoria HKT, MV. New Butiama HKT and MV. Umoja and recommended submission to the Board for approval;
- Adopted the Management's recommendation on tariff application submitted by Songoro Marine Transport Limited for services offered by MV. Rafiki 2 and recommended submission to the Board for approval;
- Adopted the Management's recommendations on tariff application submitted by Marine Services Company Limited for services to be offered by MV. Njombe, MV. Mbeya II and MV. Ruvuma in Lake Nyasa and recommended submission to the Board for approval;
- concept note on the analysis of the Advantages and Challenges of Open Registration of Ships and directed the Management to submit the same to the Board for approval;
- Adopted the proposed Tanzania Shipping Agencies (Clearing and Forwarding Agents) (Amendments) Regulations, 2023 and recommended submission to the Board for approval and onward submission to relevant authorities;
- Adopted the report on the Board visit at Kigoma Report held from 14th - 20th February, 2023 and recommend submission to the Board for approval.

2.19.6 Management of the Corporation

The Director General, who is also the Chief Executive Officer of the Corporation and the Secretary to the Board, is responsible to the Board for the proper administration and management of the functions and affairs of the Corporation. The Corporation's Management team, which is under the supervision of the Director General is organized into four (4) Directorates and six (6) Units as follows: -

(a) Directorates

Directorate of Maritime Safety, Security and Environment (DMSE), Directorate of Maritime Transport Regulation (DMTR), Directorate of Shipping Business (DSB) and Directorate of Corporate Services (DCS).

(b) Units

Economic Regulation Unit (ERU), Finance and Accounts Unit (FAU), Legal Services Unit (LSU), ICT and Statistics Unit (ICTSU), Internal Audit Unit (IAU) and Procurement Management Unit (PMU).

2.20 APPOINTMENT OF AUDITOR

Article 143 of the Constitution of the United Republic of Tanzania of 1977 and section 10 of the Public Audit Act, Cap 418 (R.E. 2021) mandates the Controller and Auditor General as the statutory auditor of all public sector entities including Tanzania Shipping Agencies Corporation (TASAC). In addition, Section 39 (2) of the Tanzania Shipping Agencies Corporation Act, Cap 415 earmarked the CAG as the statutory auditor of the TASAC's financial statements. Address of the Auditor for the financial year, is as below:

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

2.21 RESPONSIBILITY OF THE AUDITOR

The Controller and Auditor General (CAG) has a statutory responsibility to report to the stakeholders as to whether, in his opinion, the financial statements of the Corporation present fairly the financial position, financial performance and cash flows for the year ended in accordance with the International Public Sector Accounting Standards (IPSASs), the Tanzania Financial Reporting Standard (TFRS 1) and in the manner required by the Tanzania Shipping Agencies Act, Cap. 415 and the Public Finance Act, Cap. 348.

2.22 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Those Charged with Governance accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of the financial statements, pursuant to section 39(1) of the Tanzania Shipping Agencies Act, Cap. 415. Furthermore, Those Charged with Governance accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Public Sector Accounting Standards (IPSAS), the

Public Finance Act, Cap. 348, NBAA's Technical Pronouncements and the requirements of the Tanzania Shipping Agencies Act, Cap 415.

Therefore, Those Charged with Governance are of the opinion that the financial statements of the Corporation give a true and fair view of the Corporation's state of the financial affairs and of its operating results for the year ended 30 June 2023.

2.23 POLITICAL AND CHARITABLE DONATIONS

2.23.1 Political Donations

The Corporation did not make any political donations during the year ended 30 June 2023.

2.23.2 Charitable Donations

Donations were made as part of corporate social responsibility to institutions and charitable organizations to acknowledge the Corporation's responsibility to community social needs. During the financial year ended 30 June 2023 the Corporation spent TZS 95.9 million (30 June 2022: TZS 172.31 million) to support a number of social and economic development initiatives implemented throughout the country. The list of beneficiaries on corporate social responsibilities funds for the financial year 2022/23 is provided under Table 9 below:

Table 9: Beneficiaries of Corporate Social Responsibilities Fund for 2022/23

DATE	PAYEE	AMOUNT
		TZS'000
8/2/2022	Kagera Sub Treasury Misc Deposit A	2,000
8/15/2022	CHAMA CHA VIZIWI TANZANIA	300
8/25/2022	Attorney General Office	2,000
8/25/2022	Procurement & Supplies Profess	2,000
8/31/2022	Marafiki wa Maendeleo	5,000
9/23/2022	CHAVITA KIGAMBONI	352
9/26/2022	CHAMA CHA WASIOONA MKOA WA DSM	980
9/26/2022	Rukwa Sub treasury Misc. Deposit Ex	1,000
9/28/2022	Vote 62 Ministry of Transport	5,000
9/28/2022	WOMESA Tanzania	3,000
10/6/2022	Tanzania Women Journalis	1,000
10/21/2022	CHOCOLATE PRINCESS LTD	2,000
10/21/2022	TRAMPA	2,000
10/21/2022	RukwaSub Treasury Misc. Deposit	1,000
10/21/2022	Chapakazi Albino Group	1,500
10/26/2022	PANGOLINE MEDIA INNOVATIONS	1,000
10/26/2022	National Board of Accountants and	3,000
11/15/2022	Vote 62 Ministry of Transp	18,600
11/22/2022	LGA Miscellaneous Deposit Account	2,000

DATE	PAYEE	AMOUNT
		TZS'000
11/22/2022	Nyamikoma Serikali ya Kijiji - Nya	5,000
12/28/2022	Royal TourEx Nihilo Ltd	3,400
1/27/2023	NATIONAL ARTS COUNCIL	2,000
1/27/2023	IKUPA TRUST FUND	2,000
2/2/2023	E-Government Agency	1,000
2/21/2023	E-Government Agency	1,000
2/23/2023	Rukwa Sub treasury Misc.Dep	3,000
4/30/2023	Rukwa Sub treasury Misc.	300
4/17/2023	Vote 62 Ministry of Tra	5,000
3/14/2023	Kagera Sub Treasury Misc Dep	2,000
30.06.2023	Seafarers Day - Cleanness Items	4,900
Total		100,400

Source: TASAC Financial Records 2022/23

2.24 EMPLOYEES' WELFARE

(a) Management and Employees' Relationship

A healthy relationship existed during the financial year between Management and employees who were represented by the Workers Union COTWU (T), TASAC Branch. There was a harmonious relationship demonstrated during the Workers Council meetings where Management transacted with COTWU (T) leaders and employees' representations. Generally, there were no unresolved complaints received from the employees during the year.

(b) Working Environment

The corporations ensured that employees are provided with favourable working environment such as providing them with necessary tools for smooth running of their daily operations and office space. This encompasses individual commitment towards innovative thinking and professional expertise.

(c) Opportunities and Fairness

Management ensured equal opportunities and fairness for all employees, irrespective of ethnicity, race, gender, disability or religion, should be pursued.

(d) Post-employment Benefits

The Corporation pay contributions to Public Service Social Security Pension Fund (PSSSF) in respect of its employees on mandatory basis which qualifies to be a defined contribution plan.

The Corporation contributes 15% of basic salary of each employee to the Fund on behalf of all permanent employees and employee contributes 5% of their basic salary. The total contribution made to PSSSF during the year was TZS 2.51 billion (30 June 2022: TZS 1.85 billion). The increase was attributed by increased number of employees who were transferred to TASAC and changes of basic salaries.

(e) Medical Services

The Corporation operates insured (health benefit) plan for employees, their spouses and up to a maximum of four dependants. Contribution is paid to the National Health Insurance Fund (NHIF) upon successful registration of the employee to the Fund. The total contributions made by the Corporation to NHIF during the year was TZS 503.43 million (30 June 2022: TZS 370.01 million) being 3% of the employees' basic salary, whereby the contributions are shared equally, the Corporation 3% and the employee 3%. The increase was attributed by increased number of employees who were transferred to TASAC and changes of Basic salaries.

(f) Training

The Corporation continually develop training programs to ensure employees are adequately trained at all levels. Employees are given opportunity to attend short and long training programs both locally and outside the country to upgrade their skills and enhance career development. During the financial year ended 30 June 2023, the Corporation spent TZS 1.62 billion (30 June 2022: TZS 1.18 billion). A total of ten (10) employees (30 June 2022: 9 employees) were released to attend long-term training.

(g) Financial Assistance to Employees

TASAC Employees Loan Policy was approved by the Board of Directors in the Financial Year 2021/22 which is expected to guide provisions of loans to employees. During financial year draft analysis was done to establish the initial fund (Seed fund) required to activate the operationalization of the policy. In addition, the Corporation provided salary advances to employees in need to cover their financial issues.

2.25 DISABLED PERSONS AND GENDER BALANCE

2.25.1 Disabled Persons

The Corporation is an equal opportunity employer and as a matter of policy, recruitment processes are transparent and competitive, whereas applications for employment by persons with disabilities are highly considered. During the financial year, the Corporation had two (2) people with disability. In the event of members of staff becoming disabled, every effort shall be made to ensure that their employment with the Corporation continues and appropriate care is arranged. It is the policy of the Corporation that training, career development and promotion in case of persons with disabilities should be treated equally to that of other employees.

2.25.2 Gender Balance

The Corporation is an equal opportunity employer and it had 362 (30 June 2022: 331) employees during the year ended 30 June 2023. The increase in number of employees was due to staff transfer from other public institutions to TASAC. Out of 362 employees, 249 (30 June 2022: 229) were male and 113 (30 June 2022: 102) were female as shown below: -

Gender	30 June 2023	%	30 June 2022	%
Male	249	68.78	229	69.20
Female	113	31.22	102	30.80
Total	362	100.0	331	100.0

Source: TASAC Human Resource Records 2022/23

The Corporation's recruitment policy is to give equal opportunity to all people on recruitment process to fill vacant employment posts. Thus, the Corporation does not discriminate between male and female applicants to the vacant posts. In this regard, great care is taken when implementing the policy in order to ensure that education/professional qualifications, competencies and key attributes which are the basic criteria for selection and appointment, is not compromised.

2.26 MAJOR PROCUREMENT CONTRACTS

The Corporation had major procurement contracts with persons and other entities, which were essential to its operations during the financial year ended 30 June 2023. The list of the major procurement contracts of above TZS 50 million is summarized under Table 10 below:

Table 10: Major Procurement Contracts for the years 2022/23

S/No.	Contract Title	Name of Supplier/ Service Provider	Type of Contract	Contract Value (TZS '000')
1	Supply of Various Software and Licenses AE/095/2022-2023/HQ/G/02	M/s Dolphin Professional Services Limited	GOODS	130,847
2	Supply, Installation, Testing and Commissioning of Audit Management Software E/095/2022-2023/HQ/G/03	M/s Ideagen PLC	GOODS	168,348
3	Supply of Development Laptops, Laptops and Tablets, Time Attendance Devices AE/095/2022-2023/HQ/G/01	M/s ELITE COMPUTERS (T) LTD M/s KONFA ENTERPRISES LIMITED M/s RANA TECHNOLOGIES LTD	GOODS	86,776
4	Supply of food & beverage AE/095/2022-2023/HQ/G/16	M/s Geffy's General Supplies	GOODS	59,359

S/No.	Contract Title	Name of Supplier/ Service Provider	Type of Contract	Contract Value (TZS '000')
5	Supply of office uniforms AE/095/2022-2023/HQ/G/05	M/s Marania Group Company	GOODS	93,338
6	Supply of Personal Protective Gears AE/095/2022-2023/HQ/G/04	M/s Nolana International Limited	GOODS	83,749
7	Supply, Installation, Testing and Commissioning of Video Conference System AE/095/2022- 2023/HQ/G/20	M/s Inventions Technologies Company Limited	GOODS	95,458
8	Supply of Network Devices AE/095/2021-2022/HQ/G/33	M/s Emerging Communications Limited	GOODS	315,554
9	Supply of ICT Equipment (Printers, Projectors and Cameras) AE/095/2021-2022/HQ/G/01	M/s CATS (T) LTD	GOODS	67,633
10	Provision of Consultancy for Tax Advisory Service AE/095/2022- 2023/HQ/C/01	M/s Auditax International	CONSULTANCY	50,000
11	Partition of office accommodation AE/095/2022-2023/HQ/W/01(LOT 1,2,3 &4)	Partition of office accommodation	M/s Deniko Construction Limited & M/s Ujenzi & Paints 2000	262,536
Total				1,413,598

Source: TASAC Procurement Records 2022/23

2.27 PREJUDICIAL ISSUES

The prejudicial issues at the end of the financial year included ongoing litigation at the temples of justice of:

- Disputed tariffs for the clearing and forwarding of minerals which were channelled to the Minister of Works and Transport by customers in compliance with section 59 of the Tanzania Shipping Agencies Act, Cap. 415;
- Eighteen (18) consignees of clearing and forwarding agents between 2019-2020 while aware of the scope, performed or facilitated the performance of clearing and forwarding of shipments falling under the exclusive mandate under the exclusive mandate of Section 7(1)(a) of the Tanzania Shipping Agencies Act, Cap. 415 prior to its amendment through the Finance Act, No. 5 of 2022 by lodging shipping documents which were restricted midway by the Tanzania Revenue Authority (TRA); and
- One case instituted before the High Court of Mwanza by the Corporation against the service provider Kamanga Ferry Company Limited, Civil Case No. 18/20.

2.28 STATEMENT OF COMPLIANCE

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

2.29 FUTURE PERFORMANCE OF THE CORPORATION

Following the amendment on section 7(1) of the Tanzania Shipping Agencies Act, Cap. 415 by the Finance Act, No. 5 2022 which deleted completely the exclusive mandate of TASAC to provide Shipping agency, Ship Tallying and document control management services, while narrowing the scope on Clearing and Forwarding functions to some few items. Nevertheless, the Corporation continued and shall continue to closely monitor its current sources of revenue and enforce revenue collection from the approved sources to sustain implementation of its mandated functions and plans as per guiding legislation via approved revised second (2nd) Corporate Strategic Plan (2021/22 - 25/26).

2.30 APPROVAL

This Report was approved and authorized for issue by the Audit and Risk Committee of the Board on 11th March 2024 and signed on its behalf by:



Capt. Mussa H. Mandia
Board Chairman

Mohamed M. Salum
Director General


3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Pursuant to Section 39(1) of the Tanzania Shipping Agencies Act, Cap. 415, the Corporation is required to keep proper books of account and maintain proper records of its operations. Those Charged with Governance accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of the financial statements. Those Charged with Governance understand that the Corporation's system of internal control is effective to provide reasonable, but not absolute, assurance that the transactions recorded in the books of account, which were used to prepare these financial statements, are free from material misstatement.

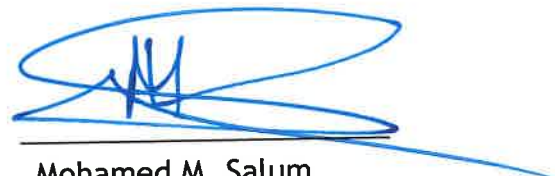
Those Charged with Governance further accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Public Sector Accounting Standards (IPSAS), The Public Finance Act, Cap 348 (R.E 2020), NBAA's Pronouncements and in the manner required by the Tanzania Shipping Agencies Act, Cap 415. In addition, Those Charged with Governance are of the opinion that the financial statements give a true and fair view of the Corporation's state of the financial affairs and of its operating results for the year ended 30th June 2023.

Nothing has come to the attention of Those Charged with Governance to indicate that the Government of the United Republic of Tanzania shall wind up the operations of the Corporation, thus, not to remain a going concern for at least the next twelve months from the date of this statement.

This Statement was approved and authorized for issue by the TASAC Board on 11th March 2024 and signed on its behalf by:



Capt. Mussa H. Mandia
Board Chairman



Mohamed M. Salum
Director General

4.0 DECLARATION BY THE DIRECTOR OF FINANCE AND ACCOUNTS

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

It is the duty of a Professional Accountant to assist the Board of Directors/Management to discharge the responsibility of preparing financial statements of the Corporation showing true and fair view of the Corporation's position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors under the Statement of Responsibility by Those Charged with Governance on the above page.

I, CPA Pascal M. Karomba being the Director of Finance and Accounts - TASAC, hereby acknowledge my responsibility of ensuring that the 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 TASAC as on that date and that they have been prepared based on properly maintained financial records.

Signature: _____



Signed by: CPA Pascal M. Karomba

Position: Director of Finance and Accounts

NBAA Membership No.: ACPA 5344

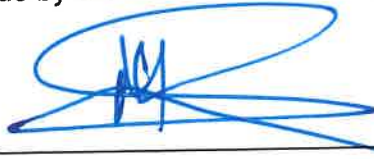
5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	2022/23 TZS '000	2021/22 TZS '000
ASSETS			
Current assets			
Cash and cash equivalents	22	23,590,636	36,204,095
Receivables and prepayments	23	39,649,290	36,613,897
Inventories	24	296,198	659,489
		63,536,125	73,477,481
Non-current assets			
Property and equipment	30	16,853,533	16,347,546
Intangible assets	31	1,385,498	1,429,027
Capital WIP - Shipping Business Management System	31	1,216,711	942,250
Receivables and prepayments	23	10,324,511	
		29,780,253	18,718,823
TOTAL ASSETS		93,316,378	92,196,303
LIABILITIES			
Current liabilities			
Payables and accrued expenses	25	9,818,424	5,439,256
Provisions	26	89,231	900,496
Corporation Tax payable	21	-	1,458,825
		9,907,656	7,798,577
Non-current liabilities			
Deferred tax liability	21	319,075	344,385
		319,075	344,385
TOTAL LIABILITIES		10,226,731	8,142,962
NET ASSETS		83,089,647	84,053,342
NET ASSETS			
Capital Fund	28	24,264,567	24,264,567
Accumulated Surplus		58,825,080	59,788,775
TOTAL NET ASSETS		83,089,647	84,053,342

These financial statements were approved and authorized for issue by the Board of Directors on 11th March 2024 and signed on its behalf by:


 Capt. Mussa H. Mandia
 Board Chairman


 Mohamed M. Salum
 Director General

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	2021/22
	<u>Notes</u>	TZS '000	TZS '000
Revenue			
Revenue from non-exchange transactions:			
Service Providers Levy	8	32,855,124	20,633,907
Fees, Licenses & Penalties	9	47,766,237	42,140,687
Other Income	10	1,046,479	66,167
Gain/(loss) on foreign currency translation	11	1,001,454	344,216
		82,669,294	63,184,978
Revenue from exchange transactions:			
Shipping Business Services revenue	12	6,562,019	39,134,216
		89,231,313	102,319,194
Expenses			
Wages, salaries and employee benefits	13	26,911,120	24,043,298
Directors Fees & Other Board Expenses	14	405,144	407,289
Travelling, Training and Other Facilitation Expenses	15	17,227,882	13,032,781
Services, Supplies and consumable Expenses	16	6,903,954	5,136,407
Repairs and Maintenance expenses	17	1,170,008	1,015,118
Contribution to Government Consolidated Fund	18	17,904,703	43,490,922
Contribution and Subscription to Other Bodies	19	1,082,359	1,135,104
Bank Charges	20	85,708	73,019
Corporation Tax	21	-	10,592,151
Impairment loss on Receivables	23	7,092,591	-
Loss on Disposal of Fixed Assets		442,409	-
Depreciation of property and equipment	30	2,600,724	1,721,792
Impairment of property and equipment	30	5,088	10,752
Amortization of intangible assets	31	176,321	144,174
		82,008,011	100,802,808
Surplus during the year		7,223,303	1,516,386


 Capt. Mussa H. Mandia
 Board Chairman

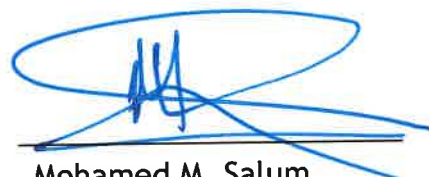

 Mohamed M. Salum
 Director General

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

		Capital Fund	Accumulated Surplus	Total
	Notes	TZS'000	TZS'000	TZS'000
At 01 July 2022	28	24,264,567	59,788,775	84,053,342
Surplus for the year		-	7,223,303	7,223,303
Transfer from Surplus		-	(7,798,180)	(7,798,180)
Adjustment - Impact on Impairments of Cash & Cash equivalent		-	(42,213)	(42,213)
Adjustment - Impact on Receivables		-	(346,605)	(346,605)
At 30 June 2023		24,264,567	58,825,080	83,089,647
At 01 July 2021	28	24,264,567	58,272,389	82,536,956
Surplus for the year		-aa	1,516,386	1,516,386
At 01 June 2022	28	24,264,567	59,788,775	84,053,342



Capt. Mussa H. Mandia
Board Chairman



Mohamed M. Salum
Director General

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

	Note	2022/23 TZS '000	2021/22 TZS '000
Cash flows from operating activities:			
Receipts:			
Service Providers Levy	8	13,337,658	38,548,510
Fees, Licenses and Penalties	9	51,555,422	42,419,336
Other income	10	193,943	66,167
Shipping Business Services revenue	12	7,379,031	36,935,757
Total Receipts		72,466,054	117,969,770
Payments:			
Wages, salaries and employee benefits	13	(26,889,961)	(24,135,180)
Directors Fees & Other Board Expenses	14	(405,144)	(407,289)
Travelling, Training and Other Facilitation Expenses	15	(17,235,828)	(13,045,436)
Services, Supplies and consumable Expenses	16	(8,173,174)	(5,899,945)
Repairs and Maintenance expenses	17	(1,170,008)	(1,015,118)
Contribution to the Consolidated Fund	18	(17,904,703)	(44,253,773)
Contribution and Subscription to Other Bodies	19	(1,176,073)	(1,116,830)
Bank Charges	20	(85,708)	(73,019)
Corporation Tax	21	(1,353,586)	(7,994,283)
Total Payments		(74,394,186)	(97,940,872)
Net cash flows from operating activities		(1,928,132)	20,029,721
Cash flows from investing activities:			
Acquisition of property and equipment	33	(2,070,458)	(536,765)
Acquisition of intangibles	33	(407,254)	(664,872)
Payment made for MLVMCTP	23	(8,318,271)	149,730
Net cash flows from investing activities		(10,795,982)	(1,351,367)
Net decrease in cash and cash equivalents		(12,724,114)	18,678,354
Net foreign exchange difference	11	133,336	284,105
Impairment loss on Cash & Cash equivalent		(22,681)	
Cash and cash equivalents at beginning of period		36,204,095	17,241,635
Cash and cash equivalents at end of period	22	23,590,636	36,204,095



Capt. Mussa H. Mandia
Board Chairman



Mohamed M. Salum
Director General

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

	Original Budget {A}	Adjustments {B}	Final Budget {A+B}	Actual Amount on Comparable Basis {C}	Difference: Final Budget Vs Actual
REVENUE:	TZS '000	TZS '000	TZS '000	TZS'000	TZS '000
Revenue from Non-exchange transactions					
Service Providers Levy					
Fees, licenses and penalties	20,036,328	-	20,036,328	32,855,124	12,818,796
Other Income	42,840,160	5,300,000	48,140,160	47,766,237	(373,923)
Gain/(loss) on foreign currency translation	240,402	-	240,402	1,046,479	806,078
Revenue from exchange transactions	-	-	-	1,001,454	1,001,454
Revenue from Shipping Business Services					
Total	29,458,110	(24,019,955)	5,438,155	6,562,019	1,123,864
EXPENSES:	92,575,000	(18,719,955)	73,855,045	89,231,313	15,376,268
Wages, salaries and employee benefits	32,072,311	(2,300,400)	29,771,911	26,911,120	2,860,791
Directors Fees & Board Members Expenses	508,340	-	508,340	148,611	359,729
Board Secretariat, Management & Supporting Expenses	310,000		310,000	256,533	53,467
Travelling and Other Facilitation Expenses	21,706,793	(4,540,000)	17,166,793	17,227,882	912
Services, Supplies and consumable Expenses	12,660,906	(3,725,000)	8,935,906	6,903,954	1,969,952
Repair and Maintenance expenses	3,061,482	(910,000)	2,151,483	1,170,008	981,474
Contribution to Govt Consolidated Fund (15% of Gross Revenue)	13,806,950	(3,373,615)	10,433,335	10,404,703	28,632
Contribution to Govt Consolidated Fund (70% of Surplus)				7,500,000	(7,500,000)
Bank Charges	1,045,623	8,280	1,053,903	1,082,359	(28,456)
Corporation Tax	18,007	70,000	88,008	85,708	2,299
Impairment loss on Receivables	1,200,000	(572,430)	627,570	-	627,570
Loss on Disposal of Fixed Assets				7,092,591	(7,092,591)
Depreciation of property and equipment				442,409	(442,409)
Impairment of property and equipment	-	-	-	2,600,724	(2,600,724)
Amortization of intangible assets	-	-	-	5,088	(5,088)
Total	86,390,413	15,343,165	71,047,248	176,321	(176,321)
Surplus/(deficit) during the year	6,184,587	(3,376,790)	2,807,797	82,008,011	(10,960,762)
				7,223,303	4,415,506

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ESTABLISHMENT AND PRINCIPAL ACTIVITIES

i) Establishment of the Corporation

The Tanzania Shipping Agencies Corporation (TASAC) is a public entity established under Section 4 of the Tanzania Shipping Agencies Act, Cap. 415. TASAC became operational on 23rd February 2018 following a Government Notice No. 53 published on 16th February 2018.

TASAC is a body corporate with perpetual succession and common seal, as such it can sue or be sued, acquiring, holding and investing in movable and immovable properties, borrowing and lending and entering into any lawful contract or other transaction.

The Head Office address of the Corporation during the year was:

Garden Avenue Tower Building, 7 & 8 Floors,
Garden Avenue/Ohio Street,
P. O. Box 989,
Dar es Salaam, Tanzania.

ii) Principal Activities of the Corporation

The Corporation regulates maritime transport services, maritime environment, safety and Security matters and carries out exclusive mandate on clearing and forwarding function in accordance with the provisions of the Tanzania Shipping Agencies Act, Cap. 415 (as amended).

2. AUTHORISATION OF FINANCIAL STATEMENTS

The Corporation's financial statements for the year ended 30 June 2023 were adopted and authorized for issue by the Risk and Audit Committee of the Board on 31st August 2023.

3. STATEMENT OF COMPLIANCE

The Corporation's financial statements have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB). The Report by Those Charged with Governance has been prepared in line with the requirements of the Tanzania Financial Reporting Standard (TFRS) No. 1 as issued by the National Board of Accountants and Auditors (NBAA).

**TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

SIGNIFICANCE CHANGES IN ACCOUNTING POLICY

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

TASAC financial statements are prepared and presented in compliance with accrual basis IPSASs. The significant accounting policies outlined below have been consistently applied throughout the year.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.1 BASIS OF PREPARATION

The financial statements are prepared on an accrual basis. Items in financial statements have been reported on historical cost basis, except for buildings that have been measured at fair value. The cash flows statement is prepared using the direct method.

4.2 REPORTING PERIOD

The reporting period for these financial statements is the financial year of the Corporation which runs from 1st July 2022 to 30th June 2023.

4.3 NEW STANDARDS ON ISSUE NOT YET ADOPTED BY THE CORPORATION

There are six (6) new Standards issued by the International Public Sector Accounting Standards Board (IPSASB) but were not yet effective up to the date of issuance of the Corporation's financial statements. The new Standards are:

- a) **IPSAS 43- Leases**, which is effective on or after January 1, 2025. This standard introduces a right-of-use model that replaces the risks and rewards incidental to ownership model in IPSAS 13, Leases. For lessors, IPSAS 43 substantially carries forward the risks and rewards incidental to ownership model in IPSAS 13. This standard will improve the transparency of lease accounting in the public sector.
- b) **IPSAS 44-Non-Current Assets Held for Sale and Discontinued Operations**, which is effective for annual periods beginning on or after 1 January 2025. This standard fills a gap in the IPSAS suite by providing guidance on how to account for public sector assets that are held for sale on commercial terms. The standard is important from a public interest perspective, as it ensures transparency and accountability when decisions to sell public sector assets have been taken. IPSAS 44 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:

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

- i) Measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and
 - ii) Presented separately in the statement of financial position and the results of discontinued operations to be presented separately in the statement of financial performance.
- c) **IPSAS 45-Property, Plant and Equipment**, which is effective for annual periods beginning on or after 1 January 2025. This standard replaces IPSAS 17, Property, Plant, and Equipment by adding current operational value as a measurement basis in the updated current value model for assets within its scope, identifying the characteristics of heritage and infrastructure assets, and adding new guidance on how these important types of public sector assets should be recognized and measured. The objective of IPSAS 45 is to develop enhanced guidance clarifying the recognition and measurement of infrastructure and heritage assets that are Property, Plant, and Equipment.
- d) **IPSAS 46-Measurement**, which is effective for annual periods beginning on or after 1 January 2025. The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational capacity and financial capacity of assets and liabilities. It identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting

This standard provides new guidance in a single standard addressing how commonly used measurement bases should be applied in practice. It brings in generic guidance on fair value for the first time, and introduces current operational value, a public sector specific current value measurement basis addressing constituents' views that an alternative current value measurement basis to fair value is needed for certain public sector assets.

- e) **IPSAS 47-Revenue** which is effective for annual periods beginning on or after 1 January 2026. IPSAS 47 replaces the existing three revenue standards IPSAS 9, IPSAS 11 and IPSAS 23, and presents accounting models which will improve financial reporting and support effective public sector financial management.

The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions. To meet the objective, the Standard:

- i) Requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction; and
 - ii) Sets out the accounting requirements to account for the revenue transaction.
- f) **IPSAS 48-Transfer Expenses** which is effective for annual periods beginning on or after 1 January 2026. IPSAS 48 provides accounting guidance for transfer expenses, which account for a significant portion of expenditures for many public sector entities. This new Standard fills a significant gap in the IPSASB's literature and provides guidance to help entities account for public sector transfer expense transactions.

**TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

The objective of this Standard is to establish the principles that a transfer provider (an entity) shall apply to report useful information to users of financial statements about the nature, amount, timing, and uncertainty of cash flows arising from transfer expenses. To meet the objective above, the Standard:

- i) Requires an entity to consider the terms of the transaction and all relevant facts and circumstances to determine the type of transfer expense transaction; and
- ii) Sets out the accounting requirements for the transfer expense transactions.

The Corporation is currently assessing the impact of the above-mentioned standards and plans to adopt them on or before the required effective date.

There are no other IPSASs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Corporation.

4.4 THE OTHER APPLIED ACCOUNTING POLICIES

4.4.1 FOREIGN CURRENCY TRANSACTIONS

Functional and Presentation Currency

Items included in the financial statements of the Corporation are measured using the currency of the primary economic environment in which the Corporation operates ("the functional currency"). The financial statements are presented in Tanzanian Shillings (TZS'000), which is the Corporation's functional and presentation currency.

Transactions and Balances

Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are presented in the statement of financial performance.

4.4.2 REVENUE RECOGNITION

Revenue is the gross inflow of economic benefit or service potential during the reporting period when those inflows results in an increase in net assets/equity, other than increases relating to contribution from owners.

Revenue is recognized only when it is probable that the economic benefits or service potential associated with the transaction will flow to the Corporation and the revenue can be reliably measured. The Corporation recognise revenue from both exchange and Non-exchange transactions.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

i) Revenue from exchange transactions

Exchange transactions are transactions in which the Corporation receives assets or services, or has liabilities extinguished, and directly gives approximately equal value primarily in the form of cash, goods, services, or use of its assets to another entity in exchange.

- ***Rendering of services***

The Corporation recognizes revenue from rendering clearing and forwarding services under shipping business directorate, exclusively for arms and ammunitions, mineral concentrates, chemicals used by mining companies, Government trophies, and wild animals under the wildlife conservation Act. The Clearing and forwarding services revenue is recognized immediately after cargo clearance has been completed.

ii) Revenue from non-exchange transactions

Non-exchange transactions are transactions that are not exchange transactions. In a non-exchange transaction, an entity either receives value from another entity without directly giving approximately equal value in exchange, or gives value to another entity without directly receiving approximately equal value in exchange.

- ***Fees, Levy and fines***

The Corporation recognizes revenues from fees, levy and fines when the event occurs, and the asset recognition criteria are met. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Revenue from levy is collected from Regulated Service Providers based on their declared gross revenue and payable in four instalments and it is recognized when a quarter lapse. Revenue from shipping fees is recognized upon receipt of cargo manifest for exports and imports from shipping agencies and Clearing and forwarding agents. Revenue from fees on registration and certification of seafarers is recognized when requests for registration and certification are received and processed. Fines are charged upon non-compliance to legislation guiding TASAC operations.

- ***Transfers from other government entities***

Revenue from non-exchange transactions with other government entities is measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property), if the transfer is free from conditions, and it is probable that the economic benefits or service potential related to the asset will flow to the group and can be measured reliably. To the extent that there is a related condition attached that would

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

give rise to a liability to repay the amount, a grant liability is recognized instead of revenue.

- ***Other transfers***

Other transfers include penalties, licenses, gifts and donations (including goods-in-kind). These are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity; and the fair value of the asset can be measured reliably.

4.4.3 PROPERTY AND EQUIPMENT

Property and equipment are tangible items that: are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and are expected to be used during more than one reporting period.

Recognition

Items of property and equipment shall be recognized as assets if, and only if, it is probable that the future economic benefits or service potential associated with the item will flow to the entity, and the cost or fair value of the item can be measured reliably

All property and equipment are initially recorded at cost. The cost includes expenditure that is directly attributable to the acquisition of the items. Cost is the amount of cash paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction. Where assets are acquired in non-exchange transactions, the cost is their fair value at the date of the exchange.

All property and equipment are stated at cost less accumulated depreciation and impairment losses. The cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequently, Property and Equipment are accounted using Cost Model. By using cost model; the asset is carried at cost less accumulated depreciation and accumulated impairment, if any.

When major repair is performed, its cost is recognized in the carrying amount of property and equipment if its recognition criteria is satisfied. The costs of major repairs are included in the respective asset's carrying amount. All other expenditure for repairs and maintenance of Property and Equipment are charged to Statement of financial performance in the financial period in which they are incurred.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

De-recognition

The Corporation derecognizes items of property and equipment upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on de-recognition of an item of property and equipment is included in the Statement of Financial Performance, unless where IPSASs requires otherwise on a sale and leaseback.

Depreciation

Land is not depreciated; however, one of the fundamental principles of the Land Policy that has been incorporated in the Land Act, 1999 is that when one is assessing compensation of land, one of the factors to consider is the market value of the land or a real property.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost of asset less any estimated residual value over its remaining useful life as shown below. As per Government Asset Management guidelines of 2019 the estimated useful life of the following categories of Property and Equipment are as per table 11 below:

Table 11: Estimated Useful Life

Description	Years
Leasehold land	Over the lease term
Buildings - Office & Residential	50
Plant and Machinery	10
Furniture, Fixture and Equipment	10
Motor vehicles	
▪ Heavy duty (5 tons and above)	10
▪ Light duty (below 5 tons)	5
Computer (Desktops and Laptops)	5
Servers	7
Uninterruptible power supplies (UPS)	7
Equipment Racks	10
Television studio, cameras and other photographic Equipment	7
Document processing equipment (Photocopies, mail handling equipment check handling equipment and shredders)	7

Source: GAMIS (2023)

The assets' residual values, useful lives and depreciation method are reviewed at the end of each reporting period and adjusted prospectively, where appropriate. In addition, the Corporation stops charging depreciation on an asset when carrying amount equals its residual value.

4.4.4 INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance, such as software, patents, copyrights, goodwill and trademark.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Recognition

Intangible asset shall be recognized if and only if: it is probable that expected future economic benefits or service potential that are attributable to the asset will flow to the entity and the cost or fair value of the asset can be measured reliably.

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange.

Subsequently, the intangible assets are accounted using Cost Model. By using cost model; the intangible asset is carried at cost less accumulated amortization and accumulated impairment, if any. Expenditure that enhances or extend the performance of computer software beyond their original specifications is capitalized.

Internally generated intangible assets, excluding development costs, are not capitalized and expenditure is reflected in the Statement of Financial Performance in the year in which the expenditure is incurred. Intangible assets comprise of costs that are directly associated with identifiable and unique computer software products that TASAC controls.

The useful life of the intangible assets is assessed as either finite or indefinite. Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired.

Amortization

The intangible asset with a finite life is amortized over its useful life as follows:

Description of Intangible Asset Category	Useful Life (Years)
Application software	10

Source: GAMIS (2023)

The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in the Statement of Financial Performance as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Financial Performance when the asset is de-recognized.

4.4.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

125

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Impairment is a loss in the future economic benefits or service potential of an asset, over and above the systematic recognition of the loss of the asset's future economic benefits or service potential through depreciation (amortization).

Assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recovered.

In assessing whether there is any indication that an asset may be impaired, the Corporation Management considers, as a minimum, the following indications:

- **External sources of information:** Cessation, or near cessation, of the demand or need for services provided by the asset; Significant long-term changes with an adverse effect on the entity have taken place during the period, or will take place in the near future, in the technological, legal, or government policy environment in which the entity operates;
- **Internal sources of information:** Evidence is available of physical damage of an asset; Significant long-term changes with an adverse effect on the entity have taken place during the period, or are expected to take place in the near future, in the extent to which, or manner in which, an asset is used or is expected to be used. These changes include the asset becoming idle, plans to discontinue or restructure the operation to which an asset belongs, or plans to dispose of an asset before the previously expected date; A decision to halt the construction of the asset before it is complete or in a usable condition; and Evidence is available from internal reporting that indicates that the service performance of an asset is, or will be, significantly worse than expected.

Recognition

An impairment loss is recognized when the carrying amount of the assets exceeds its recoverable service amount. An asset's recoverable service amount is the higher of the non-cash generating asset's fair value less costs to sell and its value in use. In assessing value in use, the Corporation has adopted the restoration cost approach as it has determined this to be appropriate because of the nature of the assets. Under this approach, the present value of the remaining service potential of the asset is determined by subtracting the estimated restoration cost of the asset from the current cost of replacing the remaining service potential of the asset before impairment.

In determining fair value less costs to sell, the price of the assets in a binding sale agreement in an arm's-length transaction, adjusted for incremental costs that would be directly attributable to the disposal of the asset is used. If there is no binding agreement, but the asset is traded on an active market, fair value less cost to sell is the asset's market price less cost of disposal. If there is no binding sale agreement or active market for an asset, the Corporation determines fair value less cost to sell on the basis of the best available information.

Impairment losses are recognized in the Statement of Financial Performance in the period in which they are incurred.

**TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Corporation estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Financial Performance unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

4.4.6 LEASES

Lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or series of payments, the right to use an asset for an agreed period of time.

(i) The Corporation as a Lessee

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the Corporation. Operating lease payments are recognized as an operating expense in the statement of financial performance on a straight-line basis over the lease term.

(ii) The Corporation as a Lessor

Leases in which the Corporation does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

4.4.7 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Corporation's financial assets include cash, trade and other receivables and financial liabilities include;

Financial Assets and Liabilities

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Financial assets and liabilities are recognized in the Corporation's financial position when the Corporation becomes a party to the contractual provisions of the instrument.

Classification of Financial Assets

The Corporation shall classify financial assets as subsequently measured at amortized cost, fair value through net assets/equity or fair value through surplus/deficit basis on the basis of both,

- (a) The Corporation's management model for financial assets and
- (b) The contractual cash flows characteristics of the financial asset

Financial asset at Amortized cost

The Corporation measures Financial assets at amortized costs if, both of the following conditions are met:

- the financial asset is held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at Fair value through net assets/equity

The Corporation measures financial assets at fair value through net assets/equity if, both of the following conditions are met:

- the financial assets is held within a management model whose objective is achieved by both, collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at Fair value through Surplus or deficit

The Corporation measures financial assets at fair value through surplus or deficit unless it is measured at amortized cost or at fair value through net assets/equity.

Classification of Financial liabilities

The corporation classifies financial liabilities as subsequently measured at amortized costs, except for:

- (a) Financial liabilities at fair value through surplus or deficit which shall be subsequently measure at fair value;

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

- (b) Financial liabilities that arise when a transfer of financial asset does not qualify for derecognition;
- (c) Financial guarantee contracts for which the Corporation subsequently measured at the higher of the amount of the loss allowance and the amount initially recognized less accumulated amortization;
- (d) Commitments to provide a loan at below-market interest rate for which the Corporation shall subsequently measures it at the higher of the amount of the loss allowance and the amount initially recognized less the accumulated amortization.
- (e) Contingent consideration recognized by an acquisition of another entity as per IPSAS 40.

Reclassification

The Corporation shall reclassify its Financial assets when and only when it changes its management model for the financial assets. However, the Corporation shall not reclassify any financial liability.

Measurement

Initial measurement

the Corporation measures a financial asset or financial liability at is fair value plus or minus, in the case of a financial asset or financial liability not at fair value through surplus or deficit, transaction cost that are directly attributable to the acquisition or issue of the financial asset or financial liability. However, the Corporation measures Short-term receivables and payables at the original invoice amount if the effect of discounting is immaterial.

Subsequent measurement of Financial assets

After initial recognition, the Corporation measures financial asset with respect to their classification at Amortized cost, fair value through net assets/equity or Fair value through surplus or deficit.

Subsequent measurement of Financial liabilities

After initial recognition, the Corporation shall measure a financial liability amortized cost or fair value according to their classification.

Impairment of Financial assets

The Corporation shall recognize a loss allowance for expected credit losses on a financial asset that is measured at amortized cost, fair value through Net assets/Equity, a lease receivable, or loan commitment and a financial guarantee contract.

The Corporation shall measure the loss allowance for financial instrument at an amount equal to the lifetime credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instrument has not increased significantly since initial recognition, the Corporation shall measure the loss allowance for the financial instrument at an amount equal to 12-month expected credit losses.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

However, the Corporation shall adopt the simplified approach for Lease Receivables and Receivables from exchange and Non-exchange transactions whereby, according to IPSAS 41, the Corporation shall always measure the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of a financial asset

The Corporation derecognizes a financial asset, or, where applicable, a part of a financial asset or part of a group of similar financial assets, when:

- (i) The rights to receive cash flows from the asset have expired or is waived.
- (ii) The corporation has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:
 - the Corporation has transferred substantially all the risks and rewards of the asset, or
 - the Corporation has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Derecognition a financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

Offsetting of financial instruments Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts, and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

4.4.8 CASH AND CASH EQUIVALENT

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three (3) months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the purposes of Statement of Cash flows, cash is comprised of cash on hand and deposits held at call with banks.

4.4.9 INVENTORIES

Inventories consist of stationery and other consumables. They are measured at cost upon initial recognition. To the extent that inventories were received through non-exchange transactions

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(for no cost or for a nominal cost), the cost of the inventories are at their fair value at the date of acquisition.

Inventories are valued at the "Lower of Cost or Current replacement Cost". Cost is determined using the weighted average cost (WAC) method. The average cost per unit is calculated by dividing the total cost by the total number of units purchased during the year. Current replacement Cost is the cost the entity would incur to acquire the asset on the reporting date.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the Corporation.

4.4.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Corporation expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of financial performance net of any reimbursement.

Contingent Liabilities

The Corporation does not recognise a contingent liability but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefit or service potential is remote.

Contingent Asset

The Corporation does not recognise a contingent asset but discloses details of possible asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Corporation in the notes to the financial statements.

4.4.11 CREATION OF GENERAL RESERVE AND OTHER RESERVES

Application of revenue of the Corporation, according to Section 36(2) of the Act, Cap 415, includes setting aside the balance of the revenue of the Corporation to the creation of *General Reserve* and such *Other Reserves* as the Corporation may deem appropriate. Without prejudice to other laws and the Government directives on remission of 70% of surplus funds to the Government Consolidated Fund and redemption of excess capital, a provision of 30% of net

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

annual surplus funds from the statement of financial performance shall be transferred to the *General Reserve* via the statement of changes in net assets.

4.4.12 TRADE RECEIVABLES

Trade receivables are recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Trade receivables from Shipping Business are recognised on issuance of tax invoices, from Service provider Levy are recognised on the specific quarter, and from regulatory shipping fees are recognised upon arrival of the vessel. Settlement of receivables beyond 30 days shall be subjected to penalty as per sector Legislation and/or tariffs. Specific provision shall be made in the financial statements against trade receivables considered to be doubtful of recovery. However, the Corporation measures short-term Receivables at the original invoice amount when the effect of discounting is immaterial.

4.4.13 EMPLOYEE BENEFITS

(i) Short-Term Employees Benefits

The cost of all short-term employee benefits, such as leave pay, is recognized during the period in which the employee renders the related service. The Corporation recognizes the expected cost of employee rewards only when the Corporation has a present legal or constructive obligation to make such payment, and a reliable estimate can be made.

(ii) Defined Contribution Plans

The Corporation provides retirement benefits to its employees. Defined contribution plans are post-employment benefit plans under which the Corporation pays fixed contributions for each staff to PSSSF, and it will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The Corporation's contributions to the defined contribution scheme (PSSSF) are charged to the statement of financial performance in the year to which they relate.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(iii) Other Long - Term Employment Benefits

Gratuity - This is paid to contract staff at 25% of the employees' basic salary at the end of their contract period. The current establishment has only Director General on this arrangement whose employment contract is of a maximum of five years, renewable once. The Corporation provides for the expected liability on straight line basis over the contract period. However, where the appointed Director General is under pensions scheme arrangement, the Corporation shall continue with remittance of monthly contribution to the defined contribution scheme, but not both pension and gratuity.

4.4.14 ACCOUNTS PAYABLE

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. However, the Corporation measures short-term payables at original invoice amount when the effect of discounting is immaterial.

4.4.15 RELATED PARTIES

The Corporation regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Corporation, or vice versa. Members of key management are regarded as related parties and comprise the Board Members and Senior Management employees. Related party transactions are disclosed under Note 36.

4.4.16 BUDGET INFORMATION

The Corporation prepares its budget on an accrual basis. As such, the budget and the financial statements are already on the same basis and further adjustments are not required to align the financial statements to the budget. The Corporation has the option to present this comparison either as a separate additional financial statement or as additional budget columns in the financial statements as required by IPSAS. The Corporation has therefore chosen to present the comparison separately in the statement of comparison of budget and actual amounts. In addition, explanations for material differences are provided under Note 37 to these financial statements. The reasons for overall growth or decline in the budget are stated, followed by details of overspending or underspending on specific line items.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

4.4.17 CAPITAL WORK IN PROGRESS

Capital work in progress are assets in the process of being constructed or developed, that is, not yet completed or ready for use in the intended manner. The value of WIP is typically determined by the cost of material and labour that have been used to produce them as well as an estimate of the cost for completing the product.

During the financial year, Corporations' WIP Includes cost of development of Shipping Business Management System (SBMS) and TASAC Revenue Gateway (TRG) which is still under development/improvement as at the reporting date.

Recognition

CWIP is initially recognized as an asset if and only if: It is probable that future economic benefits or service potential associated with the asset will flow to the entity; and the cost or fair value of the asset to the entity can be measured reliably. It is recorded as separate item until a time they are ready for intended use. Capital work in progress is not depreciated until when it ready for use. Capital Work in Progress (WIP), which is an asset category of property and equipment, is stated at cost and not depreciated Recognition amount of Capital WIP is shown under property and equipment.

Subsequently recognition is upon completion of the development work where the costs of an asset under work in progress are transferred to respective Intangible asset category.

Depreciation

Depreciation of WIP commences when the assets are ready for their intended use.

4.4.18 TAXATION

(a) Income tax

The Corporation applies IAS 12 on Income Taxes to account for Corporation Tax payable to TRA for Shipping Business Income. This is from the fact that IPSAS does not require the presentation of an income tax in the Financial Statements. Typically, many entities in the public sector are exempt from income tax. The use of IAS 12 for the formulation of the Corporation accounting policy is required by IPSAS 19.14, which is stated in relation to the hierarchy for the selection of accounting policies provided in IPSAS 3.12,13-15. This guidance stipulates that in the absence of an IPSAS that specifically applies to a transaction, other event or condition and other financial reporting frameworks, such as IFRS, may be applied in selecting the accounting policy for that specific transaction, event or circumstance.

Thus, the taxable shipping business income is calculated in accordance with the provisions of Income Tax Act, Cap.332. Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the shipping business net profit or loss for the period. Taxes on shipping business income are considered to be an expense incurred by the Corporation

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

in earning income and are accrued in the same period as the revenue and expenses to which they relate.

(b) Deferred tax

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4.4.19 SEGMENT REPORTING

These are the accounting policies adopted for preparing and presenting the financial statements of the consolidated group or entity as well as those accounting policies that relate specifically to segment reporting. A segment is a distinguishable activity or group of activities of corporation for which it is appropriate to separately report financial information for the purpose of evaluating the past performance in achieving its objectives and for making decisions about the future allocation of resources.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the entity. The corporation prepared its segment report based on its main services which are Regulatory and Business. Information was obtained from these two sources and in case of shared transaction allocation was derived based on percentage of revenue generated by each function.

4.4.20 COMPARATIVE FIGURES

Figures for the previous financial statements have been regrouped or reclassified where necessary to conform to changes in order to make them comparable with the figures of the current financial year.

5. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances.

(a) Judgments

In the process of applying the Corporation's accounting policies, Management has made judgments, which have the most significant effect on the amounts recognized in the financial statements.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. SIGNIFICANT JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

(b) Estimates and Assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Corporation based its assumptions and estimates on parameters available when the financial statements were prepared.

However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Corporation. Such changes are reflected in the assumptions when they occur. Thus, the key assumptions are:

(i) Useful Lives and Residual Values

Critical estimates are made by the management in determining depreciation rates for equipment and their residual values. The rates used were derived from the minimum year of useful lives as set out in the accounting policies section of these financial statements under Note 4.4.3 - 4.4.4.

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- (a) The condition of the asset based on the assessment of experts (professional valuers) engaged by the Corporation;
- (b) The nature of the asset, its susceptibility and adaptability to changes in technology and processes;
- (c) The nature of the processes in which the asset is deployed;
- (d) Availability of funding to replace the asset; and
- (e) Changes in the market in relation to the asset.

(ii) Impairment of financial assets

Estimates are required to be made of what would be the impact of a loss event that has occurred after the initial recognition of a financial asset and which would affect the estimated future cash flows. The Corporation assessed, at the reporting date, whether a financial asset or group of financial assets have been impaired based on objective evidence of impairment or a loss event. On computation of Impairment loss, a model was developed that use a single forward- looking expected credit loss (ECL) as per IPSAS 41. Refer to Note 23 of the Financial Statements on the information of impairment.

(iii) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell calculation is based on available data from binding sales

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model.

The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Corporation is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

(iv) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

6. GOING CONCERN

The Corporation's Management has assessed the Corporation's ability to continue as a going concern and is satisfied that the Corporation has the resources to continue in business for the foreseeable future. Furthermore, Management is not aware of any material uncertainties that may cast significant doubt upon the Corporation's ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

7. FINANCIAL RISK MANAGEMENT

(a) Financial Risk

The Corporation's activities are potentially exposed to a variety of financial risks, including credit risk, liquidity risk, market risks, operational risks and the effects of the changes in foreign currency exchange rates. The Corporation's overall risk management programme takes account of the unpredictability of foreign exchange rate trends and seeks to minimize potential adverse effects on its financial performance.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(b) Market Risk

Market risk is the risk of changes in market prices, such as foreign-exchange rates and interest rates, affecting the Corporation's income or the value of its financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on the risk. This risk includes the following:

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. FINANCIAL RISK MANAGEMENT (CONTINUED)

(i) Foreign exchange risk

The Corporation has some exposure to foreign currencies as had some receivables from service providers and monetary items balances in foreign currency, especially US\$, while significant operating expenditure are incurred principally in local currency, that is TZS. The Corporation encourage the settlement in USD for receivables denominated in USD while it discourages payments in USD and any other foreign currency for Corporation's expenditure.

Receivables held at 30 June 2023 was US\$ 5.55 million and monetary balances were US\$ 8.17 million which are stated in the financial statements at exchange rate of TZS 2,315.94/US\$1 as per the Bank of Tanzania exchange rates. If Tanzania Shillings strengthened or weakened by 5% the reported gain or loss on foreign exchange would be higher or lower by TZS 945.76 million (30 June 2022: TZS 1,128.90 million) for monetary balances and TZS 643.19 million (30 June 2022: TZS 746.18 million) for receivables as shown below:

Description	Change (Strengthen/Weaken)	<u>2022/23</u> <u>TZS'000</u>	<u>2021/22</u> <u>TZS'000</u>
Effect on Monetary Items	5% Appreciation	945,755	1,128,901
	5% Depreciation	945,755	1,128,901
Effect on Receivables	5% Appreciation	643,185	746,177
	5% Depreciation	643,185	746,177

However, this exposure does not result in a significant risk as foreign currency assets and liabilities as are normally settled within a fairly short time.

(ii) Interest rate risk

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Corporation does not have long-term deposits or borrowings; thus, statement of financial performance is not highly affected by changes in market interest rates.

(c) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Corporation's main revenue generating activities are maritime transport regulation, Maritime Safety, Security and environment regulation as well as Clearing and forwarding services. Credit risk mainly arise from receivables with customers and cash balances held at commercial banks. The credit risk stems from the

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

failure for regulated service providers to pay levies and failure to collect shipping fees for cargo passing through border post. The Corporation is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. However, the Corporation does not regard there to be any significant concentration of credit risk, thus, it mitigates the credit risk by maintaining cash and cash equivalents with reputable financial institutions; and recovering staff debts, imprest or salary advance in terms of the applicable regulations directly from the employee's salary and/or pension. The Corporation's maximum exposure to Credit Risk as at 30th June 2023 is as shown below:

	<u>2022/23</u> <u>TZS'000</u>	<u>2021/22</u> <u>TZS'000</u>
Financial Assets:		
Cash and Cash Equivalents	23,590,636	36,204,095
Receivables	49,829,580	34,825,925
Total Financial Assets	<u>73,420,216</u>	<u>71,030,020</u>

The age analysis of the Corporation's receivables is as shown below:

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. FINANCIAL RISK MANAGEMENT (CONTINUED)

Receivables as 30 June 2023

	Up to 1 month	1 to 3 months	3 to 12 months	Over 12 months	Total
<u>2022/23</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>
Receivables from Exchange Transactions	68,259	21,814	1,652,736	3,538,331	5,281,140
Receivables from Non-Exchange Transactions (Trade Debtors, TPA & MSCL)	19,168,167	6,291,286	11,559,043	6,951,926	43,970,422
Receivable from (LATRA)	-	-	-	678,218	678,218
Receivable from MLVMCTP	738,687	-	-	-	738,687
Sundry Debtors	5,078	-	-	-	5,078
Receivable from Clearing & Forwarding Customers	-	-	-	691,464	691,464
Receivable from Shipping Agency Customers	-	-	-	6,555,994	6,555,994
Less: Allowances for impairment of receivables	-	-	-	(8,091,422)	(8,091,422)
Total	19,980,191	6,313,099	13,211,779	10,324,511	49,829,580

No collateral is held for any of the above assets and no receivables have had their terms re-negotiated.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. FINANCIAL RISK MANAGEMENT (CONTINUED)

Receivables as at 30 June 2022

	Up to 1 month	1 to 3 months	3 to 12 months	Over 12 months	Total
	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>	<u>TZS '000</u>
2021/22					
Receivables from Exchange Transactions	1,575,463	790,111	2,642,069	1,895,665	6,903,308
Receivables from Non-Exchange Transactions (Trade Debtors, TPA & MSCL)	13,624,083	2,220,417	3,257,073	8,577,278	27,678,851
Receivable from (LATRA)	-	-	-	678,218	678,218
Receivable from MLVMCTP	148,907	-	-	68,866	217,773
Less: Allowances for impairment of receivables	-	-	-	(652,226)	(652,226)
Total	15,348,453	3,010,529	5,899,142	10,567,802	34,825,925

No collateral is held for any of the above assets and no receivables have had their terms re-negotiated.

(d) Liquidity Risk

Liquidity risk is the risk of the Corporation not being able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity risk is to ensure that sufficient liquidity is available to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Corporation's reputation.

The Corporation manages its liquidity risk to ensure it is able to meet estimated expenditure requirements based on approved budget and through the use of cash flow forecasts. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents. Furthermore, the Corporation strived to ensure that receivables were settled within 30 days after the due date by introducing interest on late payments and maintaining active follow up on outstanding debts. The analysis of the Corporation's financial assets and financial liabilities into relevant maturity groups is shown below:

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial Assets/ Financial Liabilities	1 - 3 Months	4 - 12 Months	More than 12 Months	Total
	TZS '000	TZS '000	TZS '000	TZS '000
30 June 2023:				
Financial Assets:				
Receivables	26,293,290	13,211,779	10,324,511	49,829,580
Cash & Cash equivalent	23,590,636	-	-	23,590,636
Total	49,883,926	13,211,779	10,324,511	73,420,216
Financial Asset				
Financial Liabilities:				
Payables	9,818,424	-	-	9,818,424
Tax Payable	-	-	-	-
Total	9,818,424	-	-	9,818,424
Liability				
Liquidity Gap	40,065,502	13,211,779	10,324,511	63,601,792
30 June 2022:				
Financial Assets:				
Receivables	18,358,982	5,899,142	10,567,802	34,825,925
Tax Receivable	-	-	-	-
Cash & Cash equivalent	36,204,095	-	-	36,204,095
Total	54,563,076	5,899,142	10,567,802	71,030,020
Financial Asset				
Financial Liabilities:				
Payables	5,439,256	-	-	5,439,256
Tax Payable	1,458,825	-	-	1,458,825
Total	6,898,081	-	-	6,898,081
Liability				
Liquidity Gap	47,664,995	5,899,142	10,567,802	64,131,938

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022/23	2021/22
	TZS '000	TZS '000
8. SERVICE PROVIDERS LEVY		
Levy-Port Operator - (TPA)	26,562,802	14,061,989
Levy-Port Terminal Operators	1,742,059	2,960,017
Levy-Maritime Transport Services	159,828	106,546
Levy-Shipping Agency Services	1,120,189	1,283,314
Levy-Cargo Consolidators & De-consolidators	567,800	94,151
Levy- Miscellaneous Port Services	385,733	171,957
Levy- Gross Mass Verifiers	-	3,520
Levy-Dry Port Services- ICD	851,268	499,530
Levy-Dry Port Services - ECD	507,700	703,793
Levy-Dry Port Services - CFS	957,746	759,843
	32,855,124	20,633,907
Analysis of Cash collected		
Opening Receivable	14,402,167	32,316,769
Revenue for the year	32,855,124	20,633,907
Closing Receivable	(33,919,633)	(14,402,167)
Cash amount received	13,337,658	38,548,510
9. FEES, LICENSES AND PENALTIES		
Import fees	39,727,209	37,143,212
Export fees	3,983,291	2,393,926
Regulatory Shipping License/Registration fees	1,403,565	678,051
Ships/Boats Survey, Registration & Licensing	658,774	466,551
Seafarers Services	308,400	329,867
Commission on Disbursement	15,701	31,308
Penalties - Shipping Business	237,161	288,375
Penalties - Regulatory Services	1,432,136	342,281
	47,766,237	42,140,687
Analysis of Cash collected		
Opening Receivable	13,275,861	13,515,786
Revenue for the year	47,766,237	42,140,687
Adjustment for unrealized exchange difference	569,190	39,547
Closing Receivable	(10,055,867)	(13,275,861)
Cash amount received	51,555,422	42,420,159

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022/23 TZS '000	2021/22 TZS '000
10. OTHER INCOME		
Other income for the year ended 30 June 2023 was TZS 1,046.45 million (30 June 2022: TZS 66.17 million), consisting of revenue from sales of Tender documents, deferred Tax released, decrease on expected credit loss on Cash & Cash equivalent and other miscellaneous income. However, other miscellaneous income of TZS 1,000 million comprised; reversed excess provisional expenses for the census and corporate tax TZS 702.45 million and TZS 105.24 million respectively, rental income received from LATRA TZS 132.24 million, liquidated damage for the Contract's performance failure TZS 59.02 million and refund of conference expenses paid in Zambia during financial year 2020/21 TZS 1.06 million. The summary of other income is provided below:		
Sale of Tender Documents	1,623	-
Miscellaneous Income	1,000,015	66,167
Deferred Tax released	25,309	
Adjustment - Decrease of Expected Credit Loss of Cash & Cash equivalent	19,532	-
	1,046,479	66,167
Analysis of Cash collected		
Other Income	1,046,479	66,167
Less: Non-cash transactions		
Reversed Provisional for Corporate Tax	(105,239)	
Reversed Other provisions	(702,455)	
Deferred Tax released	(25,309)	
Adjustment - Decrease of Impairment of Cash & Cash equivalent	(19,532)	
Cash received	193,943	66,167
11. GAIN/(LOSS) ON FOREIGN CURRENCY TRANSLATION		
Exchange gain	1,264,127	369,067
Exchange loss	(262,673)	(24,851)
	1,001,454	344,216
Analysis of Exchange Gain/(Loss)		
Realized exchange gain	868,118	60,110
Unrealized exchange gain/(loss)	133,336	284,105
Total Gain/(Loss)	1,001,454	344,216
12. SHIPPING BUSINESS SERVICES REVENUE		
Shipping Agency revenue	38,212	6,908,226
Shipping Tallying revenue	1,360,429	8,347,715
Clearing & Forwarding Agency revenue	5,027,949	22,675,351
Shipping Document Control revenue	135,428	1,202,924
	6,562,019	39,134,216
Analysis of Cash collected		
Opening Receivables	6,903,308	6,930,006

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Advances received from Customer b/f	(3,157,742)	(5,403,462)
Revenue for the year	6,562,019	39,134,216
Advances received from Customer c/f	2,053,658	3,157,742
Adjustment for realized foreign exchange difference	298,927	20,564
Closing Receivable	(5,281,140)	(6,903,308)
Cash amount collected	7,379,031	36,935,758

2022/23	2021/22
TZS '000	TZS '000

13. WAGES, SALARIES AND EMPLOYEE BENEFITS

Wages, salaries and benefits during the year ended 30 June 2023 was recognized at TZS 26.91 billion (30 June 2022: 24.04 billion). The major reason for this change is an increase in number of staffs during the financial year to 362 employees (30 June 2022: 331 employees) and adjustment of Salaries to some non- management employees as a result of staff performance appraisals for the financial year 2021/22. These resulted into increase in basic salaries for pensionable posts during the year to TZS 17.40 billion (30 June 2022: TZS 12.48 billion). The changes had equally increased employer's PSSSF contribution to TZS 2.51 billion (30 June 2021: 1.85 billion), medical insurance (NHIF) to TZS 503 million (30 June 2022: TZS 370 million) and Workers compensation contribution (WCF) to TZS 112.59 million (30 June 2022: TZS 96.73 million). Furthermore, Salaries for non - pensionable Staffs (Interns) were reduced to TZS 154.36 million (30 June 2022, TZS 1,457.48 million) following reduction of number of Interns resulted from the reduced scope on implementation of exclusive mandate. The summary of these expenses is provided below:

Basic salaries - pensionable posts	17,398,272	12,477,694
Basic salaries - non-pensionable posts	154,361	1,457,479
Staff - Housing Allowance	1,682,782	2,477,503
Staff - Transport Allowance	857,733	1,373,238
Staff - Utility Allowance	267,443	366,466
Staff -Motor Vehicle Maintenance	70,560	61,880
Leave Passage	1,403,301	1,028,219
Security Allowance	363,000	604,620
Extra duty Allowance	141,416	490,458
Contribution to social security fund (PSSSF)	2,507,175	1,851,236
Medical Insurance (NHIF)	503,432	370,013
Worker Compensation Fund (WCF)	112,587	96,731
Furniture Allowances	30,000	102,000
Honoraria	273,450	347,000
Skills Development Levy (SDL)	1,145,607	938,762
	26,911,120	24,043,298
Analysis of Cash paid		
Opening Staff payable	177,612	269,494
Expenses for the year	26,911,120	24,043,298
Closing Staff Payable	(198,771)	(177,612)
Cash amount paid	26,889,961	24,135,180

Note: Closing Staff payable is arrived as follows:

Other Staff payable (Note 25)	166,494	165,245
PAYE (Note 25)	32,277	12,367
Cash amount paid	198,771	177,612

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. DIRECTORS FEES & OTHER BOARD EXPENSES

The Directors fees and other Board expenses for the financial year ended 30 June 2023 were recognized at TZS 405.14 million (30 June 2022: TZS 407.29 million). Out of these expenses, TZS 148.61 million (30 June 2022: TZS 160.91 million) were for Board Members, including the Directors fees of TZS 72.00 million (30 June 2022: TZS 71.03 million); and TZS 256.53 million (30 June 2021: TZS 246.38 million) were for Board Secretariat, Management staff who attend Board activities and supporting staff. The summary of Directors fees and other Board expenses are provided below:

	2022/23 TZS '000	2021/22 TZS '000
A: Expenses for Board Members		
Directors fees	72,000	71,032
Subsistence Allowances - Domestic	41,552	18,076
Subsistence Allowances - Foreign	-	10,934
Air Travel Tickets - Domestic	13,110	2,667
Air Travel Tickets - Foreign	-	2,393
Sitting Allowance	1,800	-
Ground Travel Expenses	9,144	9,130
Vehicle fuel & Lubricants	-	21,145
Seminar & Tuition fees	11,006	3,900
Conference, Food & Refreshments	-	21,631
Sub Total - Board Members Expenses	148,611	160,908
 B: Expenses for Board Secretariat, Management and Supporting Staff		
Subsistence Allowances - Domestic	85,000	163,210
Subsistence Allowances - Foreign	13,474	2,656
Vehicle fuel & Lubricant	20,394	7,300
Air Travel Tickets Domestic	37,610	4,322
Air Travel Tickets Foreign	31,506	1,196
Seminar & Tuition fees	9,025	
Ground Travel Expenses	1,415	4,231
Sitting Allowance	29,330	31,020
Cartridges, Tonner, Drums & Other Consumables	184	-
Conference, Food & Refreshment	28,595	32,446
Sub Total	256,533	246,381
Total Expenses for Board and Related Activities	405,144	407,289
 Analysis of Cash paid		
Expenses for the year	405,144	407,289
Cash amount paid	405,144	407,289

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022/23 TZS'000	2021/22 TZS'000
15. TRAVELLING, TRAINING AND OTHER FACILITATION EXPENSES		
<p>Travelling, training and other facilitation expenses for the year ended 30 June 2023 were recognized at TZS 17.23 billion (30 June 2021: 13.03 billion). The significant changes in expenditure were recorded on subsistence allowance (per-diem) for domestic travels, sitting allowances and foreign travels. These were necessitated by facilitation of the National Technical Committee on implementation of IMO Member State Audit Scheme (IMSAS), facilitation of Technical Committees on drafting, amending and translating legislation, monitoring visits to regional offices and border posts, and attending remaining periodic shipping business functions on areas where TASAC staff were not stationed. The summary of travelling, training and other facilitation expenses is provided below:</p>		
Subsistence Allowances - Domestic	8,026,258	6,137,248
Subsistence Allowances - Foreign	1,166,376	610,770
Sitting allowances	5,438,746	3,815,866
Air Ticket Expenses - Domestic	776,384	794,460
Air Ticket Expenses - Foreign	172,792	162,514
Ground Travel Expenses	590,685	629,261
Seminar & Tuition fees	703,288	681,548
Training allowances	74,189	74,008
Outfit allowances	18,800	20,598
Passages Allowances	141,402	101,114
Moving Expenses	102,169	-
Visa Application Fees	16,793	5,394
	17,227,882	13,032,781
Analysis of Cash paid		
Staff advances & imprest b/f	(49,261)	(36,606)
Expenses for the year	17,227,882	13,032,781
Staff advances and imprest c/f	57,207	49,261
Cash amount paid	17,235,828	13,045,436
	2022/23	2021/22
	TZS '000	TZS '000
SERVICES, SUPPLIES AND CONSUMABLES EXPENSES		
Postage and Couriers Expenses	52,573	79,437
Telephone & Fax expenses	13,415	20,000
Data Line & Internet Services	741,747	652,892
Insurance	197,277	50,000
Advertising and Publication	213,603	162,178
Conference, Food & Refreshments	1,624,575	1,320,070
Rental and Service charges	1,067,133	342,331
Office supplies and services	872,986	334,278
Electricity	93,787	105,359
Water Bill and Drink water	13,097	14,239
Office Cleaning & Decoration	75,083	33,181
Funeral Expenses	141,460	125,380

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Uniforms and Ceremonial Dresses	337,368	218,365
Books and other educational materials	324,227	122,313
Corporate Social Responsibility	100,400	172,310
Staff Professional Membership Fees	39,752	7,970
Security Services	51,117	24,060
Fines & Penalties	3,505	692,650
TRA-Amendment fees	49,008	36,410
Auditing fees	139,600	145,933
Consultancy fee	215,663	169,667
Medical Expenses	536,578	307,384
	6,903,954	5,136,407

Analysis of Cash paid		
Payable b/f	2,103,902	1,202,267
Inventory b/f	(659,489)	(224,960)
Prepaid expenses b/f	(204,027)	(134,889)
Other Provisions b/f (Note 26)	717,550	1,879,056
Expenses for the year	6,903,954	5,136,407
Prepaid Expenses c/f	36,080	204,027
Inventory c/f	296,198	659,489
Payables c/f (Note 25)	(318,539)	(2,103,902)
Other Provisions (Note 26)	-	(717,550)
Reversed Other provision	(702,455)	-
Cash amount paid	8,173,174	5,899,945

From Note 25: Payables c/f is arrived as follows:		
Accrued expenses	-	1,207,139
Suppliers payables	-	1,207,139
W/Tax	383,187	329,128
VAT Returns	1,523	90
Stale cheque	(66,171)	483,839
	-	83,706
	318,539	2,103,902

17. REPAIR AND MAINTENANCE EXPENSES

Repair and maintenance for the year ended 30th June 2023 were recognized at TZS 1.17 billion (30 June 2021: TZS 1.02 billion). The major changes on expenditure was recorded on office building whereby newly opened offices required significant repair and partitioning and therefore led to significant increase in cost. Fuel and lubricant increased due to the change in fuel price during the year. The summary of repair and maintenance is provided below;

Office Building	78,136	160,735
Vehicles and mobile equipment	351,294	224,060
Generators, machinery and fixed equipment	4,359	15,264
ICT Equipment and Software	38,795	64,490
Fuel and Lubricants	697,424	550,568
	1,170,008	1,015,118

Analysis of Cash paid		
Payable b/f	-	-
Expenses for the year	1,170,008	1,015,118
Cash amount paid	1,170,008	1,015,118

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. CONTRIBUTION TO GOVERNMENT CONSOLIDATED FUND

The contribution to the Government Consolidated Fund is made in compliance with the Public Finance Act, No. 6 of 2001 as amended by the Finance Act, No. 16 of 2015. The Act requires an executive agency, public corporation, public authority or public institution which charges or imposes and collects fees for services rendered, at the end of every quarter of a financial year, to remit fifteen per-centum (15%) of the gross revenue to the Government Consolidated Fund.

In addition, the Corporation is required by sect.10A (2) of the Treasury Registrar (Power and Functions) Act, CAP.370 to remit 70% of the surplus for the year to the Government Consolidated Fund.

Furthermore, Permanent Secretary, Ministry of Finance and Planning who is also the Paymaster General (PST) is empowered under Section 12(7) of the Budget Act, No. 11 of 2015 to conduct periodic review of revenue and expenditure of public entities. PST exercised his powers under the Budget Act and applies section 42 of the Act to direct, through the Office of Treasury Registrar, remittance of revenue collected in excess of the approved budget to the Government Consolidated Fund.

During the financial year ended 30 June 2023, the Corporation contributed TZS 17.90 billion (30 June 2022: TZS 44.63 billion) to the Government Consolidated, comprised of 15% of recognized gross operating revenue TZS 10.40 billion (30 June 2022: TZS 13.78 billion), 70% of surplus funds TZS 7.50 billion (30 June 2022: TZS 29.71 billion) as summarized below:

Payment Details	2022/23 (TZS'000')	2021/22 (TZS'000')
1 Quarter Contribution	2,346,429	3,365,337
2 Quarter Contribution	2,293,996	3,471,571
3 Quarter Contribution	2,882,139	3,471,571
4 Quarter Contribution	2,882,139	3,471,571
Contribution Payable (c/f)		-
Sub-Total (15% of Gross Revenue)	10,404,703	13,780,050
Redemption of Excess Capital (70% of surplus funds)	7,500,000	29,710,871
Grand-Total	<u>17,904,703</u>	<u>43,490,922</u>
Analysis of Contribution paid		
Contribution for the year	17,904,703	43,490,922
Contribution b/f	-	762,851
Contribution c/f	-	-
Cash amount paid	<u>17,904,703</u>	<u>44,253,773</u>

19. CONTRIBUTION AND SUBSCRIPTION TO OTHER BODIES

The Corporation remitted contribution and paid subscriptions to national and international bodies related to maritime transport sector. Contributions made during the year amounted to TZS 1.08 billion (30 June 2022: TZS 1.14 billion). These contributions were made as follows:

(a) Contribution and subscription to the international organizations

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These were made on behalf of the Government of the United Republic of Tanzania to the following beneficiaries:

- i) The Intergovernmental Standing Committee on Shipping (ISCOS) which is a regional body based in Mombasa, Kenya, established by four Member States of Kenya, Tanzania, Uganda and Zambia in the year 1967 and a permanent Secretariat was established in the year 1974 with the legal agreement to establish the institution signed in 1987 to perform, on the behalf of Member States, various functions such as negotiation on freight rates, fighting against unjustifiable surcharge and other charges on seaborne cargo. During the year ended 30 June 2023, the contribution made to ISCOS was TZS 973.29 million (30 June 2022: TZS 959.90 million);
- ii) The International Maritime Organization (IMO) which is the United Nations specialized agency based in London, United Kingdom, with responsibility for the safety and security of shipping and the prevention of marine and atmospheric pollution by ships. During the year ended 30 June 2023, contribution made by the Corporation to IMO, TZS 19.84 million (30 June 2022: TZS 18.64 million);
- iii) The Indian Ocean Memorandum of Understanding on Port State Control (IOMOU) between national maritime authorities of Australia, Bangladesh, Djibouti, Eritrea, Ethiopia, India, Iran, Kenya, Maldives, Mauritius, Mozambique, Myanmar, Oman, Seychelles, South Africa, Sri Lanka, Sudan, Tanzania and Yemen on Port State Control for the Indian Ocean Region. During the year ended 30 June 2023, there was no IOMOU contribution made by the Corporation (30 June 2022: TZS 18.17 million); and
- iv) The subscriptions to the service provider, Fulcrum Maritime Systems Limited of London, UK for Long Range Identification and Tracking (LRIT) of ships for global identification and tracking of Tanzania registered ships. During the year ended 30th June 2023, there was no LRIT subscription made by the Corporation (30 June 2022: TZS 27.43 million).

(b) Contribution to the National body

Contribution to National body was made to the Maritime Education & Training Fund (MET Fund) Board at the rate of 0.1% of the Corporation's gross revenue in compliance with Regulation 5 of the Merchant Shipping (Maritime Education and Training Fund) Regulations, 2011 (GN. No. 184 published on 18 May 2012). During the year ended 30 June 2023, provisional contribution made to MET Fund was TZS 89.23 million (30 June 2022: TZS 102.32 million).

The summary of the total contribution and subscriptions made in the year 2022/2023 is provided below;

	<u>2022/23</u>	<u>2021/22</u>
	TZS '000	TZS '000
Contribution to ISCOS Secretariat	973,290	959,912
Contribution to IMO	19,838	18,646
Contribution to MET Fund	89,231	102,173
Contribution to PMAESA	-	8,622
Contribution to IOMOU	-	18,174
Subscription for LRIT System	-	27,432

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	<u>1,082,359</u>	<u>1,135,104</u>
Analysis of Cash paid		
Provision for IMO contribution payable b/f	80,626	61,980
Provision for IMO contribution c/f	-	(80,626)
Provision for MET Fund contribution b/f	102,319	84,506
Provision for MET Fund contribution c/f	(89,261)	(102,319)
Provision for IOMOU contribution b/f	-	18,186
Provision for IOMOU contribution c/f	-	-
Expenses for the year	18,987,091	1,135,104
Total Cash Paid	<u>19,080,776</u>	<u>45,370,603</u>

20. BANK CHARGES

Bank charges and other bank expenses	<u>85,708</u>	<u>73,019</u>
	<u>85,708</u>	<u>73,019</u>

21. CORPORATION TAX

The Corporation's exclusive mandate on shipping business functions are subject to corporation tax. The tax returns were filed during the year in compliance with section 91(1) of The Income Tax Act [CAP. 332 R.E 2019]. However, the Finance Act, No.05, 2022 that released during the beginning of the year, amend Section 7(1) of the Tanzania Shipping Agencies Act, Cap. 415 by removing exclusive mandate of TASAC to provide Shipping agency, Ship Tallying and document control management services, while limited scope on Clearing and Forwarding functions to some few items. This change reduces revenue collection from Shipping Business in the year and lead to the Corporation to incur loss, hence failed to pay Corporate Tax. The computation of Corporate Tax is as shown below;

Tax expenses

Current tax	(3,564,919)	5,245,791
Deferred tax	(25,309)	39,793
Additional Tax Paid for the year 2019/2020	-	1,693,334
Final Tax paid for the year 2020-2021	-	2,513,983
Tax expenses for the year 2020-21 (Reversed Tax Receivable)	-	1,099,251
	<u>(3,590,229)</u>	<u>10,592,151</u>

Computation of current tax is as provided below:

Shipping Business Revenue:		
Shipping Agency revenue	38,212	6,908,226
Shipping Tallying revenue	1,360,429	8,347,715
Clearing & Forwarding Agency revenue	5,027,949	22,675,351
Shipping Document Control revenue	135,428	<u>1,202,924</u>
Commission on Disbursements	252,862	319,683
Total Revenue	6,814,881	39,453,900

Shipping Business Expenses:

Staff Salaries & other benefits	14,490,528
	15,944,105

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Contribution to Govt. Consolidated Fund	1,367,439	16,769,937
Other Operating Expenses	2,871,718	7,789,569
Total Expenses	20,183,262	39,050,034
Profit/(Loss) as per accounts	(13,368,382)	403,865
Add back: disallowable expenses:		
Depreciation & Impairment (100%)	464,048	426,790
Amortization (100%)	13,466	5,537
Contribution to Consolidated Fund	1,367,439	16,769,937
Funeral expenses (100%)	10,804	48,346
Fines & Penalties (100%)	268	267,083
Contribution/Donation (100%)	7,668	66,442
Internet services & Telephone Exp. (25%)	14,162	62,938
Mobile Phone Top-Up (25%)	-	-
Sub-Total - Disallowable Expenses	1,877,856	17,647,073
Less: Allowable Expenses		
Wear & Tear-Tangibles	(379,684)	(559,432)
Wear & Tear-Intangibles	(13,466)	(5,537)
Sub-Total - Allowable Expenses	(393,150)	(564,969)
Adjusted Profit (loss)	(11,883,676)	17,485,970
Loss b/f	-	-
Net Adjusted Profit (loss)	(11,883,676)	17,485,970
Corporate Tax thereon at 30%	(3,564,103)	5,245,791
<u>Tax Receivable/(Payable)</u>		
Opening balance	(1,458,825)	1,099,251
Adjustment on Opening balance	105,239	(1,099,251)
Current tax payable	-	5,245,791
Provisional Tax paid for the year 2022-2023	-	3,786,965
Final Tax paid for the year 2021-2022	1,353,586	-
	-	(1,458,825)

Deferred Tax Liability

Deferred Tax liability as at 30 June 2023 was TZS 319.07 million (30 June 2022: TZS 344.38 million) resulted to Tax release of TZS 25.31 million that was included to Miscellaneous income. The computation was based on the Asset that were used to generate Shipping Business Income whose Carrying Value and Written Down Value at 30 June 2023 were TZS 1,934.71 million and TZS 871.12 million respectively as shown below:

A: Carrying Value (NBV)

Details	Cost	Accumulated Depreciation/Amortization	Carrying Value (NBV) TZS '000'
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TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Balance as at 30th June 2023 TZS '000'	Balance as at 30th June 2023 TZS '000'	
Motor vehicles	2,118,360	742,546	1,375,815
Fixtures, Fittings & Furniture - Office	214,323	84,483	129,840
Office Equipment	274,016	99,364	174,652
Computers, Servers & UPS	703,470	449,069	254,400
Total (Carrying Value)	3,310,169	1,375,461	1,934,707

B: Written Down Value (WDV)

	Class I TZS '000'	Class III TZS '000'	Total TZS '000'
WDV (PPE) as at 1st July 2022	852,458	335,697	1,188,155
Additions during the year			-
Motor vehicles			
Fixtures, Fittings & Furniture - Office			
Computers, Servers & UPS	40,873		40,873
Office Equipment		21,778	21,778
Total	893,331	357,475	1,250,806
Depreciable Asset Rates	37.50%	12.50%	
Less: Depreciable asset allowances	(334,999)	(44,684)	(379,684)
WDV as at 30th June 2023	558,332	312,791	871,123

A: Total Carrying Value (NBV)	1,934,707
B: Total Written Down Value (WDV)	871,123
Temporally Difference (A-B)	1,063,584
Tax Rate (30%)	0.30
Deferred tax liability/(asset)	<u>319,075</u>

	2022/23	2021/22
Opening balance-	344,385	304,592
Deferred tax relating to previous year		
Charge/(release)	(25,309)	39,793
Closing balance as 30 June 2023	<u>319,075</u>	<u>344,385</u>

22. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the financial year ended 30 June 2023 had a balance of TZS 23.59 billion (30 June 2022: TZS 36.20 billion). The summary of cash and cash equivalent balances is provided below:

Cash on Hand (Petty Cash)	8,125	15,402
Cash at Banks:		
NBC - Expenditure A/c - TZS	1,109,371	2,647,380
NBC - Expenditure A/c - US\$	3,971	326,755
NBC- Revenue collection A/c - TZS	-	-
NBC- Revenue collection A/c - US\$	35	1,871,771
		155

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NMB- Revenue collection A/c - TZS	-	2,125
NMB- Revenue collection A/c - US\$	-	-
CRDB- Customers Deposit A/c - TZS	595,479	27,653
CRDB- Customers Deposit A/c - US\$	816,622	2,624,470
CRDB - Revenue Collection A/c - TZS	1,319,715	-
CRDB- Revenue Collection A/c - USD	449	-
BOT- Revenue Collection A/c - TZS	1,665,746	10,539,072
BOT- Revenue Collection A/c - US\$	18,093,804	18,149,468
Total	23,613,317	36,204,095
Less: Expected Credit loss	(22,681)	-
	23,590,636	36,204,095

Computation of allowances for impairment of Cash & Cash equivalent:

Instrument counterparty	PD Classification	Exposure at reporting date in local currency	12 Month PD	LGD	Loss rate	Expected Credit Loss
		TZS'000				TZS'000
NBC	Corporate	1,113,377	0.0553	0.800	0.003636	4,666
NMB	Corporate	-	0.0285	0.800	0.001874	-
CRDB	Corporate	2,732,265	0.0285	0.800	0.001874	5,459
BOT	Sovereign	19,759,550	0.0104	0.800	0.000684	13,429
		23,605,192				22,681

23. RECEIVABLES AND PREPAYMENTS

Receivables and prepayments as at 30 June 2023 were TZS 49.97 billion (30 June 2022: TZS 36.61 billion) consisted of Receivables TZS 49.83 billion (30 June 2022: TZS 34.83 billion) and prepayment & advances TZS 144.22 million (30 June 2022: TZS 1.79 billion). The increase in Receivables was mainly attributed by unpaid Levy from Tanzania Port Authority (TPA) which reached to TZS 31.47 billion as at 30 June 2023 despite several efforts initiated by Management to collect this debt. The balance of prepayment & advances as at 30 June 2023 of TZS 144.22 million include retirements from Imprest that were banked after 30 June 2023 amount to TZS 57.21 million, unrefunded balance of TZS 49.49 million from GPSA for procurement of five (5) Motor cycles and prepaid rent expenses TZS 36.1 million for Mtwara, Mara, Geita and Kyela Offices. However, decrease in prepayment and advances was mainly caused by receipt of six (6) Motor vehicles from GPSA. The summary of receivables and prepayments is provided below:

	<u>2022/23</u> <u>TZS'000</u>	<u>2021/22</u> <u>TZS'000</u>
<u>Receivables from exchange transactions:</u>		
Shipping business services	5,281,140	6,903,308
<u>Receivables in respect of non-exchange transactions:</u>		
Service Providers Levy (TPA)	31,472,785	11,877,350
Service Providers Levy (MSCL)	627,792	553,502
Service Provider Levy (Others)	1,819,056	2,524,817
Shipping fees	10,050,789	13,275,861
	43,970,422	27,678,028
<u>Other Receivables:</u>		
Staff Loans Revolving Funds (LATRA)	678,218	678,218

156

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Receivables from MLVMCT Project	738,687	218,596
Sundry Debtors	5,078	-
Receivable from Clearing & Forwarding Customers	691,464	-
Receivable from Shipping Agency Customers	6,555,994	-
	8,669,441	896,815
<u>Advances and Prepayments:</u>		
Staff advances and imprest	57,207	49,261
Advances to Suppliers	50,934	1,534,683
Prepayments	36,080	204,027
	144,221	1,787,971
	58,065,223	37,266,123
Less: Expected credit loss	-8,091,422	-652,226
	49,973,801	36,613,897
Allowances for impairment on receivables		
Balance brought forward	652,226	652,226
Day one Impact	346,605	-
Amount written - off	-	-
Amount recovered	-	-
Charge during the year	7,092,591	-
Balance carried forward	8,091,422	652,226
<u>Age analysis of Receivables and Prepayments is as shown below:</u>		
==>Neither past due nor impaired 1- 30 days	19,980,191	15,397,714
==>Past due but not impaired		
<u>Not impaired & overdue 31 - 90 days</u>	6,313,099	3,214,556
<u>Not impaired & overdue 91 - 360 days</u>	13,211,779	5,899,142
<u>Not impaired & overdue above 360 days</u>	10,324,511	12,102,485
	49,829,580	36,613,897
<u>Analysis of Receivables from LATRA:</u>		
Opening Receivable from LATRA	678,218	678,218
Additional/ (Payment) during the year	-	-
Closing Receivable from LATRA	678,218	678,218
<u>Analysis of Receivable from MLVMCTP</u>		
Opening Receivable	218,596	68,866
Additional payment during the year	1,992,984	149,930
Amount paid during the year	-1,472,893	-
Closing Receivable	738,687	218,596
Cash paid		
Additional payment during the year	1,992,984	149,730
Funds transferred to MLVMCT Special A/c	6,325,287	-
Total payment	8,318,271	149,730

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Expected Credit Loss (ECL) - TZS 8,091.42 Million

The expected credit loss (ECL) as at the previous period was TZS 998.83 million while the additional ECL during the year was 7,092.59 million that lead to the balance of TZS 8,091.42 million as at reporting date, as shown in the table below;

ECL as at Previous Period 01.07.2022

	0-30	31-60	61-90	91-180	181-360	360+
Total Receivables as at Assessment Date	14,703,260	806,435.0	1,373,666	4,375,721	2,646,356	39,718
Loss Rate	3%	3%	3%	4%	11%	100%
Provision Amounts	422,756	23,553	42,221	175,080	295,319	39,903
Total Provision amount	998,831					
	4%					

ECL as at Reporting Date 30.06.2023

Age group	0-30	31-60	61-90	91-180	181-360	360+
	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
Total Credit Receivables for the year	5,247,609	615,189	961,509	1,532,335	3,659,499	7,184,619
Loss Rate	5%	5%	6%	7%	12%	100%
Provision Amounts	267,657.98	31,953.12	52,929.52	104,360.32	440,046.47	7,194,474.81
Total Provision amount	8,091,422					

Financial Assets	Financial Assets		Expected Credit Loss		ECL Percentage	
	Exposure as at Previous Period	Exposure as at Reporting Date	ECL as at Previous Period	ECL as at Reporting Date	% Movement of ECL (Previous VS Current)	% of ECL as at Reporting Date
ECL Receivables	23,945,155	19,200,760	998,831	8,091,422	7,092,591	42.14%

Receivable from LATRA - TZS 678.22 million

This is share of TASAC on the balance of SUMATRA loan revolving fund that was supposed to be distributed to TASAC and LATRA based on the number of SUMATRA Staffs transferred between these two new established Institutes. LATRA has agreed to transfer this fund during the financial year 2023/2024.

Receivables from MLVMCT project - TZS 738.69 million

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

These are various payments made by TASAC on behalf of the Multinational Lake Victoria Communication and Transport (MLVMCT) project during the financial year 2022/2023. TASAC is National Executing Agency (NEA) of MLVMCT project. This receivable will be refunded to TASAC account during the next financial year 2023/2024. Addition information on MLVMCT project is provided under Note 46.

Receivables from Shipping Agency Customers - TZS 6.56 Billion

This is uncollected Stevedoring and Marine Services fees from the customers received TPA services by which the Corporation was a Shipping Agent and a Clearing and Forwarding Agent. This amount will be paid by customers to TPA direct or through the Corporation's by depositing the amount on the customer deposit account. The Corporation has recorded these transactions as receivables and payables (refer Note no 25) because was neither a Service provider nor beneficiary of the service (customers) but involved as an agent in those transactions and has responsibilities to ensure the business is completed. However, this debt is still under reconciliation with TPA as there were bills included which received objections from customers.

Receivables from Clearing and Forwarding Customers - TZS 691.46 million

This is uncollected Petroleum products testing fees from Oil Marketing Companies (OMCs) that is payable to TBS during when the corporation was a Clearing and Forwarding Agent of the OMCs. The corporation has recorded these transactions as receivables and payables (refer Note no 25) because the Corporation was neither a Service provider nor beneficiary of the service (customers) but involved as Clearing and Forwarding Agent of the customers and has responsibilities to ensure the business is completed and the debt is settled.

24. INVENTORIES

	2022/23 TZS '000	2021/22 TZS '000
Stock of Stationery	58,334	370,192
Container Seal	104,328	104,328
Stock of Computer Consumables	100,852	159,247
Stock of Certificates	16,941	15,645
Stock of Licences	12,872	9,082
Stock of kitchen, food and beverage	2,871	996
	<u>296,198</u>	<u>659,489</u>
Less: Provision for obsolete stock	<u>296,198</u>	<u>659,489</u>
	<u>296,198</u>	<u>659,489</u>
<u>Amount of inventories recognized as expense during the year:</u>	<u>738,862</u>	<u>293,390</u>
Carrying amount of inventory used	<u>738,862</u>	<u>293,390</u>

The amount of inventories recognized as an expense during the year ended 30 June 2023 was TZS 738.86 million (30 June 2022: TZS 293.39 million), which is within the Office Supplies and Services expenses of TZS 872.99 million (30 June 2022: TZS 334.28 million) provided under Note 16 of these financial statements.

No inventory items were pledged as security during the financial year ended 30 June 2023.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

PAYABLES AND ACCRUED EXPENSES

Payables are non-interest bearing and are normally settled on 30-day terms. Accrued expenses are recognized expenses on the books of account as they are already incurred before they are paid; and are recorded in the accounting period in which it is incurred. The carrying value of trade and other payables approximates their fair value.

The total payables and accrued expenses as at 30 June 2023 were TZS 9.82 billion (30 June 2022: TZS 5.44 billion). The increase consisted of TZS 6.56 billion of uncollected amounts on behalf of TPA and TZS 691.46 million of TBS while the Corporation was exercising its role as Shipping and Clearing & Forwarding Agents. The Corporation has recorded these transactions as receivables and payables as was neither service provider nor beneficiary of the service but involved as an agent and has responsibility to ensure the business is completed and the debt is paid (Refer Note 25).

The Corporation's summary of payables and accrued expenses as at 30 June 2023 were as given below:

	2022/23 TZS'000	2021/22 TZS'000
Accrued expenses	-	1,207,139
Advanced received from Customers for TPA Charges	395,722	3,157,742
Advances received from Customers - Others	1,657,935	-
Uncollected Vessel and Cargo Charges for TPA	6,555,994	-
Uncollected Petroleum products' test fee for TBS	691,464	-
Other Staff payable	166,494	165,245
Supplier's payables	383,187	329,128
Stale cheque	-	83,706
W/Tax	1,523	-
VAT Returns	(66,171)	483,839
PAYE	32,277	12,367
	9,818,424	5,439,256

However, as at 30th June 2023, there was a total of unpaid Port and Cargo charges of 8.21 billion for Tanzania Port Authority (TPA) from the Vessels handled by TASAC as Shipping and Clearing & forwarding Agent. Out of which TZS 1.66 billion was in the Customer Deposit and while the remain TZS 6.56 billion will be collected from Customers. However, this debt is still under reconciliation as was included bills from TPA that were not agreed by customers. Summary as shown in the table below;

	2022/23 TZS '000	2021/22 TZS '000
Uncollected Vessel charges for TPA	6,555,994	-
Funds already received in Customer Deposit for TPA Charges	1,657,935	-
Total	8,213,929	-

25. PROVISIONS

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Provisions during the financial year ended 30 June 2023 was TZS 89.23 million (30 June 2021: TZS 900.49 million) being contribution to MET fund which is computed as 0.1% of gross operating revenue and paid after the year end as summarized below:

IMO Contribution *	-	80,626
IOMOU Contribution **	-	-
MET Fund Contribution ***	89,231	102,319
Other Provisions ****	-	717,550
Total current provisions	89,231	900,496
Movement during the year		
Balance as at 1 July (current/Non-current)	900,496	2,043,727
Additional provisions made during the year	89,231	120,819
Amounts used during the year	(198,040)	(1,264,196)
Unused amount reversed during the year	(702,455)	-
Balance as at 30 June	89,231	900,496

26. EMPLOYEE BENEFITS PAYABLE

Employee benefits payable consists of employee benefits payable to the Staffs during the year. However, there was no benefits payable as at 30 June 2023 (30 June 2022: TZS 00 million) as shown below;

	2022/23 TZS '000	2021/22 TZS '000
Gratuity payable at end of contract	-	-
Comprising:		
Balance c/f	-	54,863
Gratuity accumulated during the year	-	-
Gratuity paid during the year	-	(54,863)
Total accumulated payable	-	-

27. CAPITAL FUND

The capital fund was established from the Certificate of Transfer of assets and liabilities from SUMATRA to TASAC effective from 1 July 2018. The capital fund was initially established at TZS 22.09 billion and during the financial year ended 30 June 2020, additional capital of TZS 2.18 billion was received from the funds set aside at SUMATRA (now LATRA) to the completion of construction of office building, making the capital fund of the Corporation at TZS 24.26 billion. Therefore, until 30 June 2023, the capital fund of the Corporation remained at TZS 24.26 billion.

28. ANALYSIS OF EXPENSES BY FUNCTION

	2022/23 TZS'000	2021/22 TZS'000
Administrative Expenses	48,352,280	47,994,941
Regulatory Expenses	5,770,875	4,715,308
Business Expenses	847,106	1,882,498
		161

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Training and Staff Development Expenses	1,632,819	1,176,746
Directors Fees & Other Board Expenses	405,144	407,289
Contribution to the Government Fund	17,904,703	43,490,922
Contribution/Subscription to International Bodies	1,082,359	1,135,104
	75,995,285	100,802,808

30. PROPERTY AND EQUIPMENT

The value of the Corporation Fixed Asset (Property and Equipment) as at 30 June 2023 was TZS 16.85 billion (30 June 2022: TZS 16.35 billion). During the year Asset of TZS 3.55 billion (30 June 2022: TZS 4.14 billion) were purchased which include Motor vehicles (6), Laptop (102), Printers (15), Projector (5), Paper Shredder (25), Binding Machine (30), Television Set (30), Electronic typewriter (2), Ship Survey Kit (12), Software and Licenses, Video Conference system etc. Moreover, Asset (Office furniture and Equipment) with value of TZS 457.40 million were freely transferred to Land and Transport Regulatory Authority (LATRA) and Tanzania Port Authority (TPA) that lead to the loss on disposal of Asset amounting to TZS 442.41 million. Further, the Corporation own Residential building on Plot No. 301 at Kijitonyama, Dar Es Salaam, and two Motor vehicles Toyota Pick Up Hilux D/Cabin STL 8377 (TZS 31.85 million) and STL 4872 (TZS 3.36 million) which were not in use as at 30 June 2023. Assessment for the impairment of the two grounded vehicles was conducted by TEMESA.

Summary of Property and Equipment is as shown below (Figures in TZS '000):

Category of Assets	Cost	Accumulated Depreciation	Net Book Value	Receipt from Disposal	Loss on Disposal
Fixtures, Fittings & Furniture - Office	51,646	14,991	36,655	-	(36,655)
Office Equipment	405,753		405,753	-	(405,753)
Total	457,399	14,991	442,408		(442,408)

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

PROPERTY AND EQUIPMENT (Figures in TZS '000)

PROPERTY AND EQUIPMENT (Figures in TZS '000)									
	Cost			Accumulated Depreciation and Accumulated Impairment					Carrying value as at 30 June
	Cost as at 1 July	Additions during the Year	Disposal during the year	Balance as at 30 June	Balance as at 1 July	Depreciation Charge for the year	Impairment Loss for the year	Acc. Depreciation Reversed	
2022/23									
Leasehold Land	563,121	14,688		577,809	-	-	-	-	577,809
Buildings	6,175,168			6,175,168	9,108	203,781	-	-	5,962,280
Motor vehicles	8,316,096	970,051		9,286,147	1,846,816	1,098,250	5,088	-	6,335,992
Plant and machinery (Generators)	58,499	-		58,499	29,249	3,900	-	-	25,349
Fixtures, Fittings & Furniture - Office	1,443,135	4,106	(51,646)	1,395,595	476,573	278,657	-	(14,991)	655,355
Computers, Servers & UPS	2,530,527	777,902		3,308,429	1,413,950	715,287	-	-	1,179,192
Office Equipment	1,433,003	1,787,460	(405,753)	2,814,710	396,305	300,849	-	-	2,117,555
Total	20,519,548	3,554,208	(457,399)	23,616,356	4,172,002	2,600,724	5,088	(14,991)	16,853,533
2021/22									
Leasehold Land	390,000	173,121		563,121	-	-	-	-	563,121
Buildings	69,000	6,106,168		6,175,168	6,831	2,277	-	-	6,166,060
Motor vehicles	4,610,986	3,705,110		8,316,096	965,139	870,924	10,752	-	6,469,280
Plant and machinery (Generators)	58,499	-		58,499	21,937	7,312	-	-	29,249
Fixtures, Fittings & Furniture - Office	1,435,055	8,080		1,443,135	296,878	179,695	-	-	966,561
Computers, Servers & UPS	2,473,564	56,963		2,530,527	917,558	496,393	-	-	1,116,577
Office Equipment	1,236,911	196,092		1,433,003	231,114	165,191	-	-	1,036,697
Sub-Total	10,274,014	10,245,533		20,519,548	2,439,458	1,721,792	10,752	-	16,347,546
Capital Work in Progress	6,106,168	(6,106,168)		-	-	-	-	-	-
Total	16,380,182	4,139,365		20,519,548	2,439,458	1,721,792	10,752	4,172,002	16,347,546

Controller and Auditor General

AR/PA/TASAC/2022/23

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Cash paid from Property and equipment

	2022/23	2021/22
Advance to Suppliers b/f	1,534,683	5,137,284
Additional during the year	(3,554,208)	(4,139,365)
Advance to Supplier c/f	(50,934)	(1,534,683)
Payable related to PPE c/f	-	-
Cash amount paid	(2,070,458)	(536,765)

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31. INTANGIBLE ASSETS (Figures in TZS '000)

	Cost		Accumulated Amortization		Carrying value as at 30 June
	Cost as at 1 July	Additions during the Year	Balance as at 1 July	Amortization charge for the year	Balance as at 30 June
2022/23					
Software - Administration & Operations	1,739,571	132,792	310,544	176,321	486,865
WIP- Shipping Business System	942,250	-	-	-	-
WIP- Revenue Gateway		274,462	-	-	-
Total	2,681,821	407,254	310,544	176,321	486,865
2021/22					
Software - Administration & Operations	1,256,259	483,312	166,370	144,174	310,544
WIP- Shipping Business System	760,690	181,560	-	-	-
Total	2,016,948	664,872	166,370	144,174	310,544

Analysis of cash payment for procurement of Software and facilitation of construction of Revenue Gateway

	2022/23	2021/22
	(407,254)	(664,872)

Additional procured Intangible Asset

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	2022/23 TZS '000	2021/22 TZS '000
30. RECONCILIATION OF CASH FLOW FROM OPERATING ACTIVITIES		
32.1 Cash Flow from Operating Activities - Indirect Method		
Surplus for the year	13,236,029	1,516,386
Add / (Less):		
Depreciation for the year (Note 30)	2,600,724	1,721,792
Amortization charge for the year (Note 31)	176,321	144,174
Impairment Loss on PPE for the year (Note 34)	5,088	10,752
Impairment loss on Receivables (Note 23)	1,079,865	
Impairment loss on Cash (Note 22)	(19,532)	
Loss on Disposal of Fixed Asset (Note 30)	442,409	-
Unrealized Exchange (gain)/loss (Note 11)	(133,336)	(284,105)
Changes in Receivables & advances (Note 32.3)	(14,515,302)	19,198,682
Changes in Payables (Note 32.2)	(5,163,688)	(1,843,431)
Changes in Inventory (Note 24)	363,291	(434,529)
Net cash from operating activities	(1,928,132)	20,029,721
 32.2 Analysis of Changes in Payables		
Payables and Accrued Expenses	9,818,424	5,439,256
Employee benefits	-	-
Tax payable	-	1,458,825
Provisions	89,231	900,496
Deferred Tax liability	319,075	344,385
Sub Total - Payable related to Operating Activities	10,226,730	8,142,962
Payables related to property, equipment and Intangible Asset	-	-
	10,226,730	8,142,962
 Payable 2022/2023		10,226,730
Payable 2021/2022		(8,142,962)
Net change		2,083,768
 32.3 Analysis of Changes in Receivables and Prepayments		
Receivable relating to Operating activities	49,256,640	34,581,37
Staff advances and Imprest (Operating activities)	57,207	49,261
Prepayments (Operating activities)	36,080	204,027
Receivable from Shipping Agency Customers	6,555,994	-
Receivable from Clearing & Forwarding Customers	691,464	-
Sub Total (Receivables & Advances - Operating activities)	56,597,384	34,834,625
Receivable from LATRA (Financing activities)	678,218	678,218
Advances to Suppliers (Investing activities)	50,934	1,534,683
	57,326,536	37,047,527
 Receivable 2022/2023		56,597,384
Receivable 2021/2022		(34,834,625)
Net Change		21,762,759

32. ANALYSIS OF CASH FLOWS FROM INVESTING ACTIVITIES

33.1 Cash flow analysis from additions of Property and Equipment

166

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Analysis of Cash paid

Property and Equipment payable b/f	-	-
Advance to Supplier b/f	1,534,683	5,137,284
Additions during the year	(3,554,208)	(4,139,365)
Advance to Supplier c/f	(50,934)	(1,534,683)
Payable C/f	-	-
Net Cash amount paid	(2,070,458)	(536,765)

33.2 Cash flow analysis from additions of Intangibles

Analysis of Cash paid

Intangibles payable b/f	-	-
Additional Intangible Assets	(407,254)	(664,872)
Payable c/f	-	-
Cash amount paid	(407,254)	(664,872)

33. IMPAIRMENT OF NON-CURRENT ASSETS

a) TOYOTA - PICK UP HILUX (STK 8377)

A: Carrying Amount	59,828	59,828
Cost	(28,306)	(21,082)
Accumulated Depreciation	(17,072)	((6,892)
Accumulated impairment	14,449	31,854
Net Book value (Carrying Amount)	4,563	5,330
Recoverable Service Amount	4,563	5,330
B: Fair value less cost to sell		
C: Value in use (Restoration cost approach)	92,347	92,347
Replacement Cost	57,717	46,173
Accumulated Depreciation	34,630	46,173
Depreciated Replacement cost (undamaged)	25,097	24,500
Less: Restoration Cost	9,533	21,673
Value in use	9,533	21,673
D: Recoverable Service Amount (Higher of B & C)	9,533	21,673
Impairment loss (A-D)	4,916	10,181

b) TOYOTA - PICK UP HILUX (STL 4872)

A: Carrying Amount	91,482	91,482
Cost	(26,217)	(25,287)
Accumulated Depreciation	(63,405)	(62,833)
Accumulated impairment	1,860	3,362
Net Book value (Carrying Amount)	1,860	3,362

Recoverable Service Amount

B: Fair value less cost to sell	1,688	2,790
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C: Value in use (Restoration cost approach)

Replacement Cost	92,347	92,347
Accumulated Depreciation	57,717	46,173
Depreciated Replacement cost (undamaged)	34,630	46,173
Less: Restoration Cost	85,865	85,865
Value in use	(51,235)	(39,692)

167

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

D: Recoverable Service Amount (Higher of B & C)	1,688	2,790
Impairment loss (A-D)	172	572

Valuation of the motor vehicles was conducted by TEMESA in which restoration cost for both Motor vehicles were obtained. Fair value was derived from observable market prices, meanwhile replacement cost was the price of the similar type of motor vehicle recently purchased by the Corporation.

34. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Fair value of assets and liabilities are included at price that would be received to sell an asset or paid to transfer a liability in an orderly transaction by market participants at measurement date. During the financial year ended 30th June 2023, there were no assets that were carried at fair value. The financial assets and liabilities by category are summarized below:

(a) Financial Assets:

	Carrying Value TZS'000	Amortised Cost TZS'000
30 June 2023		
Cash and cash equivalents	23,590,636	23,590,636
Receivables from exchange transactions	5,281,140	5,281,140
Receivables from non-exchange revenue	43,975,500	44,009,140
Receivables from LATRA	678,218	678,218
Receivables from MLVMCTP	738,687	738,687
	74,264,181	74,293,619
30 June 2022		
Cash and cash equivalents	36,204,095	36,204,095
Receivables from exchange transactions	6,903,308	6,903,308
Receivables from non-exchange revenue	27,678,028	27,678,028
Receivables from LATRA	678,218	678,218
Receivables from MLVMCTP	218,596	218,596
	71,682,246	71,682,246

(b) Financial Liabilities:

	Carrying Value TZS'000	Amortised Cost TZS'000
30 June 2023		
Payables	2,570,967	2,570,967
Corporate Tax liability	-	-
	2,570,967	2,570,967
30 June 2022		
Payables	5,439,256	5,439,256
Corporate Tax liability	1,458,825	1,458,825
	6,898,081	6,898,081

The Fair value of financial instruments, where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques, including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs, such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Inputs into fair value assumptions are disclosed in the notes where the respective fair value measurements are discussed.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

36. RELATED PARTY TRANSACTIONS

- (a) The Board Members, including Chairman, and Senior Management employees (Directors and Heads of Unit) are related parties for the Corporation. Related party transactions during the year ended 30th June 2023 are Board Members expenses amounting to TZS 148.61 million (30th June, 2022: 160.91 million) and senior management salaries and other benefits amounting to TZS 1.41 billion (30th June, 2022: 1.78 billion). **Board Members Expenses:**

	2022/23	2021/22
	TZS '000	TZS '000
Directors fees	72,000	71,032
Subsistence Allowances - Domestic	41,552	18,076
Subsistence Allowances - Foreign	0.00	10,934
Air Travel Tickets - Domestic	13,110	2,667
Air Travel Tickets - Foreign	0.00	2,393
Sitting Allowances	1,800	
Ground Travel Expenses	9,144	9,130
Vehicle fuel & Lubricants	0.00	21,145
Seminar & Tuition fees	11,006	3,900
Visa fees	0.00	-
Conference, Food & Refreshments	0.00	21,631
Sub Total - Board Members Expenses	148,612	160,908

(b) Senior Management Salary and other benefits:

	No:	TZS '000	TZS '000
Basic Salary:			
Director General	01	136,640	114,000
Directors	07	692,173	597,385
Heads of Unit	02	201,138	140,859
Sub-total for Basic Salary		1,029,951	923,276
Allowances**:			
Director General	01	32,500	49,200
Directors	07	145,178	256,797
Heads of Unit	02	37,572	80,887
Sub-total for Allowances		215,250	386,884
Contributions to Pension Fund (PSSSF)***			
Director General	1	20,496	17,100
Directors	07	103,826	89,608
Heads of Unit	02	30,170	21,129
Sub-total for Contributions		154,492	127,837
Gratuity****		-	-

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Grand Total		1,399,693	1,785,579
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Notes:

- * The Board is composed of seven (7) members including the Chairman.
- ** Allowances for Management Staff consists of housing allowance, utility allowance, transport allowance and motor vehicle maintenance allowance for Management staff using own vehicles.
- *** Contribution to PSSSF is made under defined contribution plans for Management staff who are on permanent and pensionable terms of employment.

37. EXPLANATIONS OF VARIANCE BETWEEN BUDGET AND ACTUAL AMOUNTS

(a) Original Budget and Final Budget

The Corporation's original budget for the financial year ended 30 June 2023 was adjusted during the half-year review to arrive at the final budget. Final budgeted revenue for the year was reduced from TZS 92.57 billion to 73.85 billion as result of the amendment made on Section 7(1) of the Tanzania Shipping Agencies Act, Cap. 415 by took away exclusive mandate of TASAC to provide Shipping agency, Ship Tallying and document control management services, while limited scope on Clearing and Forwarding functions to some few items.

The total recurrent expenditure budget was revised from TZS 86.39 billion to TZS 71.05 billion, a decrease of TZS 15.34 billion to respond changes on budgeted revenue.

(b) Final Budget and Actual Amounts

The Corporation's recognized revenues for the year ended 30th June 2023 was TZS 89.23 billion (30 June 2022: TZS 102.32 billion) which was above the final budget of TZS 73.85 billion (30 June 2022: TZS 92.57 billion) by TZS 15.37 billion (30 June 2022: TZS 9.74 billion), equivalent to over-performance by 20.82% (30 June 2022: 10.53%). The increase in revenue performance was attributed by additional Service Provider levy from TPA for the undeclared revenue for the year 2018/19 and interest on the late payment of Service Provider Levy and Shipping fees.

The actual expenditure for the Corporation was TZS 82.01 billion (30 June 2022: TZS 100.81 billion), which was above the final budget of TZS 71.05 billion (30 June 2022: TZS 83.61 billion) by TZS 10.96 billion (30 June 2022: TZS 17.20 billion). The over-spending is mainly attributed by the remittance of excess funds to the Government Consolidated Fund amounted to TZS 7.5 billion and non-budgeted items such as depreciation and impairment.

Explanations of variances between final budget and actual amounts are provided in the table below:

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

37. EXPLANATIONS OF VARIANCE BETWEEN BUDGET AND ACTUAL AMOUNTS (CONTINUED)

(c) Explanations of Variances between Final Budget and Actual Amounts				
	Final Budget {A+B}	Actual Amount on Comparable Basis {C}	Difference: Final Budget Vs Actual	Explanations for Variances
	TZS '000	TZS'000	TZS '000	
REVENUE:				
Revenue from Non-exchange transactions				
Service Providers Levy	20,036,328	32,855,124	12,818,796	Additional Service Provider levy from TPA for the undeclared revenue for the year 2018/19.
Fees, licenses and penalties	48,140,160	47,766,237	(373,923)	Collection of Survey and Registration fees were lower than planned.
Other Income	240,402	1,046,479	806,078	Reversal of Provision expenses and release of Deferred Tax liability.
Gain/(loss) on foreign currency translation	-	1,001,454	1,001,454	Depreciation of Tanzania Shillings (TZS) against US Dollar.
Revenue from exchange transactions				
Revenue from Shipping Business Services	5,438,155	6,562,019	1,123,864	Recognition of revenue from fuel that collected by Petroleum Bulk Procurement Agency (PBPA) on behalf of TASAC.
Total	73,855,045	89,231,313	15,376,268	
EXPENSES:				
Wages, salaries and employee benefits	29,771,911	26,911,120	2,860,791	Saving is attributed to recruitment of staff below the expected planned number of additional staff.
Directors Fees & Board Members Expenses	508,340	148,611	359,729	Reduced number of days for Board Meetings and cancellation of some of Board visits

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Final Budget {A+B}	Actual Amount on Comparable Basis {C}	Difference: Final Budget Vs Actual	Explanations for Variances
	TZS '000	TZS '000	TZS '000	
Board Secretariat, Management & Supporting	310,000	256,533	53,467	Reduced number of days for Board Meetings and cancellation of some of Board visits
Travelling and Other Facilitation Expenses	17,228,793	17,227,882	912	Effective control on consumption of Motor Vehicle fuel.
Services, Supplies and consumable Expenses	8,873,906	6,903,954	1,969,952	Effective expenditure controls and use of Government facilities which were less expenses.
Repair and Maintenance expenses	2,151,482	1,170,008	981,474	Less expenses as partition and installation of equipment for TASAC Head Office was not conducted.
Contribution to Govt Consolidated Fund (15% of Gross Revenue)	10,433,335	10,404,703	28,632	Payment was made based on provision quarterly revenue and under/over payments was adjusted during payment of 70% of surplus.
Contribution to Govt Consolidated Fund (Excess fund)	-	7,500,000	(7,500,000)	Non-budgeted item, which resulted from TR computation of 70% of projected surplus funds.
Contribution to Other Bodies	1,053,903	1,082,359	(28,456)	Increase in provision for contribution to MET Fund resulted from increased revenue. Contribution to MET Fund is computed based on percentage of gross revenue.
Bank Charges	88,008	85,708	2,299	Increase in number of banks and transactions.
Corporation Tax	627,570	-	627,570	Shipping business unit did not earn any profit hence corporate tax was not paid
Impairment loss on Receivables		7,092,591	(7,092,591)	Non-budgeted item
Loss on Disposal of Assets		442,409	(442,409)	Non-budgeted item
Depreciation of property and equipment	-	2,600,724	(2,600,724)	Non-budgeted item

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Final Budget {A+B}	Actual Amount on Comparable Basis {C}	Difference: Final Budget Vs Actual	Explanations for Variances
	TZS '000	TZS'000	TZS '000	
Impairment of property and equipment	-	5,088	(5,088)	Non-budgeted item
Amortization of intangible assets	-	176,321	(176,321)	Non-budgeted item
Total	71,047,248	82,008,011	(10,960,763)	
Surplus/(deficit) during the year	2,807,797	7,223,303	4,415,506	

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

38. SEGMENTAL REPORTING.

Corporation contained two main functions that are Regulatory and Business functions. Segmental report on Statement of Financial performance and Financial position were prepared to show individual performance from each function. In preparation of report, the expenses shared by both functions that were difficult to separate, were apportioned based on revenue ratios of 92.36% and 7.64% for Regulatory and Business function respectively.

SEGMENTAL REPORTING ON THE STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	TOTAL	REGULATORY SERVICES	SHIPPING BUSINESS
	TZS'000	TZS'000	TZS'000
ASSETS			
Current assets			
Cash and cash equivalents	23,590,636	20,484,689	3,105,947
Receivables and prepayments	39,649,290	37,906,482	1,742,809
Inventories	296,198	273,577	22,622
	63,536,125	58,664,747	4,871,377
Non-current assets			
Property, plant and equipment	16,853,533	14,918,826	1,934,707
Intangible assets	1,385,498	1,279,683	105,815
Capital WIP - Shipping Business Management System	1,216,711	253,500	963,211
Receivables and prepayments	10,324,511	6,786,180	3,538,331
	29,780,253	23,238,189	6,542,064
TOTAL ASSETS	93,316,378	81,902,937	11,413,441
LIABILITIES			
Current liabilities			
Payables and Accrued Expenses	9,818,424	8,703,411	1,115,013
Provisions	89,231	82,416	6,814.88
	9,907,656	8,785,827	1,121,828
Non-current liabilities			
Employee benefits	-		
Provisions	-		
Deferred Tax liability	319,075		319,075
	319,075	-	319,075
TOTAL LIABILITIES	10,226,731	8,785,827	1,440,904
NET ASSETS	83,089,647	73,117,109	9,972,538
NET ASSETS			
Capital Fund	24,264,567	22,411,404	1,853,163
Accumulated surplus/(deficit)	58,825,081	50,705,705	8,119,375
TOTAL NET ASSETS	83,089,647	73,117,109	9,972,538

SEGMENTAL REPORTING ON THE STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

	TOTAL	REGULATORY SERVICES	SHIPPING BUSINESS
	TZS '000	TZS '000	TZS '000
Revenue			

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Revenue from Non-exchange transactions			
Service Providers Levy	32,855,124	32,855,124	-
Fees, Licenses & penalties	47,766,237	47,513,375	252,862
Other Income	1,046,479	1,046,479	-
Gain/(loss) on foreign currency translation	1,001,454	1,001,454	-
Revenue from exchange transactions	-	-	-
Revenue from Shipping Business Services	6,562,019	-	6,562,019
	89,231,313	82,416,433	6,814,881
Expenses			
Wages, salaries and employee benefits	26,911,120	10,967,015	15,944,105
Directors Fees & Other Board Benefits	405,144	374,202	30,942
Travelling and Other Facilitation Expenses	17,227,882	15,571,835	1,656,047
Services, Supplies and consumable Expenses	6,903,954	6,300,972	602,982
Repairs and Maintenance expenses	1,170,008	1,080,651	89,357
Contribution to Government Consolidated Fund	17,904,703	16,537,264	1,367,439
Contribution to Other Bodies	1,082,359	1,074,029	8,330
Bank charges and Related Expenses	85,708	79,163	6,546
Expected Credit loss on Receivables	7,092,591	6,550,907	541,684
Loss on Disposal of Fixed Asset	442,409	442,409	-
Depreciation of property, plant and equipment	2,600,724	2,136,675	464,048
Impairment of property plant and equipment	5,088	5,088	-
Amortisation of intangible assets	176,321	162,855	13,466
	82,008,011	61,283,064	20,724,946
Surplus/(deficit) during the year	7,223,303	21,133,368	(13,910,065)

The loss of TZS 13.91 billion to Shipping Business function was mainly attributed by decrease in Shipping Business Revenue following amendment on Section 7(1) of the Tanzania Shipping Agencies Act, Cap. 415 which reduced the scope of Shipping Business operations. Furthermore, the corporation continued to pay Salaries to Shipping Business Staff while waiting to be transferred to other Government entities.

39. PROCUREMENT COMMITMENTS

The Corporation had a procurement commitment as at 30th June 2023 of TZS 2.02 billion (30 June 2022: TZS 6.57 billion). The total commitments for the financial year ended 30th June 2023 is summarized below:

Item	Contract Value TZS "000"	Paid Amount TZS "000"	Commitments TZS "000"
Goods	1,159,482	48,230	1,111,252
Consultancy Service	108,000	-	108,000
Non-Consultancy Service	110,434	-	110,434

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Works	262,536	-	262,536
Minor Value Procurement	427,238	-	427,238
Total	2,067,690	48,230	2,019,460

Source: TASAC Procurement Unit (2023)

The above commitments are explained as follows:

(a) Goods

The amount committed on contracts for supply of goods was TZS 1.11 billion (30th June, 2022: TZS 4.22 billion). This includes contracted amounts which remained unpaid for the supply of Computer Consumables, installation, testing and commissioning of Audit Management Software, food and beverage, office uniforms, accountable documents, printed Materials, Personal Protective Gears, ICT equipment's, Software and licenses, installation, testing and Commissioning of Video conference system and network devices

39. PROCUREMENT COMMITMENTS (CONTINUED)

(b) Consultancy Service

The amount committed on contracts for Consultancy Services was TZS 108.00 million (30th June, 2022: TZS 71.85 million). This includes contracted amounts which remained unpaid for Provision of Consultancy for Tax Advisory Service and Supervision of Construction of Three (3) Search and Rescue Station.

(c) Non - Consultancy Service

The amount committed on contracts for Non- Consultancy Services was TZS 110.43 million (30th June, 2022: TZS 379.06 million). This includes contracted amounts which remained unpaid for provision of Office Cleaning and Ground Maintenance Services; support services for electronic document management (EDMS); Provision of office security services for head offices and regional offices; Improvement and support of integrated payroll and human resources Management system; support service and maintenance of ICT equipment; maintenance and repair service for Toyota pickup double cabin STL 7745.

(d) Minor Value Procurement

The amount committed for Minor Value Procurement was TZS 427.24 million (30th June, 2022: TZS 397.65 million). These includes contracted amounts which remained unpaid for Conference service, publication, installation of internet backup link at TASAC maritime rescue coordination centre, installation of optic fibre cable at Mwanza airport office, purchase of L-AC-APX-1Y-S1 Cisco AnyConnect Apex License, Office work partition, maintenance service printers, public notice on census for small vessels in Tanzania mainland for the year 2021, purchase of spare parts for Kyocera photocopy machine, advertising, Catering services, printing services, repair of printers and equipment's for capturing live events.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

40. CONTINGENT ASSETS

The Corporation had contingent assets arisen from uncollected revenue from clearing and forwarding fees for minerals, mineral extracts, concentrates and mining equipment. The uncollected fees resulted from dispute by customers on published TASAC clearing and forwarding fees of US\$ 7 per Metric Ton (MT) or 1% of Customs value (whichever is higher) as per Government Notice No. 743 published on 18 October 2019. The dispute was tabled to the Minister for Works and Transport in compliance with Sect. 59 of the Tanzania Shipping Agencies Act, Cap 415. However, the Corporation has maintained the records of the services rendered without payment, despite being against the provisions of Sect. 48 of the Tanzania Shipping Agencies Act, Cap. 415.

In the process of resolving the disputes, the Board of Directors considered revised tariffs proposed by the Ministry of Finance and Planning, which was prepared after consultations with the key stakeholders, including private sectors and TASAC Management. Thus, the Board issued Tanzania Shipping Agencies (Shipping Business Fees, Charges and Commissions) Order, 2021, GN. No. 181 published on 05/02/2021. The Order recognized transactions recorded using the GN. No.743.

However, until 30th June 2023, the Corporation had recorded 6,021 files from 72 customers with contingent revenue amounting to TZS 147.95 billion and VAT amounting to TZS 26.63 billion payables to TRA, thus, making a total of TZS 174.58 billion as outstanding collections as a result of disputes. The dispute is unresolved by the Ministry until the end of the financial year.

41. CONTINGENT LIABILITIES

The Corporation did not have any contingent liability as at 30 June 2023

42. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The functional currency of the Corporation, which is also its presentation currency, is Tanzanian Shillings (TZS). The values in this report are rounded to the nearest thousand.

43. CONTROLLING ENTITY AND ULTIMATE CONTROLLING ENTITY

The Ministry of Transport is the Controlling Entity and the Government of the United Republic of Tanzania is the Ultimate Controlling Entity of the Corporation.

44. ASSETS PLEDGED AS SECURITY FOR LIABILITIES

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

45. OPERATING LEASE COMMITMENTS

TASAC as Lessee

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Future minimum lease payments under non-cancellable operating leases.

	2022/23	2021/22
	TZS'000	TZS'000
Due within one year	2,968,449	373,883
Due within two to five years	403,418	371,622
Later than five years	-	-
Total operating lease expense commitments	<u>3,371,868</u>	<u>745,505</u>

Minimum office rental and service charges payments recognized as an expense during the year amount to TZS 1,067.13 million (2021/22: TZS 342.33 million). Leased premises are contracted for the remaining periods of between one and four years, with renewal options available in certain instances.

TASAC as Lessor

The corporation own five (5) floors in SUMATRA house located at Nkrumah Street Plot no. 454/160 which was rented to LATRA at lease agreement of one year with effect from 1st September 2022. The agreed rent was TZS 123.72 million (USD 53,556.9) per annum. However, the Contract ended on 30th June 2023 following transfer of LATRA to Dodoma and TASAC has already acquired its five (5) floors from 1st July 2023.

	2022/23	2021/22
	TZS'000	TZS'000
Due within one year	-	92,878
Due within two to five years	-	30,929
Later than five years	-	-
Total operating lease expense commitments	-	123,716

46. MULTINATIONAL LAKE VICTORIA MARITIME COMMUNICATION AND TRANSPORT (MLVMCT) PROJECT

This is project established to address the maritime transportation and navigation safety intervention area and to contribute to the provision of safe, efficient, cheap and environmentally friendly transport links, and fishing activities on Lake Victoria. It is a trans-border infrastructure initiative designed around the 4th East African Community (EAC) development strategy (2011-2016). The main component of this project is establishing a Maritime communications system for safety on Lake Victoria by constructing Maritime Rescue Coordination Centre (MRCC) in Mwanza -Tanzania, operationalization of 12 (3 in Tanzania) Search and Rescue Centres and develop Maritime communication network.

This project which is expected to be completed in December 2024, is implemented by two countries United Republic of Tanzania and Republic of Uganda. The source of funds is the loan from African Development Bank (AfDB) and Member states contributions. For United Republic of Tanzania, AfDB provided the loan of USD 5.31 million while the Government of United Republic of Tanzania through TASAC will contribute USD 3.37 million.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

TASAC is the National Executing Agency of this project for United Republic of Tanzania with responsibility of implementing national activities while Regional activities will be implemented by LVBC on behalf of member states. During the year, the Corporation paid TZS 1,993.81 million (30 June 2022: TZS 148.91 million) to facilitate various activities on behalf of the Project make a total advanced amount to be TZS 2,212 million (30 June 2022: TZS 217.77 million). However, TZS 1,472.89 was refunded to the Corporation from approved Counterpart fund thus the remaining balance as at 30 June 2023 was TZS 739.51 million.

Nevertheless, the Corporation had prepared Special Purpose Financial Statement for the Project for year ended on 30 June 2023 as a separate document.

47. INTERGOVERNMENTAL RECEIVABLES AND PAYABLES

As at 30 June 2023, the Corporation has a total receivable of TZS 33.63 billion from various Government Institutes out of which TZS 5.26 billion aged more than 12 months. The total liability to other Government institutes was TZS 1.69 billion as shown in the table below;

S/N	NAME OF THE INSTITUTION	Aged with 12 months	Aged more than 12 months	Total
		TZS'000	TZS'000	TZS'000
A. Receivables and Prepayment				
1	Tanzania Port Authority (TPA)	27,488,928	3,983,857	31,472,785
2	Marine Service Company Ltd (MSCL)	74,290	553,502	627,792
3	Land Transport Regulatory Authority(LATRA)		678,218	678,218
4	Multinational Lake Victoria Maritime Communication and Transport (MLVMCT) Project	738,687		738,687
5	Government Procurement Services Agent (GPSA)		49,490	49,490
6	Tanzania Revenue Authority (TRA)-VAT	66,171		66,171
	Total	28,368,076	5,265,067	33,633,143
B. Liabilities				
1	Tanzania Port Authority (TPA)		8,213,929	8,213,929
2	Tanzania Bureau of Standards (TBS)		691,494	691,464
3	Tanzania Revenue Authority (TRA)-PAYE and W/Tax	33,800		33,800

48. EVENTS AFTER REPORTING DATE

The Corporation's events after reporting date are those events both favourable and unfavourable that occurs between the reporting date and the date when the financial statements are authorized for issue. The following were event after reporting date:

- The Corporation has started using new accounting system (MUSE) with effect from 1 July 2023 to comply with the Government directive. This system replaced the previous Accounting system Epicor 10.2 which has been used by Corporation since February 2019.

TANZANIA SHIPPING AGENCIES CORPORATION
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Following implementation of this new accounting system the Corporation is expecting to improve efficiency in payment processing and attain cost saving with respect to licence fees on the use of accounting system.

- In August, 2023 116 staff from Directorate of Shipping Business under Ship Tallying services, Shipping Agency and part from Clearing and Forwarding services were transferred to other Government institutions after amendment of S.7 of The Tanzania Shipping Agencies Act, Cap 415 which narrowed the scope of exclusive mandate, as a result the Corporation expects to have staff cost saving.
- On 30 August, 2023 Honourable President of the United Republic of Tanzania, Her Excellency Dr. Samia Suluhu Hassan through public notice transformed the structure of parent Ministry from Ministry of Works and Transport to two ministries; Ministry of Works and Ministry of Transport. TASAC will be under the Ministry of Transport.