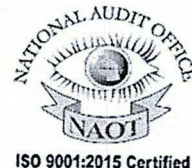




THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



MOSHI CO-OPERATIVE UNIVERSITY (MoCU)

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

Controller and Auditor General,
National Audit Office,
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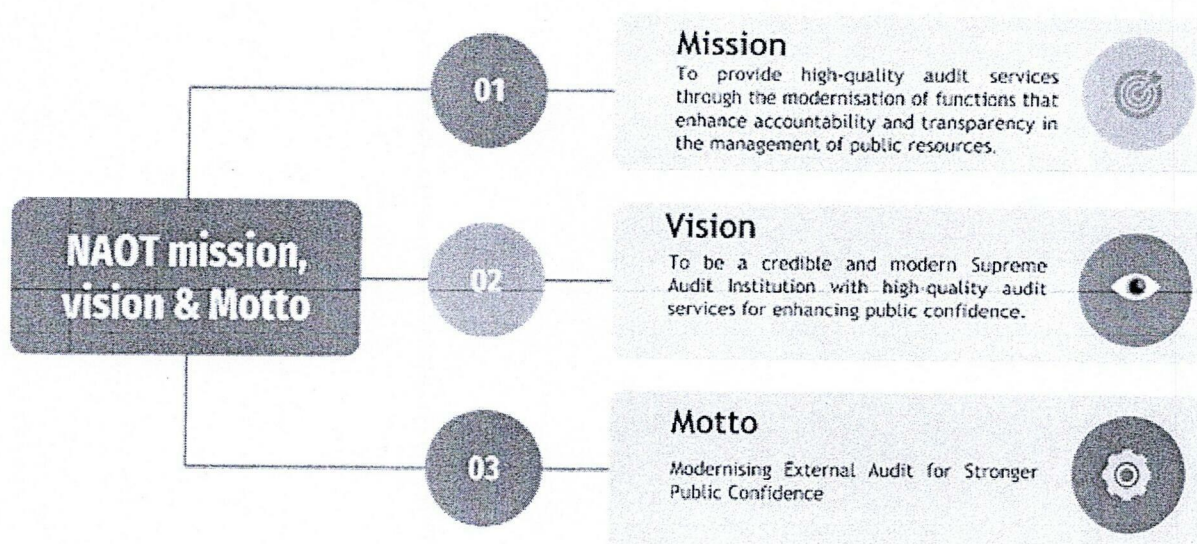
March 2024

AR/PA/MoCU//2022/23

ABOUT THE NATIONAL AUDIT OFFICE

Mandate

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



Independence and objectivity

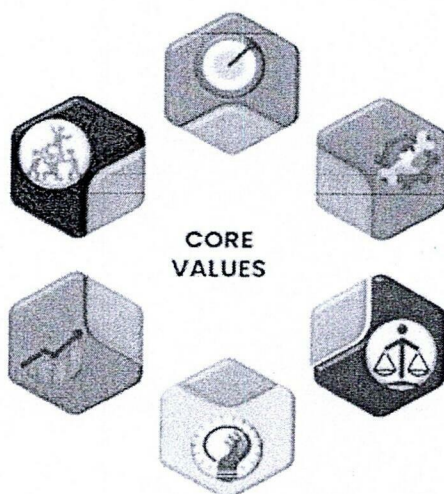
We are an impartial public institution, independently offering high-quality audit services to our clients in an unbiased manner.

Teamwork Spirit

We value and work together with internal and external stakeholders.

Results-Oriented

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



Professional competence

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

Integrity

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

Creativity and Innovation

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

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ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
FIFO	First In First Out
HEET	Higher Education for Economic Transformation
HIV	Human Immunodeficiency Virus
IESBA	International Ethics Standards Board for Accountants
IPSAS	International Public-Sector Accounting Standard
ISSAIs	International Standards of Supreme Audit Institutions
MoCU	Moshi Co-operative University
MUCCoBS	Moshi University College of Co-operative and Business Studies
NBAA	National Board of Accountants and Auditors
PSMGG	Public Service Management and Good Governance
PSSSF	Public Service Social Security Fund
TFRS 1	Tanzania Financial Reporting Standard No. 1

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

The Chairperson
University Council,
Moshi Co-operative University (MoCU),
06 Sokoine Road, 25121, Mfumuni,
P. O. Box 474,
Moshi, Tanzania.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Moshi Co-operative University (MoCU), 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 Moshi Co-operative University (MoCU) 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 (IPSASs) 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 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 Moshi Co-operative University (MoCU) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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

Other Information

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

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

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

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

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 benefits of such communication.

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement Laws

Subject matter: Compliance audit on procurement of Laws

I performed a compliance audit on procurement of goods, works and services at the University for the financial year 2022/23 as per the Public Procurement Laws in Tanzania.

Conclusion

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

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

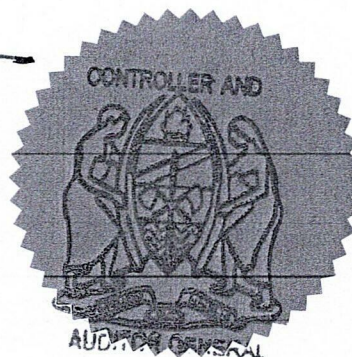
I performed a compliance audit on budget formulation and execution in the University for the financial year 2022/23 as per the Budget Act and other Budget Guidelines.

Conclusion

Based on the audit work performed, I state that Budget formulation and execution of the Moshi Co-operative University (MoCU) is generally in compliance with the requirements of the Budget Act and other Budget Guidelines.



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2024



2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE

UNIVERSITY INFORMATION

1. Official Name and Principal Place of Business:

Moshi Co-operative University (MoCU),
Sokoine Road, 25121 Mfumuni,
P. O. Box 474,
Moshi, Tanzania.

Kizumbi Institute of Co-operative Business Education (KICoB),
P. O. Box 469, Shinyanga, Tanzania.

2. The Parent Ministry:

The United Republic of Tanzania - Ministry of Education, Science and Technology
Government City
Mtumba Area - Afya Street
P.O. Box 1040479
Dodoma, Tanzania

3. Banker(s):

Bank of Tanzania,
Arusha Branch,
P.O. Box 3043,
Arusha, Tanzania

CRDB Bank Plc,
Moshi Branch,
P.O. Box 1302,
Moshi, Tanzania

NMB Bank Plc
Moshi Branch,
Arusha Road,
Moshi, Tanzania.

NBC Ltd
Shinyanga Branch,
P.O. Box 775,
Shinyanga, Tanzania.

Stanbic Bank Tanzania Ltd,
Moshi Branch,
Boma Road,
P.O. Box 41435,

Moshi, Tanzania.

4. Auditors

Controller and Auditor General,
National Audit Office of Tanzania,
4 Ukaguzi House,
41104 Tambukareli,
P. O. Box 950,
Dodoma, Tanzania.

In collaboration with:

HLB Tanzania
Certified Public Accountants
2nd Floor, Acacia Estate, 84 Kinondoni Road,
P. O. Box 20651,
Dar es Salaam, Tanzania.

2.1 Introduction

In compliance with Section 30 of the Public Finance Act Cap 348 and the Tanzania Financial Reporting Standard No. 1 {TFRS 1} on Governance Report, the Management submits their report and financial statements of Moshi Co-operative University for the year ended 30 June 2023.

2.2 Establishment

The Moshi Co-operative University ("MoCU" also referred as the "University") is among higher learning institutions in Tanzania. MoCU came into being as a result of transforming Moshi University College of Co-operative and Business Studies (MUCCoBS) into a full-fledged University on 04th September 2014. The University is governed by its own Charter, made under the Universities Act No. 7 of 2005 (Cap 346) of Tanzania laws. MoCU has two faculties and five directorates. It also has two institutes, one in Moshi main campus and the second is at Shinyanga Municipality. In addition, the University operates 13 regional offices catering all regions in Tanzania, with the main functions of conducting outreach and extension services to co-operative and communities.

2.3 University Outlook

VISION

The vision of the University is to be "An eminent academic institution committed to supporting co-operative and business development."

MISSION

The University's mission is "To promote sustainable co-operative and business development through quality training, research and advisory services."

CORE VALUES

The University's core values include cooperation, professionalism, integrity, transparency, accountability, social responsibility, equality, courtesy to all, creativity, and innovation.

2.4 Nature of the Operation

2.4.1 Principal activities

The principal functions of the Moshi Co-operative University are:

- To provide training leading to the grant of degrees, diplomas, certificates and other academic awards;
- To initiate and conduct research;
- To provide consultancy and advisory services;
- To prepare and disseminate teaching and learning materials; and
- To publish and disseminate research findings for social and economic development.

2.4.2 Regulatory environment

The University is governed by the Council under Rule 85, sub rule 1(a) and (b) of the first schedule of the MoCU Charter, 2015 (G.N No. 274 of 2015 made under Section 25 of the Universities Act No: 6 of 2005) which is responsible for policies and strategic decisions. The Council is assisted by Management team for day-to-day operations. The University Council is the highest organ at Moshi Co-operative University responsible for the overall management of the University. Ordinary meetings of the University Council are held quarterly in a year by the University Charter.

2.5 Objective and Strategies

The development goals of the country are stipulated in the Tanzania Development Vision 2025 and the National Five-Year Development Plan III (2021/2022-2025/2026). The Five-Year Corporate Strategic Plan (2021/2022-2025/2026) is meant to align the University strategic objectives to contribute towards national expectations in socio-economic transformation.

2.5.1 Objective of the University

During the five-year Plan period, the University concentrate on the implementation of activities related to the following strategic areas:

- (a) Teaching and Learning;
- (b) Research, Innovation and Publication;
- (c) Outreach and Consultancy Services;
- (d) Institutional Capacity and Operational Performance; and
- (e) Cross Cutting Issues

2.5.2 Strategies for achieving objective

The execution of Work Plan and Budget for the financial year 2022/23 falls under the second year of implementation of the University's Corporate Strategic Plan (2021/22-2025/26). The Strategic Plan is the leading instrument for planning, priority setting and decision making. It facilitates discharging of the role and functions of the University for the period of five (5) years. The Strategic Plan has the following seven (7) strategic goals whose implementation are summarized as follows;

(a) Teaching and Learning Environment Improved

- Short term, by developing and improving academic programmes which are relevant to the market needs;
- Medium term, by increase quality and quantity of graduates; and
- Long term, by advance teaching and learning infrastructure, expand library services; and strengthen ICT services.

(b) Research, Innovation and Publication Enhancement

- **Short Term**, by improving research and innovation capacity;
- **Medium term**, by enhancing research governance; and ensure sustainable funding for research and innovation; and
- **Long Term**, by recognising and rewarding researchers and innovators; and strengthening research and innovation knowledge transfer.

(c) Outreach and Consultancy Services

- **Short term**, by enhancing access to quality outreach services;
- **Medium term**, by reinforcing provision of consultancy services; and
- **Long Term**, by strengthening co-operative identity and image.

(d) Institutional Capacity and Operational Performance

- **Short Term**, by attracting, recruiting and retaining qualified and competent staff;
- **Medium Term**, by strengthening financial resource mobilisation and management, strengthen governance and management practices and strengthen safety and welfare services; and
- **Long Term**, by improving the quality assurance management systems and enhancing University visibility and image.

(e) Health Service Improved and HIV/AIDS Infections Reduced

- **Short term**, by strengthening the provision of HIV/AIDS support services and promoting HIV/AIDS awareness;
- **Medium term**, by strengthening provision of support services for communicable and non-communicable diseases; and
- **Long term**, by improving provision of health services to MoCU community and the surrounding communities.

(f) Anti-corruption Initiatives Enhanced and Sustained

- **Short term**, by promoting awareness on anti-corruption for MoCU community;
- **Medium term**, by enhancing provision of anti-corruption initiatives; and
- **Long term**, by promoting inclusiveness of anti-corruption agenda in all University activities.

(g) Gender and Environmental Issues Mainstreamed and Support Service for People with Special Needs Enhanced

- **Short term**, by mainstreaming gender in University operations;
- **Medium term**, by promoting inclusiveness for people with special needs in University operations; and

- Long term, by reinforcing environmental planning and management.

2.6 MoCU OPERATING MODEL

The University's operating model involve a system of transforming inputs, through its operating activities, into outputs and outcomes that aims to fulfil MoCU's strategic purposes and create value over the short, medium and long term.

(a) The inputs

The inputs include:

- **Human Capital:** this includes employees with adequate skills and competences to ensure delivery of quality services.
- **Financial Capital:** this comprises financial resources obtained from Government of Tanzania, financial support from development partners (e.g. HEET Project) and internally generated funds mainly from tuition fees.
- **Social and Relationship Capital:** In executing its functions, MoCU has established an ethical and transparent relationship with government institutions, co-operative societies, students, consultants, suppliers, policy makers, and the society in general. The University engaged actively on Corporate Social Responsibilities, by setting aside funds which were directed to societal well-being.

(b) Operating Activities

The University implements several activities in converting inputs into quality service delivery by providing training, initiate and conduct research; provide consultancy and advisory services.

(c) Outputs

The following were noted outputs during the year:

- The student's enrolment increased from 8,777 in 2021/2022 to 9,186 by 2022/23. This growth is a result of the improvement in the teaching and learning infrastructure. By 2022/23 the number of female students accounted for 51.8% of the total student population as compared to 49% in 2021/2022. This implies that the University has increased the percentage of female students' enrolment.
- The number of graduates has increased from 3,102 in the academic year 2021/2022 to 4,309 in 2022/2023 and the proportion of female graduates has reached 50%;
- Acquired 669 additional library books;
- Continued implementing eight (8) internal research grants and supported seven (7) new research proposals through an internal research fund grant;
- Completed implementation of one externally funded project and continued implementing two (2) external projects. These are Sustainable Employability through Higher Education Institutions Innovative Pedagogy (SUSIE) project and Social Innovation in Geo-ICT at Tanzania Higher Education Institution for Improved Employability (GeolCT4e) project;

- (vi) Prepared nine (9) external funding research proposals and secured two (2). Secured projects are tilted “strengthening the capacities of co-operative societies and member-based organisation in Tanzania” and “the ability to reduce the poverty of small-holder farmers through trade and the coffee value chain in Uganda and Tanzania”;
- (vii) A total of 35 articles were published in various journals;
- (viii) Organised and conducted capacity-building training for staff on qualitative research. A total of 68 staff were trained;
- (ix) Organised and conducted training on “Reference Management in Research. A total number of 24 staff were trained;
- (x) A total of 29 undergraduate degree students were trained and engaged in the multi-competence learning challenge under the GeolCT4e project;
- (xi) One co-operative research conference was organised and conducted in collaboration with Tanzania Co-operative Development Commission (TCDC);
- (xii) A business hub has been developed through the SUSIE project whereby 35 students have been trained in entrepreneurial skills and online marketing. Trained students managed to produce different products including dye cloth, detergents, peanut butter, taka application software;
- (xiii) The University was awarded the first winner prize in innovation among universities that participated in Mashindano ya Kitaifa ya Sayansi Teknolojia na Ubunifu (MAKISATU) and the second winner among all participating institutions. In this event, undergraduate students in Bachelor of Information and Communication Technology and staff demonstrated three (3) systems which were developed for monitoring stock, reporting sexual harassment and managing recruitment of employees in the co-operative sector;
- (xiv) Eight (8) consultancy assignments worth TZS 162,265,000.00 were executed;
- (xv) Revamped 24 Regional Co-operative Education Committees (RCEC) in collaboration with co-operative stakeholders. University Regional Programme Coordinators (REPCOs) are Secretaries to the RCECs;
- (xvi) Conducted a total number of 74 training and advisory services sessions to 13,157 (9,154 male and 4,003 female) participants, including members, leaders, and staff of co-operative societies, focusing on the co-operative concept, members’ rights and responsibilities, corruption management, governance and supervision, credit management, financial management, the formation of SACCOS, and investment;
- (xvii) Facilitated the formation of various co-operative societies. For instance, the proposed Boda-boda SACCOS in collaboration with the Land Transport Regulatory Authority (LATRA) in Kilimanjaro region;
- (xviii) Participated in various exhibitions including International Credit Union Day (ICUD), Maonesho ya Kitaifa ya Sayansi, Teknolojia na Ubunifu (MAKISATU), Siku ya Ushirika Duniani (SUD), Higher Education Exhibition organized by TCU, Nane nane, Wiki ya Elimu ya Watu Wazima and Zanzibar High Learning exhibitions;
- (xix) Developed 5,350 training materials in Kiswahili and disseminated to co-operative stakeholders and member-based organisations;
- (xx) Prepared 72 radio programmes which were aired through TBC Taifa (52) and community radios (20);

- (xxi) Developed an Open and Distance E-Learning (ODEL) system. PGD-SACCOS, PC-SACCOS and FC-SACCOS programmes are offered through this system;
- (xxii) Engaged in community activities as part of corporate responsibility including:
 - In-kind donation to orphans and elderly;
 - Cleaning of community areas including open markets and dispensaries;
 - Tree planting; and
 - blood donation.
- (xxiii) University staff and students participated in Public Parastatals and Private Institutions Sports Federation (SHIMMUTA) and Tanzania Universities Sports Association (TUSA) sports respectively.

(d) Outcomes

The following were noted outcomes:

- (i) Increased customer's satisfaction;
- (ii) Many of our graduates have taken up leadership and management positions in and beyond Tanzania;
- (iii) Increased operational efficiency of the University's services delivery;
- (iv) Increased number of research and consultancy assignments conducted;
- (v) Improved knowledge of conducting research and consultancy services;
- (vi) Increased rate of staff and students' awareness of HIV/AIDS prevention;
- (vii) Increased rate of staff and students' awareness of corruption prevention; and
- (viii) Increased level of efficiency and effectiveness in finance and procurement matters.

2.7 Persons with Special Needs and Gender Balance

2.7.1 Persons with special needs

MoCU ensures that people with special needs are recognized and protected. Persons with special needs are guided through the MoCU Disability Policy, 2022. The Policy acts as a basis of University's commitment toward ensuring appropriate opportunities for people with special needs and creating an environment which enables them to fully participate in the University life. MoCU ensures that persons with special needs are not denied admission or employment opportunities based on their disabilities.

2.7.2 Gender Policy

MoCU is a community of scholars devoted to the advancement of knowledge, wisdom and understanding for the welfare of the society. The University is committed to create a favourable environment that ensures the safety and security of all stakeholders. The policy on gender is intended to provide a basis for the University to underscore its commitment to address any existing imbalances by considering the different needs of both males and females.

As at 30 June 2023, the total permanent workforce was 388 employees of which 243 were male equivalent to 63% and 145 female equivalents to 37%. Moreover, the total enrolment of students

was 9,186 whereby 4,755 equivalents to 51.8% were female and 4,431 equivalents to 48.2% were male students.

2.8 Capital Structure/Taxpayers' Fund and Cash flow

The capital structure/Taxpayers' fund of the University is expected to be static after the lapse of transitional period in the financial year 2016/2017 of which the Government was establishing its initial capital after migrating from cash basis of accounting. The Taxpayers' fund of the University is outlined in Note twelve (12). Cash flows of the University were mainly divided into three major activities which included cash flows from operations, cash flows from investing and cash flows from financing activities. The cash flow generation and usage during the year were based on commitments as per strategic plan and the established budget.

2.9 Liquidity

The University is financed by internal funds generated from teaching, research, consultancy, outreach services and other revenues to meet its day-to-day obligations and development activities while receiving the personal emoluments and Government grants for development activities of the University. The cash position is shown on statement of financial position, cash flow statement and notes of the financial statements.

2.10 Related Parties Transactions

In the context of IPSAS 20 [(34 (a) - (c))], related party comprises the Chancellor, Council Members of MoCU, Key Management Personnel (full time) and close members of the family of key management personnel. For the HEET project, parties were not compensated through remuneration, advisory or other related costs. This is in accordance with rules for IDA-funded projects that salaries, meeting allowances, honoraria, and internal consulting for civil/public servants are not allowed. Moreover, no outstanding amount was due from related parties since during the year no loan was advanced to them. Therefore, there were no related party transactions for the year ended 30 June 2023. Moreover, transactions with related parties (excluding the HEET project) during the financial year 2022/23 were in the normal course of the business. Details of transactions and balances are included in note number 28 of the financial statements.

2.11 Corporate Governance

The University being the public institution is abiding to the Public Service Act, standing orders, Staff regulations and code of ethics where the council, management and employees are committed to upholding the core values of transparency, integrity, honesty, and accountability, which are fundamental to attainment of good governance and excellent performance. Based on corporate governance values, the University has the Council and various Committees that institute good governance in all University operations as indicated hereunder:

2.12 The Council and Committees

2.12.1 The Council Members of the MoCU as of 30 June 2023 is as follows:

Table 1: Members of the Council as of 30 June 2023

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
1.	Mr.George D. Yambesi	Chairperson	MSc. (Human Resource Development)	Tanzanian	1 October 2023	70
2.	Dr. Marina A. Njelekela	V/Chairperson	PhD	Tanzanian	1 April 2021	59
3.	Prof. Raphael T. Chibunda	Member	PhD	Tanzanian	1 April 2021	57
4.	CPB FTIOB Kolimba P. Tawa	Member	CPB, FTIOB, MBA	Tanzanian	1 April 2021	57
5.	Prof. Michael D. Mawondo	Member	PhD	Tanzanian	1 April 2021	60
6.	Prof. Faustine K. Bee	Member	PhD	Tanzanian	1 April 2021	63
7.	Dr. Benson O. Ndiege	Member	PhD	Tanzanian	1 April 2021	45
8.	Prof. Alfred S. Sife	Member	PhD	Tanzanian	1 April 2021	50
9.	CPA Godfrey D. Malekano	Member	CPA(T), MBA (Finance)	Tanzanian	1 April 2021	51
10.	Prof. Maulilio J. Kipanyula	Member	PhD	Tanzanian	1 April 2021	48
11.	Miss. Marietha O. Shee	Member	ADCA	Tanzanian	1 April 2021	55
12.	Mr. Bosco T. Mtani*	Member	LLM	Tanzanian	1 April 2021	40
13.	Mr. Shadrack S. Madila*	Member	MSc. Inf. Comm. Sc.and Engineering	Tanzania	5 June 2023	
14.	Mis. Fadhila E. Ng'maryo	Member	MSc. Marketing	Tanzanian	1 April 2021	36
15.	Mr. Joseph N. Mbeshi*	Member	Student	Tanzanian	13 June 2022	24
16.	Mr. Yohana N. Kazimili	Member	Student	Tanzanian	23 May 2023	28
17.	Miss. Gloria M. Chami*	Member	Student	Tanzanian	13 June 2022	24
18.	Miss. Catherine Y. Edward*	Member	Student	Tanzanian	23 May 2023	21
19.	Prof. John G. Safari	Member	PhD	Tanzanian	1 April 2021	49
20.	Prof. Fredy T. Kilima	Member	PhD	Tanzanian	1 April 2021	53
21.	Mr. Hassan S. Herith	Secretary	PGDLP	Tanzanian	1 April 2021	42

Source: Appointment letter

NB: * Member whose appointment started or ended within the financial year

No.	Name	Status
1.	Mr. Bosco T. Mtani	The appointment expired on 4 June 2023
2.	Mr. Shadrack S. Madila	The appointment started on 5 June 2023
3.	Mr. Joseph N. Mbeshi	The appointment expired on 22 May 2023
4.	Mr. Yohana N. Kazimili	The appointment started on 23 May 2023
5.	Miss. Gloria M. Chami	The appointment expired on 22 May 2023
6.	Miss. Catherine Y. Edward	The appointment started on 22 May 2023

Source: Appointment letters

Table 2: Meetings attended

No.	Name	Position	Nationality	Number of meetings attended
1.	Mr. George Yambesi	Chairperson	Tanzanian	1
2.	Dr. Marina A. Njelekela	Member	Tanzanian	4
3.	Dr. Benson O. Ndiege	Member	Tanzanian	4
4.	Prof. Faustine K. Bee	Member	Tanzanian	3
5.	Prof. Raphael T. Chibunda	Member	Tanzanian	2
6.	CPB, FTIOB Kolimba P. Tawa	Member	Tanzanian	4
7.	Mr. Bosco T. Mtani*	Member	Tanzanian	3
8.	Mr. Shadrack S. Madila*	Member	Tanzanian	1
9.	Ms. Fadhila E. Ng'maryo	Member	Tanzanian	2
10.	Prof. Alfred S. Sife	Member	Tanzanian	4
11.	Prof. Michael D. Mawondo	Member	Tanzanian	4
12.	Mr. Joseph N. Mbeshi*	Member	Tanzanian	3
13.	Miss. Gloria M. Chami*	Member	Tanzanian	3
14.	CPA Godfrey D. Malekano	Member	Tanzanian	4
15.	Prof. Maulilio J. Kipanyula	Member	Tanzanian	4
16.	Miss. Marietha O. Shee	Member	Tanzanian	4
17.	Prof. John G. Safari	Member	Tanzanian	3
18.	Prof. Fredy T. Kilima	Member	Tanzanian	4
19.	Mr. Yohana N. Kazimili*	Member	Tanzanian	1
20.	Miss. Catherine Y. Edward*	Member	Tanzanian	1
21.	Mr. Hassan S. Herith	Secretary	Tanzanian	4

Source: Council meeting minutes

The agenda discussed and approved during the council meetings included:

- (a) Reports from Vice chancellor,
- (b) Students' affairs,
- (c) Memorandum of Understanding (MoUs) with other institutions;
- (d) Participation of university in different activities,
- (e) Staff development both academic and administration,
- (f) Report of revenue and expenditure,
- (g) Reviewing of quarterly implementation of procurement plans,
- (h) Approval of Annual Procurement Plan and its mid-year review,
- (i) Report of development projects and land/plots reports,
- (j) Mid-year review of university budget,
- (k) Annual estimates and expenditure,
- (l) Development of various policies and guidelines,

- (m) Quarterly and annual financial performance reports,
- (n) Financial statements, and
- (o) Research and consultancy activities.

2.12.2 Council committees

(i) Planning and Finance Committee

The Planning and Finance Committee monitors the planning and financial performance of the University. It considers financial policies and issues and makes recommendations to the Council on matters considered vital for financial sustainability. It also considers and evaluates quarterly financial progress reports, financial statements and budgets of the University and related financial issues and makes recommendations to the Council thereon. The Committee normally met four times during the year under review.

Table 3: Members of Planning and Finance Committee as of 30 June 2023

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
1.	Dr. Marina A. Njelekela	Chairperson	PhD	Tanzanian	1 April 2021	59
2.	CPB FTIOB Kolimba P. Tawa	Member	CPB FTIOB, MBA	Tanzanian	1 April 2021	57
3.	Prof. John G. Safari	Member	PhD	Tanzanian	1 April 2021	49
4.	Prof. Alfred S. Sife	Member	PhD	Tanzanian	1 April 2021	50
5.	Prof. Fredy T. Kilima	Member	PhD	Tanzanian	1 April 2021	53
6.	CPA Godfrey D. Malekano	Member	CPA(T), MBA (Finance)	Tanzanian	1 April 2021	51
7.	Mr. Vincent S. Pande	Member	MA-Demography	Tanzanian	1 April 2021	41
8.	CPA Dr. Victor E. Shirima*	Member	PhD	Tanzanian	1 April 2021	41
9.	Mr. Christopher A. Msongore*	Member	MBM	Tanzanian	5 June 2023	23
10.	CPA Bakari A. Semvua	Member	CPA(T), BA-AF	Tanzanian	1 April 2021	34
11.	CPA Daniel G. Slahhay	Member	CPA(T), MBA	Tanzanian	1 April 2021	57
12.	Miss. Eliabu C. Mjema*	Member	Student	Tanzanian	13 June 2022	27
13.	Miss. Patricia G. Wilson*	Member	Student	Tanzanian	25 May 2023	25
14.	CPA Dr. Nicodemus S. Mwakilema	Member/Secretary	PhD	Tanzanian	1 April 2021	50

NB: * Member whose appointment started or ended within the financial year

No.	Name	Status
1.	CPA Dr. Victor E. Shirima*	The appointment expired on 4 June 2023
2.	Mr. Christopher A. Msongore*	The appointment started on 5 June 2023
3.	Miss. Eliabu C. Mjema*	The appointment expired on 22 May 2023
4.	Miss. Patricia G. Wilson*	The appointment started on 23 May 2023

Source: Appointment letters

The agenda discussed and recommended to the Council during the planning and finance committee meetings included:

- Report of revenue and expenditure,
- Reviewing of quarterly implementation of procurement plans,
- Approval of Annual Procurement Plan and its mid-year review,
- Report of development projects and land/plots reports,
- Mid-year review of university budget,
- Annual estimates and expenditure, and
- Development of various policies and guidelines.

(ii) Audit Committee

The Audit Committee provides oversight of the financial reporting process, the audit process, the system of internal controls and compliance with laws and regulations. The Committee is chaired by member of the University Council and normally meets four times in a year.

Table 4: Members of the Audit Committee as of 30 June 2023

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
1	Prof. Raphael T. Chibunda	Chairperson	PhD	Tanzanian	1 April 2021	57
2	CPA Kishimbo A. Eliawon	Member	CPA(T), MSc. Finance and Investment	Tanzanian	1 April 2021	49
3	CPA Godfrey D. Malekano	Member	CPA(T), MBA (Finance)	Tanzanian	1 April 2021	51
4.	Dr. Florence M. Turuka	Member	PhD	Tanzanian	1 April 2021	63
5.	Dr. Jacqueline Mkindi	Member	PhD	Tanzanian	1 April 2021	47
6.	Mr. Hassan S. Herith	Secretary	PGDLP	Tanzanian	1 April 2021	42

The agenda discussed during the audit committee meetings were:

- Internal audit reports of the main campus, Kizumbi institute and regional offices,
- Reports of various developments projects and value for money,
- Internal control system and its applicability,
- Implementation status of the audit queries from internal and external audit, and
- Financial Statements before submission to CAG for audit.

(iii) Senate

This is one among committees of the University and is responsible for all academic affairs of the University.

Table 5: Members of the Senate as of 30 June 2023

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
1.	Prof. Alfred S. Sife	Chairperson	PhD	Tanzanian	1 April 2021	50
2.	Prof. Maulid W. Mwatawala	Member	PhD	Tanzanian	1 April 2021	52
3.	Dr. Gervas M. Machimu	Member	PhD	Tanzanian	1 April 2021	45
4.	Dr. Kitale C. Malamsha*	Member	PhD	Tanzanian	1 April 2021	56
5.	Dr. Cyril K. Komba*	Member	PhD	Tanzanian	22 April 2022	45
6.	Dr. Goodluck A. Mmari	Member	PhD	Tanzanian	1 April 2021	63
7.	Dr. Benson O. Ndiege	Member	PhD	Tanzanian	1 April 2021	45
8.	Mr. Jafari M. Ponera	Member	PhD	Tanzanian	10 June 2022	41
9.	Mr. Massambu D. Massambu	Member	MBA	Tanzanian	1 April 2021	56
10.	CPA, Dr. Nicodemus S. Mwakilema	Member	PhD	Tanzanian	1 April 2021	50
11.	Mr. Legnard N. Ngailo*	Member	MSc. Agricultural Economics	Tanzanian	1 April 2021	60
12.	Dr. Alban D. Mchopa*	Member	PhD	Tanzanian	1 April 2021	36
13.	Prof. Gabriel M. Shirima	Member	PhD	Tanzanian	1 April 2021	57
14.	Dr. Isaac E. Kazungu*	Member	PhD	Tanzanian	1 April 2021	47
15.	Prof. John G. Safari	Member	PhD	Tanzanian	1 April 2021	49
16.	Dr. George E. Matto	Member	PhD	Tanzanian	1 April 2021	42
17.	Dr. Elisifa E. Nnko	Member	PhD	Tanzanian	1 April 2021	44
18.	Mr. Bosco T. Mtani*	Member	LL. M	Tanzanian	1 April 2021	40
19.	Mr. Shadrack S. Madila*	Member	MSc. ICSE	Tanzanian	5 June 2023	38
20.	Dr. Mathius S. Nkuhi*	Member	PhD	Tanzanian	1 April 2021	37
21.	Mr. George G. Sizya*	Member	BTech in IT	Tanzanian	24 August 2022	43
22.	Miss. Irene S. Biseko*	Member	LL. M	Tanzanian	5 May 2023	37
23.	Mr. Mastajabu C. Mnyasa	Member	MSc. in Human Resource	Tanzanian	1 April 2021	47
24.	Mr. Joseph N. Mbeshi*	Member	Student	Tanzanian	13 June 2022	23
25.	Mr. Yohana N. Kazimili*	Member	Student	Tanzanian	23 May 2023	28
26.	Miss. Gloria M. Chami*	Member	Student	Tanzanian	13 June 2022	23
27.	Miss Catherine Y. Edward*	Member	Student	Tanzanian	22 May 2023	21
28.	Miss. Special M. Kajana*	Member	Student	Tanzanian	13 June 2022	25
29.	Miss. Louisa F. Liheta*	Member	Student	Tanzanian	22 May 2023	23
30.	Mr. Hassani M. Ally*	Member	Student	Tanzanian	13 June 2022	30
31.	Miss. Millu L. Luhende*	Member	Student	Tanzanian	22 May 2023	23
32.	Prof. Fredy T. Kilima	Member	PhD	Tanzanian	1 April 2021	53

MOSHI CO-OPERATIVE UNIVERSITY (MoCU)

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
33.	Mr. Deusdedith M. Youze*	Member	Master of Education	Tanzanian	22 April 2022	38
34.	Mr. Hassan S. Herith	Member/Secretary	PGDLP	Tanzanian	1 April 2021	42

NB: * Member whose appointment started or ended within the financial year

No.	Name	Remarks
1.	Mr. Legnard N. Ngailo	The appointment expired on 21 April 2022
2.	Dr. Alban D. Mchopa	The appointment started on 22 April 2022
3.	Mr. Deusdedith M. Youze	The appointment started on 22 April 2022
4.	Dr. Kitale C. Malamsha	The appointment expired on 21 April 2022
5.	Dr. Cyril K. Komba	The appointment started on 22 April 2022
6.	Mr. Bosco T. Mtani	The appointment expired on 4 June 2023
7.	Mr. Shadrack S. Madila	The appointment started on 5 June 2023
8.	Dr. Mathius S. Nkuhi	The appointment expired on 24 August 2022
9.	Mr. George G. Sizya	The appointment started on 23 August 2022
10.	Mr. George G. Sizya	The appointment expired on 4 June 2023
11.	Miss. Irene S. Biseko	The appointment started on 5 June 2023
12.	Mr. Joseph N. Mbeshi	The appointment expired on 22 May 2023
13.	Mr. Yohana N. Kazimili	The appointment started on 23 May 2023
14.	Miss. Gloria M. Chami	The appointment expired on 22 May 2023
15.	Miss Catherine Y. Edward	The appointment started on 23 May 2023
16.	Miss. Special M. Kajana	The appointment expired on 22 May 2023
17.	Miss. Louisa F. Liheta	The appointment started on 23 May 2023
18.	Mr. Hassani M. Ally	The appointment expired on 22 May 2023
19.	Miss. Millu L. Luhende	The appointment started on 23 May 2023

Source: Appointment letters

The agenda discussed during the senate meetings included:

- Application and admission of students in various programmes such as non-degree, degree and postgraduate,
- Examination results for non-degree, degree, and post-graduate students,
- Various reports, policies and guidelines from faculties, academic directorates, and institutes.
- Validation of appeals, suspension, discontinuation, and irregularities among students.

(iv) Appointment and Human Resources Management Committee -Academic

The Committee provides oversight of all human resource matters including employee's benefits and oversees compliances with laws and regulations.

Table 6: Members of the Appointment and Human Resources Management Committee for Academic Staff as of 30 June 2023

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
1.	Prof. Alfred S. Sife	Chairman	PhD	Tanzanian	1 April 2021	50
2.	Prof. Fredy T. Kilima	Member	PhD	Tanzanian	1 April 2021	53
3.	Prof. John G. Safari	Member	PhD	Tanzanian	1 April 2021	49
4.	Prof. Maulid W. Mwatawala	Member	PhD	Tanzanian	1 April 2021	52
5.	Dr. Kitale C. Malamsha*	Member	PhD	Tanzanian	1 April 2021	56
6.	Dr. Goodluck A. Mmari	Member	PhD	Tanzanian	1 April 2021	63
7.	Dr. Jafari Msafiri Ponera*	Member	PhD	Tanzanian	10 June 2022	41
8.	Mr. Legnard N. Ngailo*	Member	MSc. Agricultural Economics	Tanzanian	1 April 2021	60
9.	Dr. Isaac E. Kazungu	Member	PhD	Tanzanian	1 April 2021	47
10.	Dr. George E. Matto	Member	PhD	Tanzanian	1 April 2021	42
11.	Dr. Gervas M. Machimu	Member	PhD	Tanzanian	1 April 2021	45
12.	Prof. Michael D. Mawondo	Member	PhD	Tanzanian	1 April 2021	60
13.	Prof. Baltazar M. Namwata*	Member	PhD	Tanzanian	22 April 2022	48
14.	Dr. Elisifa E. Nnko	Member	PhD	Tanzanian	1 April 2021	44
15.	Dr. Benson O. Ndiege	Member	PhD	Tanzanian	1 April 2021	45
16.	Mr. Hassan S. Herith	Member	PGDLP	Tanzanian	1 April 2021	42
17.	Mr. Daudi A. Atanasio	Member	Technician	Tanzanian	1 April 2021	52
18.	Mr. Bosco T. Mtani	Member	LLM	Tanzanian	1 April 2021	40
19.	Miss Irne S. Biseko*	Member	LL.M	Tanzanian	5 June 2023	37
20.	Mis. Beatrice K. Patrick	Member	MBA	Tanzania	1 April 2021	40
21.	Mr. Massambu D. Massambu	Member/ Secretary	MBA	Tanzanian	1 April 2021	56

NB: * Member whose appointment started or ended within the financial year

No.	Name	Status
1.	Dr. Kitale C. Malamsha*	The appointment expired on 21 April 2022
2.	Dr. Jafari Msafiri Ponera*	The Appointment started on 10 June 2022
3.	Mr. Legnard N. Ngailo*	The appointment ended 21 April 2022
4.	Prof. Baltazar M. Namwata*	The appointment started on 22 April 2022

Source: Appointment letters

The agenda discussed during the Human Resources Management Committee - Academic meetings included:

- Progress reports of the academic staff, study leave and HEET Scholarship,
- Academic staff promotions, recruitment, transfers, and retentions; and
- Academic staff evaluation reports.

(v) Appointment and Human Resources Management Committee for Administrative Staff

The Committee provides an oversight of all human resource matters including employees' benefits and oversees compliance with laws and regulations.

Table 7: Members of the Appointment and Human Resources Management Committee for Administrative Staff as of 30 June 2023

No.	Name	Position	Qualification	Nationality	Appointment Date	Age
1.	Prof. Alfred S. Sife	Chairperson	PhD	Tanzanian	1 April 2021	50
2.	Prof. Fredy T. Kilima	Member	PhD	Tanzanian	1 April 2021	53
4.	Prof. John G. Safari	Member	PhD	Tanzanian	1 April 2021	49
5.	Mr. Oswald W. Mwanjelile	Member	Technician	Tanzanian	1 April 2021	51
6.	Prof. Michael D. Mawondo	Member	PhD	Tanzanian	1 April 2021	60
7.	Mr. Hassan S. Herith	Member	PGDLP	Tanzanian	1 April 2021	42
8.	Ms. Jane F. Nyombi	Member	MPA	Tanzanian	1 April 2021	59
9.	CPA, Dr. Nicodemus S. Mwakilema	Member	CPA(T), PhD	Tanzanian	1 April 2021	50
10.	Ms. Fadhila E. Ng'imaryo	Member	MBA	Tanzanian	1 April 2021	37
11.	Mr. Daudi A. Atanasio	Member	Technician	Tanzanian	1 April 2021	52
12.	Mr. Massambu D. Massambu	Member/ Secretary	MBA	Tanzanian	1 April 2021	56

Source: Appointment letters

The agenda discussed during the Human Resources Management Committee - Administration meetings were:

- Report on the administration and staff study leave,
- Transfer of staff to/from other Government institutions, recruitment and retention,
- Performance evaluation reports to all administrative staff.

(vi) Students' Affairs Committee

Table 8: Members of the students' affairs committee as of 30 June 2023

No	Name	Position	Qualification	Nationality	Appointment Date	Age
1.	Prof. Maulilio J. Kipanyula	Chairperson	PhD	Tanzanian	1 April 2021	48
2.	Prof. Fredy T. Kilima	Member	PhD	Tanzanian	1 April 2021	53
3.	Dr. Goodluck A. Mmari	Member	PhD	Tanzanian	1 April 2021	63
4.	Mr. Rahimu M. Msofe	Member	MAPSM	Tanzanian	1 April 2021	35
5.	Mr. Hassan S. Herith	Member	PGDLP	Tanzanian	1 April 2021	42
6.	CPA Halima S. Mndeme	Member	CPA(T), MBM	Tanzanian	1 April 2021	33
7.	Dr. Gervas M. Machimu*	Member	PhD	Tanzanian	1 April 2021	45
8.	Mr. Joseph N. Mbeshi*	Member	Student	Tanzanian	13 June 2022	23
9.	Mr. Selemani A. Kingayi*	Member	Student	Tanzanian	13 June 2022	26
10.	Miss. Adela E. Mjema*	Member	Student	Tanzanian	13 June 2022	22
11.	Miss. Brenda J. Mariki*	Member	Student	Tanzanian	13 June 2022	25
12.	Mr. Yohana N. Kazimili*	Member	Student	Tanzanian	23 May 2023	28
13.	Miss. Samira M. Selemani*	Member	Student	Tanzanian	23 May 2023	22
14.	Mr. Baraka M. Muhidini*	Member	Student	Tanzanian	23 May 2023	22
15.	Mr. Albert Evert*	Member	Student	Tanzanian	23 May 2023	24
16.	Dr. Elisifa E. Nnko*	Member/ Secretary	PhD	Tanzanian	1 April 2021	44

NB: * Member whose appointment started or ended within the financial year

No.	Name	Status
1.	Mr. Joseph N. Mbeshi*	The appointment ended on 22 May 2023
2.	Mr. Selemani A. Kingayi*	The appointment ended on 22 May 2023
3.	Miss. Adela E. Mjema*	The appointment ended on 22 May 2023
4.	Miss. Brenda J. Mariki*	The appointment ended on 22 May 2023
5.	Mr. Yohana N. Kazimili*	The appointment started on 23 May 2023
6.	Miss. Samira M. Selemani*	The appointment started on 23 May 2023
7.	Mr. Baraka M. Muhidini*	The appointment started on 23 May 2023
8.	Mr. Albert Evart*	The appointment started on 23 May 2023

The agenda discussed during the Student Affairs Committee included:

- Report on the student's accommodation for both the main campus and KICoB.
- Student counselling and guidance reports,
- Sports and games activities, and
- Students' disciplinary actions.

2.13 Performance Review

2.13.1 Financial performance review

During the financial year 2022/23 total revenue for the University was TZS 23.293 billion compared to TZS 21.779 billion in the previous year. The increase in total revenue is mainly due to increase in government subvention for personal emolument during the current year.

On the other hand, total expenses increased to TZS 21.675 billion compared to TZS 18.663 billion in the previous year. The increase is due to increase in revenue received during the year in respect to personal emolument, which resulted to a surplus of TZS 1.618 billion compared to surplus of TZS 3.116 billion in the previous year.

2.13.2 Academic Performance Review

In the financial year 2022/23, MoCU enrolled 9,186 students. Out of which 4,755 (51.8%) were female and 4,431 (48.2%) were male students. The enrollment increased by 309 (3.47%) compared to 8,877 students in the 2021/22 academic year. During the year under review, 4,309 students graduated from various academic programmes. Out of the graduates, 2,190 (50.8%) were female and 2,119 (49.2%) male graduates. In addition, the University continued offering academic programmes; seven postgraduate degrees, four postgraduate diplomas, 11 bachelor's degrees, 15 undergraduate non-degree programmes. The University continued to enjoy good performance while maintaining quality academic standards.

2.13.3 Academic staff development

In the year under review, 49 new academic staff were employed and 1 was transferred in from other government institutions. The total number of academic staff for the year under review was 212 compared to 167 academic staff for the year ended 30 June 2021/22. At the same

time, the University continued to facilitate training of 48 members of academic staff including seven (7) at master and 41 at PhD degree levels.

2.13.4 Solvency evaluation

The University Council confirms that in the course of preparing these financial statements, International Public Sector Accounting Standards (IPSAS) have been complied with. The University Council ensures that Moshi Co-operative University has adequate funds to meet its objectives which comprise of training, research, outreach, and consultancy activities. The Government of the United Republic of Tanzania will continue to provide grants to the University for meeting personnel emoluments and development activities. Furthermore, the University will continue to generate funds from various internal sources including tuition fees, research activities and consultancy services to meet its operational and development activities. In view of this assessment, the University Council is of the opinion that the University has a sound financial position and will continue to operate for the unforeseeable future.

2.14 Challenges and Future Development Plans

2.14.1 Challenges

During the year under review, The University continued to face challenges in its operations. These included:

- (a) Delay in release of funds for capital development projects
- (b) Partial funding of budgeted activities during the year
- (c) Inadequate funding for research activities.
- (d) Inconsistencies in annual financial statements upon generating such statements from MUSE system.

2.14.2 Future Development Plans

The University's future strategies include:

- (a) Building capacity of staff in writing research funding proposals
- (b) Continuing to review the existing academic programmes and developing new ones to meet market demands;
- (c) Requesting Government financial support for teaching and learning infrastructure;
- (d) Increasing University income through strengthening the existing income generating activities, and introducing new avenues for income generation;
- (e) Strengthening and promoting joint research activities with regional and international organizations/institutions;
- (f) Establishing and fostering collaboration with other Universities locally and international;
- (g) Participating actively in the activities of the professional and academic organization in which the University is a member; and
- (h) Implementing the Higher Education for Economic Transformation (HEET) project, which aims, among other things, at training staff and improving teaching and learning infrastructure.

2.15 Risk Management and Internal Control

The management perceives its internal controls to be of a medium risk. Processing of transactions from initiation and authorization, recording and processing indicate that the controls are adequate. However, there are some areas highlighted in the management letter for the year 2021/2022 and other previous years, which need improvements so that internal controls and its control environment become adequate and more reliable. The management has worked on most of the recommendations and is committed to ensure all recommendations by auditors are adequately attended.

2.16 Human Resource Development

2.16.1 Staffing

As at 30 June 2023, the total permanent workforce was 388 employees (30 June 2022: 323 employees) of which 243 were male (30 June 2022: 205 male) equivalent to 63% and 145 were female (30 June: 118 female) equivalent to 37%. Out of the total, 212 are Academic staff (30 June 2022: 167 staff) while the rest 176 are administration staff (30 June 2022: 156 staff).

During the year the University recruited a total of 71 employees included those employed through the Public Service Recruitment Secretariat (PSRS), transferred from other Government Organization and Contract staff. However, a total of 17 employees exited the University due to various reasons which include retirement, transfers to other Government offices, termination and death as shown in Table 1 below:

Table 9: Analysis of Employees Movement During the Year

Details	Male	Female	Total
Number of employees as at 30 June 2022	205	118	323
Less: Number of employees who exited the University during the year	(15)	(2)	(17)
Balance Number of Employees from prior year	190	116	306
Add: New employees during the year	48	23	71
Add: Transfer (In) during the year	5	6	11
Number of employees as at 30 June 2023	243	145	388

2.17 HIV/AIDS

The University has developed HIV and AIDS policy and programme, which provides the framework, direction and general principles for interventions, prevention, care, and support to those infected and affected by the epidemic so as to mitigate its impact. The University has conducted various awareness seminars and sensitization sessions on HIV/AIDS for staff and students using various forums. These seminars and sensitization events are coordinated by the Directorate of Administration and Human Resource Management and Directorate of Student Services. To ensure awareness creation on HIV/AIDS for MoCU community, experts from various

health facilities, including MoCU health Centre and dispensary are regularly invited to provide seminars, counselling, and guidance during such events. Also, the University has been allocating funds for special food for people living with HIV/AIDS.

2.18 Staff Development and Training

The University implements training programmes by supporting its employees to participate in different long and short-term training programmes organized both within the country and outside to enable them acquire knowledge, experience, and necessary skills to improve their capacity and ability to deliver quality services in teaching, research and consultancy. In the year under review 61 staff were on long term training whereby 43 were at PhD level (41 academician and 2 administrative), 14 were at masters' level (seven academician and seven administrative) and three administrative staff were pursuing first degree and one was enrolled to pursue an ordinary diploma.

2.19 Environmental Management

Management is dedicated to improving environmental management, paying special attention to the teaching, and learning environments to guarantee access to all people at all times. At the same time, the management continues to upgrade facilities like walkways and ramps for the people with special needs to create a friendly environment for all.


2.20 Auditors

The Controller and Auditor General (CAG) is the statutory auditor of the University by virtue of Article 143 of the Constitution of the United Republic of Tanzania and amplified in section 10 of the Public Audit Act, Cap 418. However, in accordance with section 33 of the same Act HLB Tanzania has been authorized to carry the audit of financials statements of the University for the year ended 30 June 2023 on behalf of the CAG.

BY ORDER OF THE COUNCIL


.....
Mr. George Yambesi

Chairperson of the Council


.....
Alfred S. Sife
Vice Chancellor

Date: 20.3.2024

Date: 20.3.2024

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

Members of the Council are required under Section 85 (1) of the MoCU Charter, 2015 made under Section 25 of the Universities Act No.6, 2005 to prepare Financial statements for each reporting period a statement of financial performance, statement of financial position, cash flow statement, statement of changes in net assets, statement of comparison of budget against actual amount and notes to the financial statements of the reporting entity as at the end of the financial year that give a true and fair view of the state of affairs of the University. Further, the Council accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. The University is responsible for safeguarding the assets of the reporting entity and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The University accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the accrual basis of International Public-Sector Accounting Standard (IPSAS), in the manner required by the Section 30 of the public Finance Act CAP 348[revised, 2020] and University Act No. 6 of 2005. Council members hereby confirm that suitable accounting policies have been used and applied consistently, and that reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the year ended 30 June 2023. To the best of our knowledge, the system of internal control has operated adequately throughout the reporting period and that the records and underlying accounts provide a reasonable basis for the preparation of the financial statement for the 2022/23 financial year. We accept responsibility for the integrity of the financial statements and the information it contains, and that its compliance with the Public Finance Act CAP 348 (Revised, 2020) and other instructions from the Treasury Registrar.


Procurement of goods, works, consultancy, and non-consultancy services to the extent that they are reflected in these financial statements have been done in accordance with the Public Procurement Act CAP.410 (R.E 2022). The council believes the financial statements give a true and fair view of the state of financial affairs of the University. Nothing has come to the attention of the Council to indicate that the MoCU will not remain a going concern for at least the next twelve months from the date of this statement.

BY ORDER OF THE COUNCIL


.....

Mr. George Yambesi
Chairperson of the Council

Date: 20.3.2024


.....

Alfred S. Sife
Vice Chancellor

Date: 20.3.2024

4.0 DECLARATION OF THE HEAD OF FINANCE

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

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

I, CPA Dr. Nicodemus Simon Mwakilema, being the Director of Planning and Finance of Moshi Co-operative University (MoCU) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Moshi Co-operative University (MoCU) as on that date and that they have been prepared based on properly maintained financial records.

Signature: 
Name: CPA Dr. Nicodemus S. Mwakilema
Position: Director of Planning and Finance
NBAA Membership No ACPA.: 3372

Date: 20.03.2024

5.0 FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

		2022/23	RESTATED
	Note	TZS	2021/22
ASSETS			TZS
Current Asset			
Cash and Cash Equivalents	2	4,106,953,393	4,356,293,441
Inventories	3	657,506,756	328,031,224
Prepayments	4	1,269,342,201	148,377,101
Receivables	5	<u>2,133,838,980</u>	<u>4,459,774,736</u>
		<u>8,167,641,330</u>	<u>9,292,476,502</u>
Non-Current Asset			
Intangible Assets	6	-	6,844,800
Property, Plant and Equipment	7	64,771,579,562	64,880,655,575
Work In Progress	8	<u>3,053,074,361</u>	-
		<u>67,824,653,923</u>	<u>64,887,500,375</u>
TOTAL ASSETS		<u>75,992,295,253</u>	<u>74,179,976,877</u>
LIABILITIES			
Current Liabilities			
Deferred Income	9	1,336,422,855	280,592,100
Deposits	10	276,136,211	35,626,526
Payables and Accruals	11	1,946,803,475	3,241,041,022
Provisions	12	<u>61,584,000</u>	<u>61,584,000</u>
		<u>3,620,946,541</u>	<u>3,618,843,648</u>
TOTAL LIABILITIES		<u>3,620,946,541</u>	<u>3,618,843,648</u>
NET ASSETS		<u>72,371,348,712</u>	<u>70,561,133,229</u>
NET ASSETS/EQUITY			
Capital Contributed by:			
Taxpayers/Share Capital		1,703,855,000	1,703,855,000
Accumulated Surpluses / Deficits		<u>70,667,493,712</u>	<u>68,857,278,229</u>
TOTAL NET ASSETS/EQUITY		<u>72,371,348,712</u>	<u>70,561,133,229</u>

The financial statements were adopted by the members of the council and signed on its behalf by:

.....
George D. Yambesi
CHAIRPERSON OF THE COUNCIL

Date: 20.3.2024

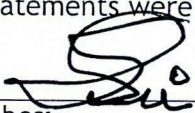
.....
Prof. Alfred S. Sife
VICE CHANCELLOR


Date: 20.3.2024

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2023

		2022/23	RESTATED
Classification of Expenses by Nature	Note	TZS	2021/22 TZS
REVENUE			
Revenue Grants	13	-	25,583,499
Revenue from Exchange Transactions	14	8,906,716,437	8,973,164,808
Levies	15	995,764	-
Fees, Fines, Penalties and Forfeits	16	347,920,400	368,136,233
Other Revenue	17	1,081,775,888	1,128,610,161
Subvention from other Government entities	18	13,148,147,036	11,283,058,125
		<u>23,485,555,525</u>	<u>21,778,552,826</u>
EXPENSES AND TRANSFERS			
Expenses			
Amortization of Intangible Assets	19	6,844,800	1,711,200
Depreciation of Property, Plant and Equipment	7	1,526,635,508	1,205,777,880
Maintenance Expenses	20	140,999,548	168,011,620
Other Expenses	21	783,696,726	579,979,745
Social Benefits	22	3,294,800	14,973,800
Use of Goods and Service	23	4,039,342,004	3,180,952,171
Wages, Salaries and Employee Benefits	24	15,024,526,656	13,360,355,201
		<u>21,525,340,042</u>	<u>18,511,761,617</u>
Transfer			
Other Transfers	25	150,000,000	151,000,000
		<u>150,000,000</u>	<u>151,000,000</u>
TOTAL EXPENSES AND TRANSFERS		<u>21,675,340,042</u>	<u>18,662,761,617</u>
Surplus / (Deficit)		<u>1,810,215,483</u>	<u>3,115,791,209</u>

The financial statements were adopted by the members of the council and signed on its behalf by:


George D. Yambesi
CHAIRPERSON OF THE COUNCIL


Prof. Alfred S. Sife
VICE CHANCELLOR


Date: 20.3.2024

Date: 20.3.2024

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

Details	Taxpayer's Fund TZS	Accumulated. Surplus/(Deficit) TZS	Total TZS
Opening Balance as at 01 Jul 2022	1,703,855,000	68,857,278,229	70,561,133,229
Surplus/ Deficit for the Year	-	1,810,215,483	1,810,215,483
Closing Balance as at 30 Jun 2023	<u>1,703,855,000</u>	<u>70,667,493,712</u>	<u>72,371,348,712</u>
Opening Balance as at 01 Jul 2021	1,703,855,000	65,741,487,020	67,445,342,020
Surplus/ Deficit for the Year	-	3,115,791,209	3,115,791,209
Closing Balance as at 30 Jun 2022	<u>1,703,855,000</u>	<u>68,857,278,229</u>	<u>70,561,133,229</u>

The financial statements were adopted by the members of the council and signed on its behalf by:



George D. Yambesi
CHAIRPERSON OF THE COUNCIL



Prof. Alfred S. Sife
VICE CHANCELLOR

Date: 20.3.2024

Date: 20.3.2024

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

		2022/23 TZS	RESTATED 2021/22 TZS
CASH FLOW FROM OPERATING ACTIVITIES			
RECEIPTS			
Subvention from other Government entities	26	14,203,977,791	11,501,297,024
Revenue from Exchange Transactions	27	10,198,108,707	9,480,216,352
Other Revenue	28	1,118,341,243	1,140,179,445
Levies	15	995,764	-
Increase in deposit	10	240,509,685	35,626,640
Fees, Fines, Penalties and Forfeits	16	347,920,400	368,136,233
Total Receipts		26,109,853,590	22,525,455,694
PAYMENTS			
Wages, Salaries and Employee Benefits	29	15,024,526,656	13,799,796,375
Use of Goods and Service	30	4,583,501,894	3,617,491,559
Social Benefits	22	3,294,800	14,973,800
Other Transfers	25	150,000,000	151,000,000
Other Expenses	21	604,851,775	579,979,745
Maintenance Expenses	20	140,999,547	168,011,620
Total Payments		20,507,174,672	18,331,253,099
NET CASH FLOW FROM OPERATING ACTIVITIES		5,602,678,918	4,194,202,595
CASH FLOW FROM INVESTING ACTIVITIES			
Investing Activities			
Payment for Work in Progress	8	(3,053,074,361)	-
Prepayments - Assets	4	(1,269,342,201)	-
Acquisition of Property, Plant and Equipment	7	(1,529,602,404)	(1,494,429,569)
Total Investing Activities		(5,852,018,966)	(1,494,429,569)
NET CASH FLOW FROM INVESTING ACTIVITIES		(249,340,048)	2,699,773,026
Net Increase/Decrease		(249,340,048)	2,699,773,026
Cash and cash equivalent at beginning of period		4,356,293,441	1,656,520,415
Cash and cash equivalent at end of period	2	4,106,953,393	4,356,293,441

The financial statements were adopted by the members of the council and signed on its behalf by:


George D. Yambesi
CHAIRPERSON OF THE COUNCIL


Prof. Alfred S. Sife
VICE CHANCELLOR

Date: 20.3.2024


Date: 20.3.2024

MOSHI CO-OPERATIVE UNIVERSITY (MoCU)

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

Details	Original Budget	Reallocations		Final Budget (B)	Actual Amount on Comparison Basis (A)	Variance: Budget - Actual		% VAR	NOTE
		Adjustments	TZS			(B-A)	TZS		
RECEIPTS	TZS			TZS					
Fees, Fines, Penalties and Forfeits	-	-		-	347,920,400	-347,920,400			
Levies	-	-		-	995,764	-995,764			
Other Revenue	200,000,000			200,000,000	1,081,775,888	-881,775,888		-441%	33.1
Revenue from Exchange Transactions	11,290,595,630	-		11,290,595,630	8,906,716,437	2,383,879,193		21%	33.2
Subvention from other Government entities	16,065,417,692	-		16,065,417,692	12,955,491,636	3,109,926,056		19%	33.3
Total Receipts	27,556,013,322	-		27,556,013,322	23,292,900,125	4,263,113,197			
PAYMENTS									
Grants and Transfers	340,220,623	-		340,220,623	-	340,220,623			
Maintenance Expenses	1,141,723,917	-135,060,000		1,006,663,917	140,999,547	865,664,370		86%	33.4
Other Expenses	828,686,518	-64,692,512		763,994,006	783,696,726	-19,702,720		-3%	
Other Transfers	150,000,000	-		150,000,000	150,000,000	0		0%	
Social Benefits	13,000,000	-2,000,000		11,000,000	3,294,800	7,705,200		70%	33.5
Use of Goods and Service	5,705,788,826	-119,875,188		5,585,913,638	4,039,342,004	1,546,571,634		28%	33.6
Wages, Salaries and Employee Benefits	13,992,468,329	41,977,700		14,034,446,029	15,024,526,656	-990,080,627		-7%	
Acquisition of Property, Plant and Equipment	5,384,125,109	279,650,000		5,663,775,109	5,642,684,797	21,090,312		0%	
Total Payment	27,556,013,322	-		27,556,013,322	25,784,544,530	1,771,468,792			
Net Receipts/Payments	-	-		-	-2,491,644,405	291,661,776			

The financial statements were adopted by the members of the council and signed on its behalf by:


George D. Yambesi
CHAIRPERSON OF THE COUNCIL


Prof. Alfred S. Sife
VICE CHANCELLOR

Date: 20.3.2024

Date: 20.3.2024

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below:

(a) Basis of Preparation

The financial statements are prepared in compliance with International Public Sector Accounting Standards (IPSAS) accrual basis. Except where otherwise stated in the accounting policies, the initial measurement applied is the historical cost and subsequent measurement is at cost less accumulated depreciation and accumulated impairment. The financial statements are prepared in Tanzania shilling (TZS).

The preparation of financial statements is in conformity with IPSAS that require the use of estimates and assumptions. The standards also require the management to exercise its judgment in the process of applying the University accounting policies. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed separately in the notes.

However, the basis of Budget preparation is on accruals basis in which the forecasted revenue will be the same as the forecasted expenditure.

(i) Reporting Period

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

(ii) Authorization date

The Financial Statements will be submitted to the controller and Auditor (GAG) on or before 31 August 2023 and will be authorized for issuance after being tabled on and discussed by the Parliament by 31 December 2023.

(iii) New Standards on Issue not Yet Adopted by the University

There are eight (8) new Standards issued by the International Public Sector Accounting Standards Board (IPSASB) that were not yet effective up to the date of issuance of the University's financial statements. The new Standards are:

- IPSAS 41 - Financial Instruments, which is effective on or after 1 January 2023 due to COVID 19. This Standard replaces IPSAS 29 and it sets out requirements for recognition and measurement of financial instruments, including impairment, de-recognition and general hedge accounting; and

- IPSAS 42 - Social Benefits, which is effective on or after 1 January 2023. This Standard will help users of the financial statements to assess the nature of social benefits provided by the Corporation, the features of the operation of social benefit schemes and the impact of social benefits on the Corporation's financial performance, financial position and cash flows.
- IPSAS 43 Leases, the effective date of is January 1, 2025, with earlier application permitted for entities that apply IPSAS 41, Financial Instruments at or before the date of initial application of this Standard. IPSAS 43 sets out a comprehensive model for the identification of lease arrangements and the treatment in the financial statements of both lessees and lessors. A notable aspect of IPSAS 43 is that the lessee and lessor accounting models are asymmetrical.
- IPSAS 44 Non-Current Assets Held for Sale and Discontinued Operations, the effective date of IPSAS 44 is January 1, 2025, with earlier application permitted. IPSAS 44 aligned with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations which will specify the: Accounting for assets held for sale; and Presentation and disclosure of discontinued operations.
- IPSAS45, Property, Plant, And Equipment, the effective date of IPSAS 45 is January 1, 2025, with earlier application permitted for entities that apply IPSAS 43, Leases, IPSAS 44, Non-Current Assets Held for Sale and Discontinued Operations, and IPSAS 46, Measurement at or before the date of initial application of this Standard. IPSAS 45 update principles drawn from IPSAS 17, Property, Plant, and Equipment by adding new guidance for heritage assets, infrastructure assets, and measurement of property, plant, and equipment.
- IPSAS 46, Measurement, the effective date of IPSAS 46 is January 1, 2025, with earlier application permitted. IPSAS 46 aims to improve measurement guidance across IPSAS by: Providing further detailed guidance on the implementation of commonly used measurement bases, and the circumstances under which they should be used; Clarifying transaction costs guidance to enhance consistency across IPSAS; and amending, where appropriate, guidance across IPSAS related to measurement at recognition, subsequent measurement, and measurement-related disclosure.
- IPSAS 47, Revenue, the effective date of IPSAS 47 is January 1, 2026, with earlier application permitted. IPSAS 47 sets out the accounting requirements for revenue transactions in the public sector. This IPSAS replaces IPSAS 9, Revenue from Exchange Transactions, IPSAS 11, Construction Contracts, and IPSAS 23, Revenue from Non-Exchange Transactions (Taxes and Transfers).
- IPSAS 48, Transfer Expenses, the effective date of IPSAS 48 is January 1, 2026, with earlier application permitted for entities that apply IPSAS 47, Revenue, at or before the date of initial application of this Standard.

Therefore, The University is evaluating the impact of these standards on its financial statements and will adopt them in the preparation and presentation of its future financial statements where applicable.

(b) Property, Plant and Equipment

(i) Measurement

MoCU conducted revaluation of all of its Property, Plant and Equipment (PPEs) in June 2018. The values obtained during the exercise were considered to be the deemed cost of all PPE for accounting purpose in subsequent years when the University adopted the Cost Model of accounting for PPE as directed by the government circular. Therefore, PPEs are stated at deemed cost less accumulated depreciation and any accumulated impairment losses. The cost of self-constructed assets includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of overheads. Donated PPEs are recognised as income by the amount of the fair value of the PPE received in the year the PPE is donated.

Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment and stated at cost until construction or development is complete, at which time it is reclassified as investment property.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant, and equipment.

(ii) Subsequent Costs

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

(iii) Depreciation

Land is not depreciated. Depreciation is calculated using straight-line method. To reduce the cost of each asset to its residual value over their estimated useful lives at a given rate per annum as shown below: -

Particular	Estimated Useful Life	Rates
Buildings and stadium	50yrs	2%
Water wells and Schemes	15yrs	7%
Furniture and fittings	5yrs	20%
Computers	5yrs	20%
Communication systems & equipment	5yrs	20%
Library books	5yrs	20%
Motor vehicles	5yrs	20%
Plant and machinery	15yrs	7%
Road & streetlights	10yrs	10%
Motorcycles	5yrs	20%
Mattress	5yrs	20%

Depreciation of an asset begins when it is available for use; that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by the management. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. In practice, the residual values of assets are insignificant and therefore immaterial in calculation of the depreciable amount. An asset's carrying amount is written down immediately to its recoverable amount if it is greater than its estimated recoverable amount.

The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of financial performance.

Expenditure on tools and other minor assets are written off during the year of acquisition. However, they are recorded in memorandum registers and controlled through annual stocktaking.

Books acquired for the library are capitalized and depreciated over their useful economic life. The University has been using the same depreciation charge method consistently.

(c) Intangible Assets

Acquired computer software licenses covering more than one year are capitalized and amortized over their estimated useful lives using reducing balance method, such licenses are

recognized at cost and capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized over their estimated useful lives of five years. Costs associated with developing or maintaining computer software programs are recognized as expense as incurred.

Costs that are directly associated with the production of identifiable and unique software products controlled by the University, and that would probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Direct costs include the costs of software development, employees' cost, and an appropriate portion of relevant overheads.

(d) Research and Development Costs

Research expenditure is recognized as an expense as incurred. Costs incurred on development projects (relating to the design and testing of new or improved products/services) are recognized as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Other development expenditures are recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Development costs that have a finite useful life and that have been capitalized are amortized from the commencement of the commercial production of the product on a straight-line basis over the period of expected benefit, not exceeding five years.

(e) Revenue Recognition

Revenue on fees collected from students and Government subvention on personnel emolument (PE) is accounted for on accruals basis.

The revenue resources of the University comprise of: -

- Such sums as may be provided for the purpose of the University by Parliament, either by way of subvention, grant or loan;
- Such sums as the Council may from time to time borrow for the purpose of the University; and
- Such sums as that may in any manner become payable to or vested in the University either under the establishing Charter or in any form of grant or donation.

(f) Inventories

Inventories comprise stationery, spare parts and tyres, building, electrical & plumbing material, medical supplies. Inventories are stated at the lower of cost and net realizable value. Cost is determined on a first in first out (FIFO) basis. The cost of inventories comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. The treatment is in accordance with the provisions of IPSAS 12.

Books acquired for the library are capitalized and depreciated. Books purchased for re-sale are treated as current assets and included in the inventories.

(g) Grants and Development Funds

Funds and assets donated to the University by the Government or other donor agencies for meeting operating costs and expenses are credited to the Statement of Financial Performance.

During the year under review MoCU received revenue grants and development funds from the government as follows:

S/N	Particulars	Amount (TZS)
1	Personnel Emoluments	12,189,531,302
2	HEET Project Funds	2,014,446,489
Total		14,203,977,791

The above amounts have been accounted for as per provisions of circular Ref.No.EG.3/102/03/01 dated 7 November 2018 issued by the Ministry of Finance and Planning.

(h) Foreign Currency Transactions

Foreign currency transactions are translated into Tanzania Shillings using the exchange rates prevailing at the date 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 recognized in the Statement of Financial Performance. Translation differences on non-monetary items, such as equities classified as available for sale financial assets, are included in the fair value reserve in equity. The above treatment is in accordance with the provisions of IPSAS 4 issued by IPSASB.

(i) Trade Receivables

Trade receivables comprise student fees, other receivables, and staff advances. These are recognized initially at fair value and subsequently measured as amortized cost using the effective interest rates, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the University will not be able to collect all amounts due according to the original terms of the receivables. However, where the University collects the same in subsequent period, the same amount is released back to the statement of financial performance.

The amount of the provision is the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate. The amount of the provision is recognized in the Statement of Financial Performance.

(j) Cash and Cash Equivalents

Cash and cash equivalents are carried in the statement of financial position at fair value. For the purpose of statement of cash flow, cash and cash equivalents comprise cash at bank and all deposits held in commercial banks and the Bank of Tanzania.

(k) Employment Benefits

(l) Retirement Benefit Obligation

Employees of the University are members of Public Service Social Security Fund (PSSSF). The Pension Funds are State owned pension schemes. The Funds are liable for all pension obligations due to the employees upon retirement from active employment with the University. The employees' contribution to the Funds equals 5% of the basic salaries directly withheld by the employer at the end of each month and remitted to the respective pension funds on monthly basis. The employer in turn contributes 15% of the basic salary to PSSSF (or any other defined scheme). The University's contribution is charged to the Statement of Financial Performance as and when due. The University has no legal or constructive obligation to pay any further amount to the employees after retirement if the pension schemes do not have sufficient funds to settle their obligations to the retirees.

(m) Other Long-Term Employees Benefits

Entitlements to annual leave are recognized when they accrue to employees. Provision is made for the estimated liability in respect of annual leave accrued on the reporting date. Liability on gratuity, is provided in the financial statements based on past service period until the benefit becomes payable.

(n) Risk Management

Risk is an inherent feature of the activities of any entity. MoCU endeavours to manage business risk by having in place appropriate functional structures, systems and procedures which evolve continuously in response to changes in the environment in which the University operates. The following are the main types of risks the University is exposed to in the course of executing its day-to-day functions which includes (Operational, Liquidity and, Credit.)

(i) Operational Risk

Operational risk is the risk of loss both financial and non-financial resulting from inadequate systems, management failures, ineffective internal control process, fraud, theft, and human errors. The University addresses this risk through endeavours geared at ensuring existence of a sound internal control system.

Managing operational risk is an integral part of the day-to-day functions by the University management. The risk is closely monitored by management and the Council.

(ii) Liquidity Risk

Liquidity risk is the risk that an entity faces by not having adequate funds to settle day to day obligations as they fall due.

The University is limited in the management of this risk in view of the fact that significant part of its liquid resources is secured from Government subvention through budget allocations. Efforts to manage liquidity risk by management include forward planning and close monitoring of liquidity movement by the finance department.

(iii) Credit Risk

Potential credit risk involves possible losses of trade and other receivables.

Management of risk associated with student and other receivables includes close follow up and requiring students and other regular customers to deposit money in advance to cover for services to be rendered and withholding students' certificate until all receivables are cleared.

(o) Taxation

No provision for corporation tax has been made in these accounts. The University being a government institution of higher learning is exempted from payment of corporation tax with the exception of Value Added Tax (VAT) which forms part of university expenses. However, the University remains to be tax collecting agent of the tax authority. So far there is no liability arising from university failing to perform its function as tax collecting agent.

(p) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's fair value exceeds its recoverable amount. The recoverable amount is the higher of assets fair value less costs to sell and the value in use.

(q) Provisions

Provisions are recognized when the University has a present legal or constructive obligation as a result of past events, and it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2. Cash and Cash Equivalents

	2022/23	2021/22
	TZS	TZS
BOT Own source Collection Account	1,054,674,059	1,169,892,500
Deposit Account USD	26,042,051	-26,295,391
Deposit General Cash Account	257,958,597	-17,850,385
Development Expenditure Cash Account	425,464,260	9,576,145
HESLB Funds Account	131,227,860	33,582,099
Own Source Collection Account - Stanbic	2,937,198	2,906,698
Own source Collection Account - CRDB	25,895,969	22,108,100
Own source Collection Account - NBC	1,733,750	1,819,500
Own source Collection Account - NMB	-172,000	5,034,700
Own source Collection Account CRDB - USD	56,704,647	56,692,714
Own source Collection Account NMB - USD	-128,142	1,488
Own source Development Expenditure	507,986,176	1,972,337,640
Own source Recurrent Expenditure GF	627,329,216	1,042,385,781
Unapplied Cash Account	32,876,696	-13,333,838
USD BOT Collection Account	956,423,056	97,435,690
	<u>4,106,953,393</u>	<u>4,356,293,441</u>

3. Inventories

	2022/23	2021/22
	TZS	TZS
Building Materials - Inventory	198,833,072	-
Consumables	458,173,684	328,031,224
Spare parts and tires	500,000	-
	<u>657,506,756</u>	<u>328,031,224</u>

4. Prepayments

	2022/23	2021/22
	TZS	TZS
Prepayment - Expenses	-	148,377,101
Prepayments - Assets	1,269,342,201	-
	<u>1,269,342,201</u>	<u>148,377,101</u>

5. Receivables

	2022/23	2021/22
	TZS	TZS
Imprest Receivable	30,096,000	-
Receivable from exchange transactions	2,103,742,980	4,423,209,381
Trade Receivables	-	36,565,355
	<u>2,133,838,980</u>	<u>4,459,774,736</u>

6. Intangible Assets

	2022/23	2021/22
	TZS	TZS
Acc. Impairment Computer Software	(34,900,000)	(28,055,200)
Computer Software	34,900,000	34,900,000
	<u>-</u>	<u>6,844,800</u>

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7. Property, Plant and Equipment

PARTICULARS	BUILDING	COMMUNICA TION SYSTEM EQUIPMENT	COMPUTER AND ACCESSORIES	FURNITURE, FITTINGS AND EQUIPMENT'S	LAND	LIBRARY BOOKS	MATTRESS	MOTORCYC LES	MOTOR VEHICLES	PLANT AND MACHINERY	ROADS & STREET LIGHTS	WATER BOREHOLES	TOTAL
COST:													
Opening Cost 1.07.2022	25,475,767,459	317,166,262	921,546,545	3,321,465,612	37,600,000,000	678,658,390	62,808,134	28,840,000	1,458,119,166	324,477,136	1,664,506,801	203,491,000	72,056,846,505
Additions during the Year	511,859,137	30,113,600	101,358,440	291,626,601	-	115,286,695	-	-	546,159,973	-	-	-	1,596,404,446
Disposal during the Year	(189,012,700)	-	-	-	-	-	-	-	-	-	-	-	-
Closing Cost 30.06.2023	25,798,613,896	347,279,862	1,022,904,985	3,613,092,213	37,600,000,000	793,945,085	62,808,134	28,840,000	2,004,279,139	324,477,136	1,664,506,801	203,491,000	73,464,238,251
DEPRECIATION:													
Accumulated Depreciation 1.07.2022	1,844,398,215	178,292,014	426,966,704	1,932,316,711	-	556,590,695	6,212,829	8,878,067	869,863,211	196,941,135	1,028,210,329	127,521,021	7,176,190,931
Accumulated Depreciation on Disposal	(10,167,750)	-	-	-	-	-	-	-	-	-	-	-	10,167,750
Depreciation Charge for the Year	488,956,580	44,576,220	158,047,187	420,809,989	-	53,574,339	14,148,750	4,990,500	256,296,245	9,109,714	70,699,555	5,426,429	1,526,635,508
Accumulated Depreciation 30.06.2023	2,323,187,045	222,868,234	585,013,891	2,353,126,700	-	610,165,034	20,361,579	13,868,567	1,126,159,456	206,050,849	1,098,909,884	132,947,450	8,692,658,689
NET BOOK VALUES (NBV):													
NBV 2022/23	23,475,426,851	124,411,628	437,891,094	1,259,965,513	37,600,000,000	183,780,051	42,446,555	14,971,433	878,119,683	118,426,287	565,596,917	70,543,550	64,771,579,562
NBV 2021/22	23,631,369,244	138,874,249	494,579,840	1,389,148,901	37,600,000,000	122,067,695	56,595,305	19,961,933	588,255,955	127,536,002	636,296,472	75,969,979	64,880,655,575

8. Work In Progress

	2022/23	2021/22
	TZS	TZS
Other Structure - WIP	3,053,074,361	-
	<u>3,053,074,361</u>	<u>-</u>

9. Deferred Income

	2022/23	2021/22
	TZS	TZS
Deferred Subvention Capital	1,248,486,155	192,655,400
Recurrent Deferred Income	87,936,700	87,936,700
	<u>1,336,422,855</u>	<u>280,592,100</u>

Recurrent deferred income relates to funds collected during FY 2021/22 for constructing "Staff Student Business Centre". No extra funds were collected during the year and no construction works undertaken, activities are scheduled commence next financial year.

10. Deposits

	2022/23	2021/22
	TZS	TZS
Deposit General	-	48,960,364
Retention	276,136,211	-
Unapplied Deposit Account	-	-13,333,838
	<u>276,136,211</u>	<u>35,626,526</u>

11. Payables and Accruals

	2022/23	2021/22
	TZS	TZS
Meals, Accommodation and Stationaries	133,603,749	34,886,937
Purchase of Asset	66,802,042	-
Staff claim	1,057,460,553	2,085,534,685
Supplies of goods and services	674,697,174	1,120,619,400
Withholding Tax Payable	14,239,957	-
	<u>1,946,803,475</u>	<u>3,241,041,022</u>

12. Provisions

	2022/23	2021/22
	TZS	TZS
Legal Fees	61,584,000	61,584,000
	<u>61,584,000</u>	<u>61,584,000</u>

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13. Revenue Grants

	2022/23	2021/22
	TZS	TZS
Revenue Transfer	-	25,583,499
	<u>-</u>	<u>25,583,499</u>

14. Revenue from Exchange Transactions

	2022/23	2021/22
	TZS	TZS
Printing and Publications	36,315,300	7,098,810
Quality Assurance Fees	176,120,400	-
Receipt from Conference Facilities	11,346,114	5,335,500
Receipt from sales of Publications	-	6,609,100
Receipts from Medical and Dental Charges	81,913,855	85,813,280
Tuition Fees for University/College Students	8,601,020,768	8,868,308,118
	<u>8,906,716,437</u>	<u>8,973,164,808</u>

15. Levies

	2022/23	2021/22
	TZS	TZS
Renting Space / Houses	995,764	-
	<u>995,764</u>	<u>-</u>

16. Fees, Fines, Penalties and Forfeits

	2022/23	2021/22
	TZS	TZS
Registration Fees	347,920,400	368,136,233
	<u>347,920,400</u>	<u>368,136,233</u>

17. Other Revenue

	2022/23	2021/22
	TZS	TZS
Academic transcript fees	83,140,000	16,020,000
Application fee	7,710,400	-
Hire of Services	41,070,000	-
Miscellaneous Receipts	150,583,831	106,979,141
Professional Fees	2,658,447	363,479,233
Receipt from Consultancy Fees	49,605,646	12,804,600
Receipts from Certificate of Competence	-	44,144,500
Receipts from Examination Fees	173,780,000	142,882,500
Revenue from Rent of Government Quarters	165,868,064	68,551,437
Student Accommodation Fee	338,039,500	349,448,750
Student ID	53,780,000	24,300,000
Supervision Fees	15,540,000	-
	<u>1,081,775,888</u>	<u>1,128,610,161</u>

18. Subvention from other Government entities

	2022/23	2021/22
	TZS	TZS
Government Grant Development Foreign	958,615,734	-
Government Grant Development Local	-	192,672,900
Subvention for Personal Emolument	12,189,531,302	11,090,385,225
	<u>13,148,147,036</u>	<u>11,283,058,125</u>

19. Amortization of Intangible Assets

	2022/23	2021/22
	TZS	TZS
Amortization of intangible asset	6,844,800	1,711,200
	<u>6,844,800</u>	<u>1,711,200</u>

20. Maintenance Expenses

	2022/23	2021/22
	TZS	TZS
Air conditioners	2,411,870	1,458,750
Cement, Bricks and Building Materials	-	4,716,000
Computers, printers, scanners, and other computer related equipment	1,981,000	5,159,251
Direct labour (contracted or casual hire)	36,742,600	23,997,100
Electrical and Other Cabling Materials	-	13,450,000
Electrical cabling and equipment (traffic lights)	5,872,500	-
Fax machines and other small office equipment	-	1,500,000
Fire Protection Equipment	-	2,754,409
Oil and Grease	8,380,633	3,536,625
Outsource maintenance contract services	74,217,628	63,878,157
Photocopiers	-	2,000,000
Plumbing Supplies and Fixtures	-	16,941,174
Roofing Materials	-	11,515,000
Small Tools and Implements	-	6,200,000
Spare Parts	6,224,567	5,487,264
Telephone Equipment (ground line)	-	916,000
Tires and Batteries	5,168,750	4,501,890
	<u>140,999,548</u>	<u>168,011,620</u>

21. Other Expenses

	2022/23	2021/22
	TZS	TZS
Audit fees	130,926,000	131,330,000
Bad and Doubtful expenses	7,941,455	-
Bank Charges and Commissions	293,000	-
Burial Expenses	17,040,000	25,242,400
Director's Fee	130,300,000	143,500,000
Honorariums (expert opinion)	-	10,105,000
Insurance Expenses	29,371,488	33,326,178
Investigation expenses	2,500,000	3,200,000
Legal fees	200,000	821,000
Other Payments	190,156,550	-
Registration Fees	-	50,000
Sundry Expenses	265,588,233	232,405,167
Vehicles Insurance	9,380,000	-
	<u>783,696,726</u>	<u>579,979,745</u>

Under sundry expenses in note 21 it includes TZS 178,844,950 for the year 2022/23 which represents a recognized loss on disposal for assets disposed during the year.

22. Social Benefits

	2022/23	2021/22
	TZS	TZS
Settlement of Medical Treatment Claims	3,294,800	14,973,800
	<u>3,294,800</u>	<u>14,973,800</u>

23. Use of Goods and Service

	2022/23	2021/22
	TZS	TZS
Advertising and publication	9,099,072	24,175,300
Air Travel Tickets	74,457,526	77,726,120
Archive Materials	800,000	4,280,000
Classroom Teaching Supplies	15,424,895	70,518,071
Cleaning Supplies	2,966,500	3,610,000
Computer Software	16,990,551	-
Computer Supplies and Accessories	92,874,180	7,312,276
Conference Facilities	16,400,000	-
Consumable Medical Supplies	1,600,000	4,000,000
Courier Services	780,000	694,000
Depreciation Charge for Library Books	773,851	-
Diesel	313,029,432	94,378,719
Drugs and Medicines	9,410,378	15,865,770
Electricity	117,976,330	148,107,049
Entertainment	6,550,000	36,583,000
Examination Expenses	64,310,580	98,171,968
Exhibition, Festivals and Celebrations	16,400,000	34,408,000
Food and Refreshments	64,583,292	94,120,520

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Fumigation	7,375,000	2,818,000
Gifts and Prizes	17,400,000	17,400,000
Ground Transport (Bus, Train, Water)	10,942,047	102,151,003
Ground travel (bus, railway taxi, etc)	192,938,613	113,244,935
Hospital Supplies	1,219,900	5,608,000
Internet and Email connections	261,012,144	177,746,420
Laboratory Supplies	10,384,000	6,805,250
Land Rent Expenses	634,226	-
Lodging/Accommodation	9,591,425	-
Lubricants	-	950,000
Newspapers and Magazines	3,300,000	2,074,200
Office Consumables (papers, pencils, pens, and stationaries)	55,376,941	49,230,862
Outsourcing Costs (includes cleaning and security services)	416,154,800	517,472,584
Per Diem - Domestic	1,318,992,174	660,079,587
Per Diem - Foreign	10,500,000	17,698,800
Printing and Photocopying Costs	15,868,969	83,011,103
Printing Material	250,000	200,000
Production and Printing of Training Materials	48,313,600	6,960,000
Publicity	27,359,900	24,465,464
Remuneration of Instructors	28,593,400	150,874,450
Research and Dissertation	210,224,219	100,471,233
Software License Fees	745,000	-
Special Foods (diet food)	785,600	14,955,000
Special Needs material and supplies	1,170,000	-
Sporting Supplies	8,209,500	12,100,000
Subscription Fees	75,381,889	51,284,000
Technical Materials	27,360,543	22,908,000
Telephone charge	118,720,000	72,534,427
Telephone Charges (Land Lines)	-	14,950,446
Training Allowances	17,000,000	50,034,080
Training Materials	5,508,694	3,446,500
Tuition Fees	102,355,387	33,930,417
Uniforms	11,938,000	6,944,350
Uniforms and Ceremonial Dresses	5,865,000	-
Upkeep/ Stipend Allowance	99,199,884	-
Valuation of NCA	700,000	26,376,000
Water Charges	93,544,562	118,276,267
	<u>4,039,342,004</u>	<u>3,180,952,171</u>

24. Wages, Salaries and Employee Benefits

	2022/23	2021/22
	TZS	TZS
Acting Allowance	41,266,756	-
Assessors Allowance	142,172,000	93,946,073
Casual Labour	22,176,000	-
Civil Servants	12,189,531,302	11,090,385,225
Electricity	39,700,567	-
Electricity Allowance	-	386,000
Extra-Duty	518,888,678	241,528,750
Facilitation Allowance	28,369,510	22,680,000
Field (Practical Allowance)	10,847,611	65,750,000
Food and Refreshment	89,244,088	-
Furniture	22,919,870	30,000,000
Honoraria	570,262,894	495,580,520
Housing Allowance	161,960,000	119,400,000
Invigilators Allowances	38,000,000	22,635,000
Leave Travel	32,503,800	50,398,384
Local Based Staff Salary	60,070,250	-
Moving Expenses	128,384,431	58,872,050
Outfit Allowance	2,597,800	-
Professional Allowances	254,821,137	351,147,350
Responsibility Allowance	295,109,997	370,400,300
Retired Officer Reward	20,000,000	20,000,000
Sitting Allowance	158,567,810	160,555,890
Special Allowance	64,636,650	54,080,000
Subsistence Allowance	56,256,073	18,207,999
Telephone	60,999,432	-
Telephone Allowance	-	72,000,000
Transport Allowance	15,240,000	22,401,660
	<u>15,024,526,656</u>	<u>13,360,355,201</u>

25. Other Transfers

	2022/23	2021/22
	TZS	TZS
Contribution to CF (15%)	150,000,000	151,000,000
	<u>150,000,00</u>	<u>151,000,000</u>

26. GOVERNMENT SUBVENTION

	2022/23	2021/22
	TZS	TZS
Balance as at 1 st July	-280,592,100	-87,936,700
Subvention for Personal Emolument (Note 18)	12,189,531,302	11,090,385,225
Development fund foreign (Note 18)	958,615,734	-
Development fund local (Note 18)	-	192,672,900
Revenue Transfer (Note 13)	-	25,583,499
Balance as at 30 June	1,336,422,855	280,592,100
Cash received	<u>14,203,977,791</u>	<u>11,501,297,024</u>

27. REVENUE FROM EXCHANGE TRANSACTION

	2022/23	2021/22
	TZS	TZS
Balance as at July	2,337,674,697	2,877,062,000
Staff claims	-	-32,335,759
Revenue from Exchange Transactions for the year	8,906,716,437	8,973,164,808
Balance as at 30 June	<u>-1,046,282,427</u>	<u>-2,337,674,697</u>
Cash received	<u>10,198,108,707</u>	<u>9,480,216,352</u>

28. OTHER REVENUE

	2022/23	2021/22
	TZS	TZS
Balance as at July	36,565,355	48,134,639
Other revenue	1,081,775,888	1,128,610,161
Balance as at 30 June	-	-36,565,355
Cash received	<u>1,118,341,243</u>	<u>1,140,179,445</u>

29. WAGES, SALARIES AND OTHER EMPLOYEES BENEFITS EXPENSES PAID

	2022/23	2021/22
	TZS	TZS
Balance as at July	2,085,534,685	2,524,975,859
Staff claims Adjustment (PSMGG) Verification	-1,028,074,132	0
Wages and Salaries and employee benefit	15,024,526,656	13,360,355,201
Balance as at 30 June	<u>-1,057,460,553</u>	<u>-2,085,534,685</u>
CASH PAID	<u>15,024,526,656</u>	<u>13,799,796,375</u>

30. SUPPLIES OF GOODS AND SERVICES

	2022/23	2021/22
	TZS	TZS
Balance as at July	1,155,506,337	1,251,365,400
Closing stock at the end/closing balance of the year	657,506,756	328,031,224
Supplies and Consumable used	4,039,342,004	3,180,952,171
Prepayment & Unretired Imprest Movement	-118,281,101	148,377,101
Trade payables - Withholding Tax	-14,239,957	0
Balance as at 30 June	-808,300,923	-1,155,506,337
Less: Opening stock at the beginning	<u>-328,031,224</u>	<u>-135,728,000</u>
CASH PAID	<u>4,583,501,892</u>	<u>3,617,491,559</u>

**RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)
FOR THE PERIOD ENDED 30 JUNE 2023**

	2022/23 TZS	2021/22 TZS
Surplus/ Deficit for the Period	1,810,215,483	3,115,791,209
Add/ (Less) Non-Cash Item		
Amortization of Intangible Assets	6,844,800	1,711,200
Loss on Disposal	178,844,950	-
Depreciation of Property, Plant and Equipment	1,526,635,509	1,205,777,880
Operating cash flows before working capital changes	3,522,540,742	4,323,280,289
Add/ (Less) Change in Working Capital		
Deferred Income	1,055,830,755	192,655,400
Deposit	240,509,685	0
Inventories	-329,475,532	-192,303,224
Payables and Accruals	-347,205,414	-535,300,237
Prepayments	148,377,101	-148,377,101
Unretired Imprest	-30,096,000	0
Account Payable Withholding Tax	-14,239,957	0
Other payments	-	-7,836,528,002
Other Receipts	-	7,872,154,642
Receivables	1,356,437,538	518,620,828
		0
Cash Flows generated from Operating Activities	2,080,138,176	-129,077,694
Net Cash Flow from Operating Activities	<u>5,602,678,918</u>	<u>4,194,202,595</u>

31. RECONCILIATION OF CASH FLOW AND BUDGET

The Government through circular No. 07 of 2020/21 adopted reconciliation of actual amount on comparable bases between statement of comparison of budget and actual amounts and cash flow statement as per requirement of IPSAS 24 Para 47. The analysis of the reconciliation of statement of comparison of budget and actual amounts and statement of cash flows is detailed bellow.

RECONCILIATION OF STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS AND STATEMENT OF CASH FLOWS

DESCRIPTIONS	AMOUNT TZS
Net Increase/Decrease in the Statement of Cash Flow	-249,340,048
Basis of Differences	
Add: Retention.	276,136,211
Accrued Revenue	2,682,589
Less: Deferred Income	-1,248,486,155
Prepayments	-1,269,342,201
Accrued Expenses	-3,294,800
Net Receipts/Payments on Comparable Basis as Presented in the Budget and Actual Comparative Statement	-2,491,644,404

32. EXPLANATION ON VARIANCES OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2023

- 32.1. A variance of -441% is resulting from excess revenue collection (TZS 882Million) compared to budget (TZS 200Million); and is because of increase in number of students enrolled during the year.
- 32.2. There is a shortfall on revenue from exchange transactions of TZS 2.38 billion, equivalent to a variance of 21% compared to budget. The variance is because of late remittance of students' loan funds by HESLB (TZS 2.38billion), which was outstanding as at end of the financial year i.e. 30 June 2023. The University was able to collect the outstanding balance after year-end and will be reported in next year's accounts.
- 32.3. The budget for subvention from Governments entities was TZS 16.065 billion, compared to actual funds received (TZS 12.955 billion) resulting to a variance of 19%. The variance is mainly attributed to delay in receiving funds.
- 32.4. Maintenance expenses were underspent by TZS 865,664,370 (equivalent to 86%) compared to budget; the variance is due to delays in receiving funds.
- 32.5. Spend on social benefits (TZS 3Million) is less than budget (Tzs 11Million) resulting to under spend variance of 70%, which is mainly attributed to delays in receiving funds for undertaking planned activities timely.
- 32.6. Expenses reported on Use of Goods and Services is TZS 4 billion compared to budget (TZS 5.6billion), leading to a 28% under spend variance which is associated with delays in collection obtaining funds.

33. CONTINGENT LIABILITIES

(i) Various lawsuits and claims, including those involving ordinary routine litigation incidentals to university activities, are pending, or have been asserted, against the University. Although the outcome of these matters cannot be predicted with certainty, and some of them may be disposed of unfavourably to the University, the University management has no reason to believe that their disposition will have a materially adverse effect on the financial position of the University. The current estimated claims if they materialise amounted to TZS 371,091,060. at the year end.

SN	CASE NO	PARTIES	CLAIMS	STATUS
1	Labour dispute No. 1 MOS//CMA/M/61/2010	Former Employee Vs	The applicant is applied for extension of time to set aside expert award in labour Dispute No. MOS/CMA/294/2008.	On progress
2	Labour Revision No.20/2021	Former Employee Vs MUCCoBS	The applicant is claiming for reinstitution in the government quarter and rehabilitation of the suit land and items lost during eviction.	On progress
3	Land Appl.No.306/2019	MoCu Vs Beatrice Mtaju	The applicant filed application for declaration that the respondent is a trespasser onto the suit land.	On progress

(ii) The University has an 'end of service' benefit contract with employees where benefits are calculated based on number of years served. However, payment is dependent on availability of funds from internal sources. No provision has been made in the financial statements.

34. COMPARATIVE FIGURES

Previous year's figures have been re-arranged whenever considered necessary in order to make them comparable with current year's figures. The table below shows previous year's figures that have been restated.

S/N	Item	Original amount 30 June 2022 (TZS)	Restated amount (TZS)	Difference (TZS)	Reason for restatement
1.	Deferred Income	87,936,700	280,592,100	(192,655,400)	Changes in presentation and classification following adoption of MUSE
2.	Deposits	70,513,464	35,626,526	34,886,938	Changes in presentation and classification following adoption of MUSE
3.	Payables and Accruals	3,206,154,084	3,241,041,022	(34,886,938)	Changes in presentation and classification following adoption of MUSE
4.	Deferred Income (Capital)	192,655,400	-	192,655,400	Changes in presentation and classification following adoption of MUSE
5.	Revenue Grants	-	25,583,499	(25,583,499)	Changes in presentation and classification following adoption of MUSE
6.	Revenue from Exchange Transactions	9,811,593,328	8,973,164,808	838,428,520	Changes in presentation and classification following adoption of MUSE
7.	Other Revenue	290,181,641	1,128,610,161	(838,428,520)	Changes in presentation and classification following adoption of MUSE
8.	Subvention from other Government entities	11,308,641,624	11,283,058,125	25,583,499	Changes in presentation and classification following adoption of MUSE
9.	Social Benefits	-	14,973,800	(14,973,800)	Changes in presentation and classification following adoption of MUSE
10.	Wages, Salaries and Employee Benefits	13,375,329,001	13,360,355,201	14,973,800	Changes in presentation and classification following adoption of MUSE

35. RELATED PARTY TRANSACTIONS

Related Party Transactions are in respect of salaries, responsibility and utility allowances showing the aggregate amounts provided to Key Management Personnel and Council Members of MoCU during the reporting period.

	2022/23	2021/22
	TZS	TZS
Key Personnel Salaries and Allowances	1,000,700,000	926,973,000
Council expenses	321,450,000	296,354,000
Other benefits (Pension)	201,640,000	178,124,000
Total	1,523,790,000	1,401,451,000

36. EVENTS AFTER REPORTING DATE

Events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are authorized for issuance. Two types of events can be identified:

- Those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- Those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

The university had no events after the reporting date which needed to be adjusted. However, management wishes to disclose the following non-Adjusting events;

- On 18 August 2023, the President of the United Republic of Tanzania HE Dr. Samia Suluhu Hassan appointed Hon. Anne Semamba Makinda, Former Speaker of the National Assembly of the United Republic of Tanzania as Chancellor of the Moshi Cooperative University (MoCU).
- On 23 August 2023, the University through HEET project signed a contract with a consultant for design and supervision of construction of academic Complex, Students' Hostel at KICoB and ICT building in Moshi. Value of the contract is TZS 966M with a duration of 18 months.
- On 18 July 2023, the project confirmed Payment in advance for the procurement of two (2) motor vehicles worth TZS 217,241,386. The supplier for this transaction was paid directly the by World Bank through UNOPS. It is expected that vehicles will be delivered before January 2024.