

ANNUAL REPORT

AND AUDITED FINANCIAL STATEMENTS

FINANCIAL YEAR 2020/21

SEPTEMBER, 2021

THE TANZANIA COMMISSION FOR UNIVERSITIES



ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FINANCIAL YEAR 2020/2021

SEPTEMBER, 2021

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ACRONYMS AND ABBREVIATIONS

AIDS	Acquired Immunodeficiency Syndrome
AIDS	Acquired immunodeficiency syndrome
AKU	Aga Khan University
AMUCTA	Archbishop Mihayo University College of Tabora
CAG	Controller and Auditor General
CFR	Certificate of Full Registration
CoA	Certificate of Accreditation
CUCoM	Catholic University College of Mbeya
CUHAS	Catholic University of Health and Allied Sciences
DA	Director of Accreditation
DAD	Director of Admissions Coordination and Database Management
DCS	Director of Cooperate Services
DVC	Deputy Vice Chancellor
ES	Executive Secretary
FASS	Foreign Award Assessment System
FY	Financial Year
GePG	Government Electronic Payment Gateway
HEAC	Higher Education Accreditation Council
HEIs	Higher Education Institutions
HESLB	Higher Education Students' Loans Board
HIV	Human Immunodeficiency Virus
HKMU	Herbert Kairuki Memorial University
HoDs	Head of Departments
HRMA	Human Resource Management and Administration
ICT	Information and Communication Technology
JKT	Jeshi la Kujenga Taifa
JUCo	Jordan University College

KCMUCo	Kilimanjaro Christian Medical University College
KICoBE	Kizumbi Institute of Cooperative Business Education
KIUT	Kampala International University in Tanzania
MAKISATU	Mashindano ya Kitaifa ya Sayansi Teknolojia na Ubunifu
MARCo	Marian University College
MoEST	Ministry of Education, Science and Technology
MTEF	Medium Term Expenditure framework
MU	Mzumbe University
MUCE	Mkwawa University College of Education
MUCHAS	Mbeya College of Health and Allied Sciences
MUCo-KICoB	Moshi University Colle - Kizumbi Institute of Cooperative Business Education
MUM	Muslim University of Morogoro
MUST-RC	Mbeya University of Science and Technology – Rukwa Campus College
MWECAU	Mwenge Catholic University
MzU	Mwanza University
NACTE	National Council for Technical Education
NECTA	National Examination Council of Tanzania
NM-AIST	Nelson Mandela African Institution of Science and Technology
NOC	No Objection Certificate
OSRA	Overseas Student Recruitment Agencies
OUT	Open University of Tanzania
PMS	Programmes Management System
PO-PSMGG	Public Service Management and Good Governance
QA	Quality Assurance
RSP	Rolling Strategic Plan
SADC	Southern African Development Cooperation
SAUT	St. Augustine University of Tanzania

SFUCHAS	St. Francis University College of Health and Allied Sciences
SJCHAS	St. Joseph University College of Health and Allied Sciences
SJUIT	St. Joseph University in Tanzania
SMMUCo	Stefano Moshi Memorial University College
SO	Strategic Objective
STeMMUCo	Stella Maris Mtwara University College
SUA	Sokoine University of Agriculture
SUMAIT	AbdulRahman Al-Sumait University
TAHOSSA	Tanzania Heads of Secondary School's Association
TCU	Tanzania Commission for Universities
TEA	Tanzania Education Authority
TEKU	Teofilo Kisanji University
TUDARCo	Tumaini University Dar es Salaam College
UAUT	United African University of Tanzania
UDOM	University of Dodoma
UIMS	Universities Information Management System
UoI	United African University of Tanzania
VC	Vice Chancellor

TANZANIA COMMISSION FOR UNIVERSITIES - COMMISSION MEMBERS

1. Prof. Mayunga Nkunya Chairman, Appointee of the President of the United Republic of Tanzania
2. Prof. Makenya Maboko Appointee of the Minister of Education, Science and Technology
3. Prof. Charles Mgone Appointee of the Minister of Education, Science and Technology representing private universities
4. Prof. Lughano Kusiluka Appointee of the Minister of Education, Science and Technology representing public universities
5. Dr. Gift Kweka Appointee of the Minister of Education, Science and Technology representing the Attorney General's Chambers
6. Dr. Zakia Abubakar Appointee of the Minister of Education and Vocational Training, Zanzibar
7. Ms. Adelgunda Mgya ■Appointee of the Minister of Education, Science and Technology representing Workers Trade Union
8. Dr. Kennedy Hosea Appointee of the Minister of Education, Science and Technology representing the Ministry
9. Prof. Charles Kihampa *Ex-officio* Member (Executive Secretary)

EXECUTIVE MANAGEMENT



Prof. Charles D. Kihampa
Executive Secretary



Dr. Telemu Kassile
Director of Accreditation



Dr. Kokuberwa Katunzi-Mollet
**Director of Admissions
Coordination and Database
Management**



Mr. Yusuf I. Rauna
**Ag. Director of
Corporate Services**

Message from the Chairperson



It gives me great pleasure to present to our esteemed stakeholders of the Tanzania Commission for Universities (TCU) the Annual Activity Report and Audited Financial Statements for Fiscal Year 2020/21. The report focuses on the Commission's accomplishments, financial status, and challenges encountered during the reporting period.

I am pleased to inform our esteemed stakeholders that, despite restricted budgetary resources during the reporting period, the Commission was able to carry out most of its planned activities. The services include accreditation and quality assurance of universities and academic programmes, recognition of foreign qualifications, coordination of students' admissions, issuance of No Objection Certificates to studies abroad, licensing of overseas students recruitment agencies, promotion of access to higher education, promotion of knowledge, national ideals and networks among universities, advisory services, dissemination of information on higher education and harmonisation of university education systems that produce nationally and globally competitive outputs.

The achievements worth noting include capacity building programmes to various cadres of universities personnel on leadership, governance, quality assurance in universities, admissions and data management, other achievements also include improvement of quality assurance practices in universities, enhancing service provisions as a result of automation of the various Commission services, coordination of undergraduate admission of students into higher learning institutions, efficiency in administrations, management, and financial controls, and improved relations and linkages with local and international sister institutions, among others.

Last, but not least, I wish to convey my sincere gratitude to the Government of the United Republic of Tanzania for the support rendered to the Commission. My heartfelt gratefulness also goes to the Ministry of Education, Science, and Technology, as well as the members of the Commission, for their assistance and guidance. I would also like to express my deepest appreciation to all TCU staff for their ongoing commitment and dedication to achieving the Commission's vision and purpose. Let us continue collaborating to guarantee that higher education is of the highest quality and generates outputs that are competitive both domestically and internationally, and can address socioeconomic issues for the nation's sustainable development.



.....
Prof. Penina O. Mlama

TCU Chairperson

Statement from the Executive Secretary



I am pleased to present the Annual Activity Report and Audited Financial Statements for the Tanzania Commission for Universities for the fiscal year ending June 30, 2021.

TCU was established on 1st July, 2005 under the Universities Act, Cap. 346 of the Laws of Tanzania to succeed the former Higher Education Accreditation Council (HEAC) which had been in operation since 1995. The Commission has continuously worked to recognize, approve, register, and accredit Universities operating in Tanzania, and domestic or International university-level programmes provided by accredited higher education institutions.

It has also ensured that all university institutions in Tanzania operate properly to build a coordinated higher education system that generates nationally and globally competitive outputs. To steer itself towards fulfilling its primary objective, the Commission implements a five-year Rolling Strategic Plan (RSP 2015/16-2019/2020). This plan is being implemented annually through yearly action plans. This Annual Activity Report and Audited Financial Statements for the period 1st July, 2020 to 30th June, 2021 highlight the significant accomplishments, challenges encountered as well as the future outlook.

Major Achievements

During the fiscal year under review, the Commission continued with her major functions of regulating university education, supporting and advising the government and the general public on matters of higher education. In order to ensure quality of university education, the Commission conducted both regular and impromptu audits to twenty-five (25) institutions and 249 academic programmes, respectively. Through the audits one (1) university was granted Certificate of Provisional License, six (6) universities were accredited/reaccredited, one (1) university was deregistered, three (3) overseas students recruitment agencies were registered, and 187 curricula for certificates, diplomas, bachelors and postgraduate programmes were accredited/reaccredited. The Commission also issued recognition

certificates to 7,237 foreign academic awards for them to be used in Tanzania, and no objection certificates to 252 Tanzanian citizen proceeded for further university studies outside the country.

In terms of supportive function, the Commission conducted seven capacity building programmes to various cadres of universities personnel. These include workshop for peer reviewers, that was attended by 134 participants, universities leaders workshop (VCs, DVCs, Deans and Directors, and Heads of Departments) attended by about 400 participants on *Handbook for Standards and Guidelines for University Education in Tanzania 2019*, workshop on design, review and development of demand driven curricula attended by 97 participants, working session with 71 Computer Programmers on upgrading of admissions and data systems, working session with 147 Quality Assurance and Admission Officers to acquaint them with necessary skills on the admission processes in HEIs, consultative meeting with 181 DVCs/Deputy Principals/Provost/Rectors responsible for academic affairs on admission and data leveraging, and workshop on Quality Assurance in Universities Postgraduate Training attended by 58 universities personnel.

Access to higher education has also increased in various levels of academic programmes. For instance, for bachelor degrees there was an increment of academic programmes of 6.3% which has increased 7,961 (5.3%) more slots compared to FY 2019/2020, the same has also increased the number of students admitted. The envisaged access has also been a result of the Commission supportive and advisory roles played during the reviewed period, whereby several public awareness and consultative programmes organised by the Commission have acquainted prospective students, parents and other stakeholders' knowledge about higher education. Some of the activities performed include 15th Higher Education Exhibitions, 1st Zanzibar Higher Education Exhibitions, career guidance programmes and media campaigns through radio, television, press conferences, social media, and exhibitions organised by other institutions.

The Commission has also continued with promoting regional and international cooperation with other higher education institutions. During the period under review, the effect of Covid-19 pandemic continued to shape the world on how meetings and gathering were to be

handled, hence, the Commission was able to participate in virtual meetings of technical committees of Inter Universities Council for East Africa (IUCEA), SADC Technical Committee for Certification and Accreditation (SADC TCCA), which Tanzania was a Chair, and African Union technical meeting on African Continental Qualifications Framework (ACQF). The Commission also continued collaborating with regulatory agencies and qualifications authorities within and outside the regional.

In terms of institutional management, finance and administration, the Commission has continued to enjoy peace and harmony existing in the country, as well as guidance of the Commission. Being the Government institution, the Commissions' revenue has continued to be government subvention, collections of fees charged by the Commission and projects. In the year under review, the Commission was able to finance her core functions activities as well as supportive and administrative activities, which include Commissions' and Committees' meetings, staff trainings and development, staff transfers, staff promotions, acquisition and maintenance of physical facilities and infrastructure, and improvement of ICT infrastructure among others. At the end of the FY 2020/2021, the Commission was able to record a surplus of TZS. 573,877,692 this was a result of proper management of the revenue and the Commission oversight.

Challenges

Despite several achievements, the Commission also encountered challenges in executing her functions. Major challenges were those affecting the growth and quality of higher education in the country and other parts of Africa. These include, but are not limited to the shortage of competent leaders to run the universities, shortage and aging of academic staff, low higher education gross enrolment rate, limited admission capacities in priority programmes especially STEM programmes, shortage of fund to finance higher education subsector, and low motivation towards research in university institutions.

Future Outlook

The Commission is progressing well and will continue to strengthen its quality assurance systems in tandem with supportive and advisory programmes to various stakeholders. To ensure relevance of education and acceptability of graduates, the Commission will continue to advice

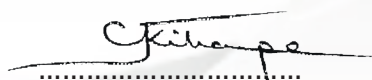
different stakeholders on matters relating to access, equity and quality in the provision of higher education with a view to developing a sufficient and competitive human resources base for national development.

Audit Report

For the period under review, the Controller and Auditor General (CAG) issued unqualified opinion (clean report) to the audited Financial Statements of the TCU for the period ended 30th June, 2021.

Appreciation

Finally, I would like to thank the Commission and Committee Members for their assistance and direction. I also want to express my sincere gratitude to the TCU staff for their unwavering dedication and assistance in carrying out our responsibilities.



Prof. Charles D. Kihampa
Executive Secretary

Ministry of Education, Science and Technology Building,
7 Magogoni Street 11479,
P. O. Box 6562

Dar es Salaam
Tanzania.

E-mail: es@tcu.go.tz

Tel: (255) 22 2113694; (255) 22 2113691

Commission's Auditors

Controller and Auditor General,
National Audit Office,
Samora Avenue/Ohio Street,
P. O. Box 9080,

Dar es Salaam.

Tel. +255 22 2115157/8

Fax 255 211 7527

1.0 INTRODUCTION

1.1. Historical Background

The Tanzania Commission for Universities is a body corporate established on 1st July 2005, under the Universities Act 2005 (Chapter 346 of the Laws of Tanzania) with the mandate to recognize, approve, register, and accredit Universities operating in Tanzania, and local or foreign University level programs being offered by registered higher education institutions. It also coordinates the proper functioning of all university institutions in Tanzania to foster a harmonized higher education system in the country.

The Tanzania Commission for Universities succeeded the former Higher Education Accreditation Council (HEAC) that was established in 1995 under the Education Act, 1995, with a legal mandate to regulate the establishment and subsequent accreditation of private university institutions in the country. Being limited only to private universities, such a mandate was considered unfavourable for the promotion of a viable public-private partnership in higher education as stipulated in the National Higher Education Policy of 1999. Therefore, such circumstances prompted the government to establish a harmonised higher education system in the country, which led to the establishment of the TCU. In order to ensure such a harmonised higher education system does not compromise institutional peculiarities and autonomy, each University is vested with the legal right to operate under its own charter.

The mandates and core functions of the Commission are provided under Section 5(1) of the Universities Act, Cap. 346 of the Laws of Tanzania. These functions can be clustered into three major areas, namely regulatory, advisory and supportive.

- (i) **Regulatory:** To conduct regular and impromptu periodic evaluation of universities, their systems, and programmes so as to regulate the quality assurance systems at new and established universities and in the process, institutions are registered and accredited to operate in Tanzania. Also, TCU validates programmes to ensure their credibility and evaluates for recognition university

qualifications attained from local and foreign institutions for use in Tanzania.

- (ii) **Advisory:** To advise the government and the general public on matters related to university education in Tanzania as well as international issues pertaining to higher education, including advise on programme and policy formulation and other best practices.
- (iii) **Supportive:** To ensure the orderly conduct of university operations and management adherence to set standards and benchmarks, by providing support to universities in terms of coordinating the admission of students, offering training and other sensitisation interventions in key areas like quality assurance, university leadership and management, fundraising and resources mobilisation, entrepreneurial skills and gender mainstreaming.

1.2. Vision, Mission, Core Values and Motto

TCU has been established to recognize, approve, register, and accredit universities operating in Tanzania, and local or foreign university level programmes being offered by registered university institutes in order to ensure the quality and excellence of university education in Tanzania that produces nationally and globally competitive outputs.

1.2.1. Vision

To become a leading regional higher education regulatory agency supporting systematic growth and excellence of university education.

1.2.2. Mission

To promote accessible, equitable, harmonized, and quality university education systems.

1.2.3. Motto

Universities for Prosperity.

1.2.4. Core Values

Professionalism, transparency, efficiency, integrity, tolerance, equity, accountability, commitment, and creativity.

1.3. Governance and Management Structure

The Tanzania Commission for Universities as a government entity is governed by the laws of Tanzania and other rules in public service. In realising its vision, mission, and functions, TCU operationalised its organisation and management framework as provided for in the Universities Act, Cap. 346 of the Laws of Tanzania. TCU governance structure is made up of the Commission as the supreme decisions making organ and the Committees which serve an advisory role to the Commission. Day to day and management issues are handled by the Secretariat.

1.3.1. The Commission

The Commission is the governing body and principal policy-making organ. The Commission has overall general control over the conduct of all affairs of TCU and is also responsible for the management and administration of TCU's financial matters and physical assets. The Commission is composed of the Chairman who is appointed by the President of the United Republic of Tanzania and not less than 7 members appointed by the Minister responsible for higher education. The tenure of the Commission and its appointed members is three years renewable pending successful performance. The names of the members who served the Commission during the FY 2020/2021 are presented in page 62 of appendix II.

The Commission meets every quarter. During the year ended 30th June, 2021, the Commission held four ordinary meetings and two special meetings. During those meetings, the Commission deliberated on matters brought by its five Committees and made decisions and guidance.

In fulfilling its duties, the Commission is supported by three statutory committees, namely Accreditation Committee, Admissions Committee and Grants Committee. Section 9(3) of the Universities Act, Cap. 346 of the Laws of Tanzania gives power to the Commission to establish such other committees. Thus, other Committees of the Commission are Audit Committee, and Staff Appointment, Disciplinary and Development Committee.

1.3.2. The Accreditation Committee

The Committee provides advice to the Commission on the performance of its functions of quality promotion, quality assurance, and accreditation of institutions and programmes and on matters associated therein. Names of the members who served the Committee during the FY 2020/2021 are presented in page 4 of appendix II.

The Committee reports to the Commission and meets on quarterly basis. During the year ended 30th June, 2021 the Committee held four ordinary and three special meetings. During those meetings, matters presented were deliberated and recommended for approval to the Commission.

1.3.3. The Admission Committee

The Committee provides advice to the Commission on matters concerning admission of students to universities. These include coordination of admissions into higher education institutions within and outside the country, promotion of cooperation and links between and among universities, dissemination of information relating to higher education, training, research and consultancy, development of strategies for curbing cheating and forgery in higher education. Names of the members who served the Committee during the FY 2020/2021 are presented in page 5 of appendix II.

The Committee reports to the Commission and meets on quarterly basis. During the year ended 30th June, 2021 the Committee held three ordinary meetings. During those meetings, matters presented were deliberated and recommended for approval to the Commission.

1.3.4. Grants Committee

The Committee provides advice to the Commission on the funding and distribution of public funding among public and private universities, assessment of financial needs of public and private universities, apportioning of higher education costs, provision of guidelines to budgeting norms and resources allocation, strategies for broadening the financial resource base of institutions, fees charged by universities, and provision of framework for administration of fund provided to higher education institutions.

Other functions of the Grants Committee include overseeing the implementation of the TCU Rolling Strategic Plan (RSP), and the formulation of various plans and operational policies and proposes regulations of various fees. It also endorses the annual budget estimates and annual action plans for the implementation of the RSP before submission to the Commission for approval. The Committee also makes scrutiny of the Commission's quarterly incomes and expenditures reports. Names of the members who served the Committee during the FY 2020/2021 are presented in page 5-6 of appendix II.

The Committee reports to the Commission and meets on quarterly basis. During the year ended 30th June, 2021 the Committee held three ordinary meetings. During those meetings, matters that were deliberated upon and recommended to the Commission for approval.

1.3.5. The Audit Committee

Section 9(3) of the Universities Act, Cap. 346 of the Laws of Tanzania, gives power to the Commission to establish such other committees. Through this provision, the Commission established the Audit Committee among others. The functions of the Audit Committee include risks assessment and mitigation, scrutiny of audit plans, audit reports and monitoring of the overall performance of the Commission. Names of the members who served the Committee during the FY 2020/2021 are presented in page 7 of appendix II.

The Committee reports to the Commission and meets on quarterly basis. During the year ended 30th June, 2021, the Audit Committee held five meetings. During those meetings, matters presented were deliberated and recommended for approval to the Commission.

1.3.6. Staff Appointment, Disciplinary and Development Committee

Based on Section 9(3) of the Universities Act, Cap. 346 of the Laws of Tanzania, which gives power to the Commission to establish such other committees, the Commission has established the Staff Appointment, Disciplinary and Development Committee. The Committee handles matters related to staff recruitment, deployment, development, performance appraisals and promotion. Names of the members who served the Commission during the FY 2020/2021 are presented in page 6 of appendix II.

The Committee reports to the Commission and meets on quarterly basis. During the year ended 30th June, 2021, the Committee held two meetings. During those meetings, matters presented were deliberated and recommended for approval to the Commission.

1.3.7. Tender Board

Members of the Tender Board of the Commission were appointed by the Executive Secretary for a period of three years. The appointment is in line with the Public Procurement Act 2011 and its Regulations. Names of the members who served the Tender Board during the FY 2020/2021 are presented in page 7 of appendix II.

The Tender Board worked and maintained an independent working environment and conducted its business and made decisions through meetings and circularization methods depending on the nature of issues. During the year ended 30th June, 2021, the Tender Board Committee held four meetings and made 20 circular resolutions.

1.4. The Management of the Commission

The Management of the Commission is headed by the Executive Secretary who is the Chief Executive Officer/Accounting Officer

responsible for management of the day-to-day operations of the Commission and its Committees. The Executive Secretary is supported by three Directors, one responsible for Accreditation (DA), the second is responsible for Admissions and Database Management (DAD) and the third is responsible for Cooperate Services (DCS). Each of the Directorates reports to the respective Committee on any matter that requires the attention or approval of the Commission. The management carries out various routine and planned functions of the Commission and advises the Commission as appropriate.

1.4.1. Directorate of Accreditation

The main functions of the Directorate are to provide advice on efficiency and effective coordination of all matters pertaining to accreditation, registration and quality assurance of universities, systems, programmes and awards.

1.4.2. Directorate of Admissions Coordination and Database Management

The main functions of the Directorate are to coordinate and oversee admissions of students into higher education institutions. It is also responsible to develop systems and management of data collection related to admission and students' enrolments as well academic staff and other important information from higher education institutions.

1.4.3. Directorate of Corporate Services

The main functions of the Directorate are to provide technical advice on matters pertaining to planning, finance, human resources and administration. It is also responsible to develop and implement effective and efficient plans for human resource development, finance and administration matters; and ensure effective use of all resources accruing to the Commission.

2.0 INSTITUTIONAL PERFORMANCE FOR FINANCIAL YEAR 2020/2021

In order to ensure smooth and consistency implementation of her roles and mandates as provided under Section 5(1) of the Universities Act, Cap. 346 of the Laws of Tanzania, the Commission has been developing strategic plans in periods of five years, which are Rolling Strategic Plans (RSPs). During the period under review, the Commission was implementing her Five Year Rolling Strategic Plan 2020/2021-2024/2025, which has been implemented by cascading into annual plans and budgets. The RSP has 13 Strategic Objectives (SOs) with 78 targets to be achieved within the five years (running from 1st July 2020 to 30th June 2025). Thus, during the financial year 2020/2021, the Commission prepared annual action plan with the total of eight (08) strategic objectives and seventeen (17) targets (Table 1)

Table 1: *Planned Annual Strategic Objectives and Targets for the FY 2020/2021*

S/N	Strategic Objectives	No. Targets
1.	Prevention against the HIV/AIDS pandemic and Non-Communicable Diseases strengthened.	1
2.	Implementation of National Anti- Corruption Strategy and Good Governance enhanced.	1
3.	Quality Assurance management systems improved.	7
4.	Equitable access and coordination of admission into higher learning institutions enhanced.	1
5.	Linkages with internal and external partners and University support systems enhanced.	1
6.	Research and Publication function promoted.	2
7.	Revenue generation to sustain institutional operations enhanced.	1
8.	Staff development, welfare, and working environment improved.	3
Total		17

2.1. REGULATORY, SUPPORTIVE AND ADVISORY FUNCTIONS

The Commission major functions of regulatory, supportive and advisory are operationalized by two directorates namely Directorate of Accreditation, and Directorate of Admission Coordination and Database Management. Operational of the two directorates are made possible through the administrative support from the Directorate of Cooperate Services, and units namely Internal Audit Unit, Legal Unit, Procurement Unit, Information and Communication Technology Unit, and Public Relations and Education Unit. During the financial year 2020/2021, number of activities related to the three major functions of the Commission were implemented.

2.1.1. Accreditation of Universities and Registration of Overseas Students Recruitment Agencies

As part of its regulatory functions, the Commission received four (4) applications for establishing new universities. Three applications MUCo-KICoB, UNICAF University, and Vatel Hotel and Tourism Business School did not meet the requirements for registration. Feedback on areas for improvement were provided to the respective applicants. The fourth application of Mwanza University met the requirements and was granted Certificate of Provisional License. The Commission also continued with its regulatory function whereby two (2) universities were re-accredited, four (4) were upgraded from Certificate of Full registration (CFR) to Certificate of Accreditation (CoA), and one (1) university Sebastian Kulowa Memorial University (SEKOMU) that fails to live with expectations of the existing standards and guidelines for university education was de-registered. Status of registration of universities by the end of FY 2020/2021 is presented in Table 2, further details of the universities including their names and locations are provided in the TCU website www.tcu.go.tz.

Table 2: Registration Status of Universities

S/N	Types of Registration	2020/21
1.	Certificate of Accreditation	37
2.	Certificate of Full Registration	8
3.	Certificate of Provisional License	2
4.	Deregistered	(1)
	Total	47

The Commission also received seven (07) applications for licensing/re-licensing of Overseas Students Recruitment Agencies (OSRAs). Three (3) applications, Edukwanza Consultancy Ltd, Sangeni International, and Tebeth Mentors and Scholarship Information Centre Ltd met requirements for registration and were granted license to operate as OSRAs. The other four applications Sultan Academics, Group Ltd, Grad Overseas Education Services Ltd and Cognita Consultancy Ltd did not meet the requirements, and they were provided feedback on areas needed improvements for their appropriate actions. Status of registration of OSRAs is presented in Table 3, further details their names and locations are provided in the TCU website www.tcu.go.tz.

Table 3: OSRAs and their Locations by June, 2021

No	Name of OSRA	Office Location/Place
1	Cari Vision Study Abroad Universities Ltd	Victoria Place Building, Mezzanine Floor, Bagamoyo Rd, Dar es Salaam
2	Darwin Education Agency Ltd	Nyerere Road (Darajani), City Furniture Building, Dar Es Salaam, Tanzania
3	Elimu Solutions Tanzania Limited	Mwinyijuma Rd, Dar es Salaam
4	Gelson University Link Limited	Ali Hassan Mwinyi Rd, Makumbusho Bus Stand, Makumbusho Complex Bulding, Plot No. 45C, 1st Floor, Office No. 2, Dar es salaam
5	Global Education Link Ltd	Oil Com Petrol Station near VETA, Nyerere/Chang'ombe Road, Dar es Salaam
6	Livjene International	Dar Free Market, 2nd room 32

No	Name of OSRA	Office Location/Place
7	RafikiChina Elite Universities	Nkrumah Street, Plot No. 430/158, Near GBP Petrol Station (Opposite Mlimani Driving school)
8	Uniserv (T) Ltd	Suite 229, 2nd Floor, Harbour View Towers, Samora Avenue, Dar Es Salaam
9	Yuhoma Educational Ltd	Mwanza at Nyanza Building, Second Floor Room No. 204.
10	Universities Abroad Representatives Tanzania Limited	Azikiwe Street, Benjamini Mkapa Tower, Mezzanine floor
11	Overseas Education Agency	Mikocheni B, Mlalakuwa Road, Plot No. 36, Dar Es Salaam
12	TASSAA Limited	House No. 7, Boma Road, Mikocheni B, Dar Es Salaam
13	LSC Africa	Haidery Plaza, 1st Floor T. 16, Upanga/Kisutu Street, Dar Es Salaam
14	Education Study Link	Tegeta Kibaoni, Nyuki House, 1st Floor, Office No. 13
15	Edukwanza Consultants Limited	Office No. 1.32, First Floor, Viva Towers, Ali Hassan Mwinyi Road, Dar es Salaam.
16	Sangeni International	2nd Floor, Dar Free Market Mall, Ali Hassani Mwinyi Road, Oysterbay, Dar es Salaam
17	Tebeth Mentors and Scholarship Information Centre Limited	Pugu Road, Sabasaba St., Ukonga, Dar Es Salaam, Nearby Ukonga Prison

2.1.2. Institutional Audits

In exercising its regulatory functions, the Commission conducted twenty-five (25) institutional audits, ten (10) regular audits and fifteen (15) impromptu audits. Aims of the audits were to ensure quality of education provided. The outcomes of the said audits were communicated to respective universities for them to take actions. The names of the universities where regular audits were conducted are provided in (i)-(x).

- i. Marian University College (MARCo);
- ii. Archbishop Mihayo University College of Tabora (AMUCTA);
- iii. Mwenge Catholic University (MWECAU);

- iv. Kilimanjaro Christian Medical University College (KCMUCo);
- v. Agha Khan University (AKU);
- vi. Herbert Kairuki Memorial University (HKMU);
- vii. St. Joseph University in Tanzania (SJUIT);
- viii. Mkwawa University College of Education (MUCE);
- ix. Kizumbi Institute of Cooperative Business Education (KICoBE); and
- x. Mwanza University (MzU).

The names of the universities where impromptu audits were conducted are provided in (i)-(xv).

- i. United African University of Tanzania (UAUT);
- ii. St. Joseph University in Tanzania (SJUIT) - Luguruni;
- iii. St. Joseph University in Tanzania (SJUIT) - Boko;
- iv. Tumaini University Dar es Salaam College – (TUDARCo);
- v. Nelson Mandela African Institution of Science and Technology (NM-AIST);
- vi. Stefano Moshi Memorial University College (SMMUCo);
- vii. Teofilo Kisanji University (TEKU);
- viii. Agha Khan University (AKU);
- ix. Open University of Tanzania (OUT);
- x. Kampala international University in Tanzania (KIUT);
- xi. St. Francis University College of Health and Allied Sciences (SFUCHAS);
- xii. Jordan University College (JUCo);
- xiii. Muslim University of Morogoro (MUM);
- xiv. United African University of Tanzania (UAUT); and
- xv. St. Augustine University of Tanzania (SAUT).

2.1.3. Accreditation of Academic Programmes and Recognition of Academic Awards Conferred by Foreign Universities

During the financial year 2020/2021, the Commission received 249 curricula of academic programmes from 33 university institutions. One hundred and eighty-seven (187) curricula met the requirements for accreditation and were granted accreditation/reaccreditation. Others with various shortcomings were returned to the respective universities

with feedback for them to take appropriate actions. The curricula that were granted accreditation include 10 certificates, 22 diplomas, 74 bachelor's degrees, 2 postgraduate diplomas, 67 master's degrees, and 12 doctorate degrees.

The Commission also processed 8,586 requests for recognition of academic awards conferred by foreign universities. Seven thousand two hundred thirty-seven (7,237) applications met the requirements and were recognized. The remaining 1,349 were not recognized for various reasons including questionable accreditation status of the offering institutions. The awards which were recognised include 30 certificates, 128 diplomas, 4,984 bachelor's degrees, 44 post certificates, 60 postgraduate diplomas, 1,632 master's degrees, and 354 doctorate degrees awards.

2.1.4. Capacity Building Programmes to University Institutions

In implementing supportive and advisory functions, the Commission arranged capacity-building programmes to different cadres of universities personnel on quality assurance matters. Aim was to enhance the quality of university education through sharing knowledge and benchmarking among universities within and outside Tanzania. Some of the programmes conducted are presented hereunder:

- i. Countrywide physical dissemination workshops to the leaders of universities (VCs, DVCs, Deans and Directors, and Heads of Departments) on the content of the *Handbook for Standards and Guidelines for University Education in Tanzania* 2019. The workshops were conducted in three zone in the mainland of Tanzania (eastern, southern, and northern) and Unguja for the Tanzania Zanzibar, whereby more than 400 university leaders participated. The objective was to ensure that universities understand various changes incorporated in new handbook for quality assurance for them to customise and integrate in their respective quality assurance instruments.
- ii. Workshop for peer reviewers of which 134 personnel from various universities participated, and share their knowledge on higher

education quality assurance on how to assess validity of various information, conduct regular and impromptu audit, evaluation of curricula and knowledge of various quality assurance instrument within Tanzania, regionally and internationally.

- iii. Workshop on design, review and development of curricula that are responsive to the labour market conducted to 97 personnel from various universities. Content of the workshop stressed on the process through which an institute or the lecturer design or creates a plan for a course or programme. Emphasis was also given on the need to review, revised and routine update as higher education kept on changing therefore continuous improvement is needed.
- iv. Working session with 71 Computer Programmers from various higher education institution to share experiences on integration of respective institutions systems to the University Information Management System (UIMS) of TCU. Major issues discussed were on design and applications of admission interface, data interface, dissemination interface, and integration through Application Programming Interface (API).
- v. Workshop session with 147 Quality Assurance and Admission Officers from various higher education institutions (HEIs). The aim of the workshop was to acquaint them on the admission processes in HEIs including applications, evaluation and approval. Emphasis was also given on the governance in admission processes and quality assurance of the same.
- vi. Consultative meeting with 181 Deputy Vice Chancellor's/Deputy Principals/Provost /Rectors responsible for academic affairs on admission and data leveraging. Participants shared experience and benchmarked from each other on opportunities and challenges during student admissions and enrolment. They also discussed different methods that can be used to collect various higher education data from their respective institutions.
- vii. Workshop on Quality Assurance in Universities Postgraduate Training attended by 58 participants from universities that offer postgraduate programmes. Issues discussed include applications for admission, enrolment, maximum period of registration,

plagiarism, supervisions, and publications as requirement for graduation, overstayed students etc.

2.1.5. Public Awareness and Consultative Programmes

As part of the advisory and supportive functions, the Commission organised exhibitions, consultative meetings, conducted outreach and career guidance programmes to prospective students, and also participated in various exhibitions organised by other institutions. In addition, the Commission has also disseminated information on higher education through radio, television, press conferences, and social media.

Some exhibitions, consultative meetings and events organised by the Commission include the following:

- i. The 15th Higher Education, Science and Technology Exhibitions (HEE) 2020 held at Mnazi Mmoja Grounds in Dar es Salaam from 31st August to 5th September 2020. Theme for the exhibitions was *“the Role of Higher Education in Bringing about Economic Change and Sustainable Development”*. As a result of COVID 19 pandemic only 67 local institutions exhibited and at least 60,000 people visited the exhibitions. The aim of the exhibitions was to provide a platform for higher education institutions/companies to showcase their services to their stakeholders, exchange ideas and experiences related to their core functions thereby triggering competition that will result in the provision of quality higher education, research and public services.
- ii. Awareness programmes and career guidance to 21,500 prospective higher education aspirants who were participating in National Service Training in 18 National Service Camps across the country. The aim was to provide them with knowledge on higher education opportunities within and outside the country with emphasis on how to send applications for admissions for those wishing to join bachelor degrees or diplomas in various institutions in Tanzania. Those wishing to pursue further studies abroad were also made aware on the importance of seeking No Objection

Certificate from TCU in order to be sure of the legality of the institutions they want to apply.

- iii. Consultative meeting with the Tanzania Railway Cooperation (TRC) and foreign contractor Yapi Merkezi for construction of standard gauge rail line. The meeting discusses various issues related to requirements for recognition of foreign qualifications that were needed for foreigners to be issued recognition certificate.

The Commission also participated in various stakeholders' meetings, forums and exhibitions, and provided awareness regarding higher education as follows:

- i. Participated, exhibited and delivered a speech on higher education opportunities in the 15th Annual General Meeting of the Tanzania Heads of Secondary Schools Association (TAHOSSA).
- ii. Participated and delivered a speech on quality assurance in higher education to the Senate meeting of the Tanzania Higher Learning Institutions Students Organisation (TAHLISO).
- iii. Participated and exhibited in the National Science, Technology and Innovation Competition (MAKISATU) organised by the Ministry of Education, Science and Technology.
- iv. Participated and exhibited in the second exhibition organised by the National Council for Technical Education (NACTE); and
- v. Participated and exhibited in the 1st Higher Education Week of Zanzibar organised by the Ministry of Education and Vocational Training of the Revolutionary Government of Zanzibar.

During the year under review, the Commission also disseminated public awareness programmes through various media platforms. The type of information shared and media used are provided hereunder:

- i. Produced and published Higher Education Vital Statistics covering the period of 2015/16 to 2019/20;
- ii. Disseminated 230 copies of information on roles and responsibilities of the Commission;
- iii. Produced and published Higher Education Vital Statistics covering the period of 2015/16 to 2019/20;

- iv. Produced 600 copies of TCU Magazines;
- v. Published ten (10) newspaper adverts on Daily News and Mwananchi newspapers;
- vi. Conducted 4 live radio programmes and broadcasted on Radio One FM, TBC Taifa FM, Times FM and Wasafi FM; and
- vii. Conducted 5 live television programmes have been prepared and broadcasted on TBC1, Azam TV, ZBC TV and Star TV.

2.1.6. Promoting Regional and International Cooperation

In promoting both regional and international cooperation with other stakeholders in higher education area, the Commission participate in various regional and international meetings, conferences, forums held in East African Countries, African Union and SADC. The effect of Covid-19 pandemic continued to shape the world on how various matters including meetings and gathering were to be handled, hence, all meetings organised during the period were held virtually. Some of the meetings which were held virtually include meetings of the technical committees of Inter Universities Council for East Africa (IUCEA), SADC Technical Committee for Certification and Accreditation (SADC-TCCA), which Tanzania was a Chair and African Union technical meeting on African Continental Qualifications Framework (ACQF). The Commission also continued with existing collaborations with regulatory agencies and qualifications authorities within and outside the regional, such as Commission for University Education (CUE-Kenya); South African Qualifications Authority (SAQA); East African Quality Assurance Network (EAQAN); African Quality Assurance Network (AfriQAN); National Council for Higher Education (NCHE – Uganda); Commission for Higher Education (South Africa); Higher Education Council (HEC – Rwanda); National Council for Higher Education (NCHE - Malawi) etc.

2.1.7. Increase Access to University Education in Tanzania and Abroad

The Commission has continued with its advisory role to the government, owners of higher education institutions and the general public on the available opportunities in higher education. In case of bachelor's degrees, investments have been increasing and the admission capacities for various programmes have been increasing, likewise number of students admitted kept on increasing. Table 4 shows trend in HEIs, number of programmes, capacities and admission for bachelor's degrees in Tanzania for the past three years.

Table 4: *Trends of Bachelors' degrees Admission Capacities*

SN	FY	Number of HEIs	Number of Programmes	Admission Capacities	Admitted Students
1.	2018/19	65	574	121,117	65,302
2.	2019/20	75	645	149,809	87,813
3.	2020/21	74	686	157,770	87,934

As part of its supportive function, the Commission has continued to support those wishing to study abroad by issuing them No Objection Certificate (NOC). The certificates provide them assurance that the institutions they go for further studies are recognised in their country of origins and that they also meet required qualifications for the programmes they have been admitted. Thus, during the year under review, the Commission received and processed 396 applications for No Objection Certificate (NOC).

Table 5 provides trend of NOC applications that also shows increasing awareness to the public and access to higher education outside Tanzania

Table 5: Increasing Trends of Applications for NOC to Study Abroad

No	Award level	Applications Processed in FY			
		2017/18	2018/19	2019/20	2020/21
1.	Foundation	2	4	0	0
2.	Diploma	23	56	64	22
3.	Bachelor	231	237	521	316
4.	Masters	17	14	28	28
5.	PhDs	2	3	14	19
	Total	275	314	627	396

2.1.8. Statistics for University Education

Every year, the Commission collect and compile data for university education in Tanzania, and disseminate the same through statistical books (VitalStats) posted in TCU website www.tcu.go.tz under publications. The data provide information on students' admission, enrolment, graduates, and dropouts, other information include programmes on offer, staffing, higher education institutions etc. The objective is to inform various stakeholders on the state of university education in the country.

2.2. INSTITUTIONAL MANAGEMENT, FINANCE AND ADMINISTRATION

2.2.1. Meetings of the Commission and Committees

In order to ensure good governance, each year the Commission set an almanac for the Commission and its Committee meetings. In an event of emerged issues requiring the Commission decision outside the normal almanac, the Commission has been conducting special meetings to deliberate on the same in line with the existing Governments' circulars. During the year under review, the Commission conducted four (04) ordinary and two (02) special meetings. Matters that were deliberated include accreditation of institutions and programme, approval of various instruments, admission of students, audit reports, financial matters, and staff matters. Table 6 provides summary of the number of Commission and Committee meetings conducted in the FY 2020/2021.

Table 6: Number of Commission and Committee Meetings Conducted

S/N	Organ	Type of Meeting	
		Ordinary	Special
1.	Commission	4	2
2.	Accreditation Committee	4	3
3.	Admissions Committee	3	0
4.	Grants Committee	3	0
5.	Audit Committee	4	1
6.	Staff Appointment Disciplinary and Development Committee	2	0

2.2.2. Staff of the Commission, Training and Development

During the FY 2020/2021, the Commissions' Secretariat had 51 staff (31 males and 20 females), equivalent to 54% of the required establishment of 94 staff. Thus, in recognition of importance of staff training in improving and updating knowledge, skills and attitudes, the Commission developed Staff Training Policy and Training Need Assessment Policy to guide the Commission on training required and planning. In this regard, each year the Commission has been setting aside funds for staff training in both long and short course programmes. During the year under review the following long and short course programmes were budgeted and executed.

Long course programmes: Two staff (2) were enrolled and continuing with Masters Programmes at UDOM and UDSM.

Short course programmes: Twenty (20) staff participated in tailor-made courses and short courses training related to their areas of work professionals. Besides, the Commission conducted in-house awareness and capacity building to all staff on HIV/AIDS, non-communicable diseases, corruption and ethical behaviours, ICT security, and advanced Microsoft Office, and cyber threats.

Besides, the Commission Secretariat organised induction training for the Audit Committee members to enhance their capacity on audit matters. Audit Committee Guide for Public Sectors entities, 20219 and issues related to Good Governance and Best practices to handle audit matters.

2.2.3. Staff Promotion, Worker's Day and Best Worker Award

Every year, the Commission set aside fund for staff vertical promotion and best worker award. Staff promotion has been considered as an important aspect to increase staff loyalty and engagement, boost morale and ultimately increase productivity as the promotion brings in change in salary, responsibility, status, and other benefits. Thus, in the year under review, the Commission promoted thirty (30) staff to various carders as presented in Table 7.

Table 7: *Number of Staff Promoted in Various Cadres*

S/N	Cadre/Staff Category	Number of Staff
1.	Accreditation	9
2.	Admission	4
3.	Procurement	1
4.	Account and Finance	1
5.	Human Resource	2
6.	Internal Audit	2
7.	Planning	1
8.	Public Relation Officer	1
9.	Legal Officer	1
10.	ICT	1
11.	Office Assistant	1
12.	Driver	3

In recognition of the staff performance and as appreciation to their commitment throughout the year, each year the Commission set aside fund to support all the staff in worker's day celebration (1st May), that normally start a week early by various activities. The Commission has been supporting her staff morale and financially through best work award as per incentive scheme. In addition, those who performed exemplary from each unit and overall for an institution have been awarded by giving them a token amount of money and a certificate of recognition. In the year under review the overall best worker was from the Office of the Executive Secretary.

2.2.4. Operational Instruments

Operational management tools are vital to good performance within the organization. During the year under review, the Commission developed or reviewed some tools and guidelines for effective and efficient implementation of core functions and operational services and maintaining good governance. The tools and guidelines developed were:

- i. Risk Register and Mitigation Action Plan, 2020/21;
- ii. Internal Audit Charter, 2021;
- iii. Accounting Policy Manual, 2021;
- iv. Accounting and Store Manual, 2021;
- v. Succession Plan, 2021;
- vi. ICT Master Plan, 2021;
- vii. ICT Assets Replacement Guidelines, 2021; and
- viii. ICT Security Policy and Procedures, 2021;

2.2.5. Commission Budget and Expenditure for FY 2020/2021

The Commission annual budget was derived from the MoEST Objectives, Government and Commission directives and TCU Strategic Plan 2020/21-2024/2025. The budgeting and costing process use Medium-Term Expenditure Framework (MTEF). The MTEF enabled the costs centres (Directorates, Sections and Units) to come up with targets and activities to be executed in the year in which the budget is planned. During the year under review, the total approved budget was TZS. 8,407,678,676.00. Source of revenue has continued to be from internal generation, government subvention, and funded project. As of June, 2021, the budget execution shows that a total of TZS. 8,609,341,601.00, equivalent to 102.4% were collected. In terms of expenditure, TZS. 7,022,028,453.00, equivalent to 83.5% was spent in execution of various Commission activities. Details of budget execution is shown in Table 8 and Table 9 respectively.

Table 8: Expected Revenue from Various Sources for FY 2020/21 (TZS)

Revenue Description	Budget	Actual income	Performance Difference	Achievements
Government Subvention (PE)	2,401,373,676	1,756,507,600	(644,866,076)	73%
Admission Fees	22,000,000	23,590,000	1,590,000	107%
Quality Assurance Fees	3,600,000,000	3,771,917,183	171,917,183	105%
Other Income	1,080,000,000	1,753,021,818	673,021,818	162%
Cash balance from previous year	1,304,305,000	1,304,305,000	0	100%
TOTAL REVENUE	8,407,678,676	8,609,341,601	201,662,925	102%

Table 9: Approved Budget for Expenditure in FY 2020/21 (TZS)

Expenditure description	Budget	Actual expenditure	Performance Difference	Achievements (%)
Personnel Expenses	3,038,238,676	2,520,883,107	517,355,569	83%
Accreditation, Admission and Grants Expenses	2,449,180,000	2,365,037,076	84,142,924	97%
Administrative Expenses	1,625,860,000	1,275,594,457	350,265,543	78%
Other Expenses	592,500,000	532,618,978	59,881,022	90%
Finance Expenses	18,000,000	8,529,871	9,470,129	47%
Capital Expenditure	683,900,000	319,364,964	364,535,036	47%
TOTAL EXPENSES	8,407,678,676	7,022,028,453	1,385,650,223	84%
SURPLUS/(DEFICIT)		2,343,816,153	2,343,816,153	

2.2.6. Physical Facilities and Infrastructure

The Commission continued to provide and maintain conducive working environment by providing working facilities and infrastructure to enable employees, and the Commission in general to execute its roles and functions efficiently. Physical facilities include the provision of office chairs and tables, computers, printing facilities, and transport facilities, maintenance of building facilities, vehicles and equipment. During the year under review, the Commission procured and supplied various items, including sophos 135 firewall, 10 tablets, APP UPS 3000VA, eight (8) laptop computers, one (1) multifunction printers, one (1) air

condition, two (2) Toyota Land cruiser Prado TXL, one (1) projector and 10 Sets of desktop computers. Also, maintained office environment including water systems, office cleanness and security.

2.2.7. Improvement of ICT Infrastructure

In ensuring that the performance of ICT facilities is effective and efficient, the Commission conducted regular and preventive maintenance of all ICT equipment and facilities, updated and upgraded various systems in use including, Programme Management System (PMS), Universities Information Management System (UIMS), Government electronic Payment Gateway (GePG), Foreign Award Assessment System (FAAS), the Resource Centre website on contents and structure, Library Management Information System and KOHA. Further, deployed the Nagios monitoring system and configured it to the Network and System. Upgraded the Zimbra e-mail system, deployment of LDAP Server in TCU server and deployed and configured Network access control (Local Area Network and Wireless) to incorporate user requirements.

3.0 CHALLENGES

Despite several achievements, the Commission also encountered challenges in executing her functions. Major challenges encountered are those affecting growth and quality of higher education in the country and other parts of Africa. These include, but are not limited to the following:

- i. Shortage of competent leaders to run the universities;
- ii. Shortage and aging of academic staff;
- iii. Low higher education gross enrolment rate;
- iv. Limited admission capacities to priority programmes especially STEM programmes;
- v. Shortage of fund to finance higher education subsector; and
- vi. Low motivation towards research in universities.

4.0 FUTURE OUTLOOK

The Commission is progressing well and will continue to strengthen its quality assurance systems in tandem with supportive and advisory programmes to various stakeholders. To ensure relevance of education and acceptability of graduates, the Commission will continue to advice different stakeholders on matters relating to access, equity and quality in the provision of higher education with a view to developing a sufficient and competitive human resources base for national development.

5.0 REPORT OF AUDITORS ON FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2021

For the period under review, the Controller and Auditor General (CAG) audited the Financial Statements of the Tanzania Commission for Universities for the period ended 30th June, 2021. The CAG granted the Commission a clean report with unqualified opinion, the report of the CAG forms part of this Annual Activity Report as Appendix II.

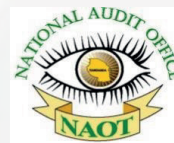
6.0 CONCLUSION

I would like to express my deepest appreciation to the Management team who made the completion of this Report possible. Furthermore, I would like to acknowledge with much appreciation the crucial role, guidance and directives provided by the Commissioners. Last but not least, many thanks go to all staff who invested their efforts and made the TCU set goals for the 2020/2021 FY possible.

Appendix II: Audited Financial Statements for FY 2020/21



THE UNITED REPUBLIC OF TANZANIA
NATIONAL AUDIT OFFICE



**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON
THE FINANCIAL STATEMENTS AND COMPLIANCE AUDIT OF
TANZANIA COMMISSION FOR UNIVERSITIES FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2021**



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

March, 2022

AR/ PA/TCU/2020/21

Mandate

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

Vision

A credible and modern Supreme Audit Institution with high-quality audit services for enhancing public confidence.

Mission

To provide high-quality audit services through modernization of functions that enhances accountability and transparency in the management of public resources.

Motto: “Modernizing External Audit for Stronger Public Confidence”

Core values

In providing quality services, NAO is guided by the following Core Values:

- i. Independence and objectivity
- ii. Professional competence
- iii. Integrity
- iv. Creativity and Innovation
- v. Results-Oriented
- vi. Teamwork Spirit

We do this by:

- ✓ Contributing to better stewardship of public funds by ensuring that our clients are accountable for the resources entrusted to them;
- ✓ Helping to improve the quality of public services by supporting innovation on the use of public resources;
- ✓ Providing technical advice to our clients on operational gaps in their operating systems;
- ✓ Systematically involve our clients in the audit process and audit cycles; and
- ✓ Providing audit staff with adequate working tools and facilities that promote independence.

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

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ABBREVIATIONS

CAG	-	Controller and Auditor General
CFR	-	Certificate of Full Registration
CoA	-	Certificate of Accreditation
HIV/AIDs	-	Human Immunodeficiency Virus/Acquired Immunodeficiency syndrome
IPSAS	-	International Public Sector Accounting Standards
ISSAI	-	International Standards of Supreme Audit Institutions
MDAs	-	Ministries, Departments and Agencies
NAO	-	National Audit Office
NHIF	-	National Health Insurance Fund
NIC	-	National Insurance Corporation of Tanzania Limited
NSSF	-	National Social Security Fund
PAYE	-	Pay As You Earn
PhD	-	Doctor of Philosophy
PSPF	-	Public Service Pension Fund
PSSSF	-	Public Service Social Security Fund
TCU	-	Tanzania Commission for Universities
TFRS	-	Tanzania Financial Reporting Standards
TIC	-	Tanzania Investment Centre
URT	-	United Republic of Tanzania

1.0 REPORT OF THE COMMISSIONERS FOR THE YEAR ENDED 30 JUNE 2021

In compliance with the Universities Act, Cap 346 of the Laws of Tanzania, and the Tanzania Financial Reporting Standard No. 1 on Directors Report, the Commissioners submit their Report and Financial Statements of Tanzania Commission for Universities for the year ended 30 June 2021. Other information of the Commission is provided for under disclosure NOTE 1.

1.1 CORPORATE OUTLOOK

VISION

To become leading regional higher education regulatory agency supporting systematic growth and excellence of university education.

MISSION

To promote accessible, equitable and harmonized quality university education systems that produce nationally and globally competitive outputs.

CORE VALUES AND PHILOSOPHY

Transparency, efficiency, integrity, tolerance, accountability and creativity.

TCU Motto

Universities for Prosperity.

1.2 PRINCIPAL MANDATES

The principal mandates of the Commission are:

a) Regulatory:

Conducts periodic evaluation of universities, their systems and programs to regulate the quality assurance systems at new and established universities, and in the process, institutions are registered and accredited to operate in Tanzania. TCU also validates programs to ensure their credibility and evaluates for recognition university qualifications attained from local and foreign institutions for use in Tanzania.

b) Advisory:

Advises the government and the general public on matters related to higher education in Tanzania as well as international issues pertaining to higher education, including advice on program and policy formulation and other best practices.

c) Supportive:

Ensures the orderly conduct of university operations and management adherence to set standards and benchmarks, by providing support to universities in terms of coordinating the admission of students, offering training and other sensitization interventions in key areas like quality assurance, university leadership and management, fund raising and resources mobilization, entrepreneurial skills and gender mainstreaming.

1.3 Composition of the Commission

The composition and its committees are as shown in item 1.3.2.

1.3.1 Commissioners' Remuneration

The Commissioners' remuneration for services rendered as directors of the Commission for the year was TZS 2,500,000 per sitting paid as directors' fees to the Chairman and TZS 2,000,000 each member as per Government Circular No. 1 of 2020 issued by Treasury Registrar.

1.3.2 Corporate Governance

The Commission consists of nine members. Apart from the Executive Secretary, no other member holds an executive position. The Commission takes overall responsibility, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Commission is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

The Commission delegates the day-to-day management of the business to the Executive Secretary assisted by three Directors and other senior management team members. The senior management team is invited to

attend Commission meetings and facilitates the effective control of all the Commission's operational activities, acting as a medium of communication and coordination between all the various business units.

The Commission is committed to the principles of effective corporate governance. The Commissioners also, recognise the importance of integrity, transparency and accountability. As one of its several strategies of fostering a high standard of good corporate governance, the Commission appointed five committees comprising members from the Commission and co-opted members from the general public who have experiences in various fields relevant to the committee. The total number shown in the bracket exclude secretariat of the Committee, namely,

- The Accreditation Committee (5)
- The Admissions Committee (5)
- The Grants Committee (5)
- Staff Appointment, Disciplinary and Development Committee (5)
- The Audit Committee. (5)

Within those committees, members possess various expertise and are well-versed in the technical operational requirements of TCU. Together, all these members bring to the Commission a wealth of knowledge and experience, a requisite for the Commission's good governance.

During the year, membership to the Commission and its various Committees was as follows:

(a) Commission Members

The names of members who served the Commission during the year under review were as follows:

S/n	Name	Academic Qualification	Position	Nationality	Appointment/ (Retirement)	Age
1 ¹	Prof. Mayunga H. Nkunya	PhD (Chemistry)	Chairman	Tanzanian	(20.07.2021)	69
2	Prof. Peninah O. M. Mlama	PhD (Theatre, Language and Linguistics)	Chairperson	Tanzanian	19.10.2021	73
3	Prof. Makenya Maboko	PhD (Geology)	Member	Tanzanian	02.10.2019	64
4	Prof. Charles Mgone	PhD (Medical and Molecular Genetics)	Member	Tanzanian	02.10.2019	71
5	Dr. Zakia M. Abubakari	PhD (Plant Microbiology)	Member	Tanzanian	02.10.2019	63
6	Dr. Gift Kweka	PhD in Law	Member	Tanzanian	07.02.2020	37
7	Ms. Adelgunda Mgaya	BA (Public Administration)	Member	Tanzanian	02.10.2019	64
8	Prof. Lughano J. Kusiluka	PhD (Vet. Medicine)	Member	Tanzanian	02.10.2019	61
9	Dr. Kennedy Hosea	PhD (Microbiology)	Member	Tanzanian	02.10.2019	56
10	Prof. Charles Kihampa (ES)	PhD (Chemistry)	Secretary	Tanzanian	31.08.2018	49

The Commission is required to meet every quarter. During the year ended 30 June 2021, the Commission held four ordinary meetings and two special meetings. During those meetings, matters that were deliberated upon included the following:

- i. Feedback and follow-up on the implementation of Commission directives;
- ii. Approval of accreditation of various programmes (Curricula);
- iii. Approval of admission of students into higher education institutions;
- iv. Approval of transfers of students to various institutions;
- v. Approval of the TCU budget, financial and procurement progress reports;
- vi. Approval of accreditation and quality assurance of institutions;

¹ Prof. Mayunga Nkunya served as the Chairman of the Commission during the Financial Year 2020/21 up to 20 July 2021 when he passed away. Prof. Penina O.M Mlama was appointed to fill that position effective from 19 October 2021.

- vii. Approval of other administrative matters/tools/instruments as brought in by the Management;
- viii. Approval of TCU Rolling Strategic Plan 2020-2025;
- ix. Approval of Audit Report for Financial Year 2019/20;
- x. Approval of Internal audit reports and follow up of implementation of previous audit findings and recommendations;
- xi. Approval of staff matters and staff training programme;
- xii. Approval of Human resource reports and positions; and
- xiii. Advised the Minister on various issues relating to Higher Education.

(b) Committees of the Commission are as follows:

(i) Accreditation Committee

No.	Name	Position	Nationality
1.	Prof. Makenya Maboko	Chairperson	Tanzanian
2.	Prof. Charles Mgone	Member	Tanzanian
3.	Prof. Bertram Mapunda	Member	Tanzanian
4.	Dr. Adolf Rutayuga	Member	Tanzanian
5.	Eng. Patrick Barozi	Member	Tanzanian
6.	Prof. Charles Kihampa (ES)	Ex- officio Member	Tanzanian
7.	Dr. Telemu Kassile (DA)	Secretary	Tanzanian

The Committee reports to the Commission and is required to meet on quarterly basis. During the year ended 30 June 2021 the Committee held four ordinary and three special meetings. During those meetings, matters that were deliberated upon included the following:

- i. Recommendations on Institutional accreditation;
- ii. Recommendations on accreditation of programme curricula;
- iii. Reports on evaluation of foreign academic awards; and
- iv. Recommendations on quality assurance matters of university institutions.

(ii) Admissions Committee

S/N.	Name	Position	Nationality
1.	Prof. Charles Mgone	Chairperson	Tanzanian
2.	Prof. Bernadeta Killian	Member	Tanzanian
3.	Prof. Lughano Kusiluka	Member	Tanzanian
4.	Ms. Aida Juma	Member	Tanzanian
5.	Dr. Veronica Nyahende	Member	Tanzanian
6.	Prof. Charles Kihampa (ES)	Ex- officio Member	Tanzanian
7.	Dr. Kokuberwa Katunzi-Mollel (DAD)	Secretary	Tanzanian

The Committee reports to the Commission and is required to meet on quarterly basis or as circumstances may necessitate. During the year ended 30 June 2021 the Committee held two ordinary meetings and one consultative meeting on admission procedures. During those meetings, matters that were deliberated upon included the following:

- i. Recommendation of the Guidelines for the 2019/20 and 2020/21 admission cycles and almanac;
- ii. Recommendations on applicants selected by individual institutions for academic year 2020/21.
- iii. Clarification on minimum criteria and requirements to join various degree programmes;
- iv. Updates on the University Information Management System (UIMS) for data collections and management;
- v. Recommendations on the request for transfers and transfer procedures; and
- vi. Recommendation for the approval of three ICT Guidelines.

(iii) Grants Committee

S/N	Name	Position	Nationality
1.	Ms. Adelgunda Mgayya	Chairperson	Tanzanian
2.	Prof. Ndelilio Urio	Member	Tanzanian
3.	Dr. Zakia Abubakar	Member	Tanzanian

S/N	Name	Position	Nationality
4.	Mr. Louis Accaro	Member	Tanzanian
5.	Ms. Bahati Gauzye	Member	Tanzanian
6.	Prof. Charles Kihampa (ES)	Ex- officio Member	Tanzanian
7.	Mr. Yusuf I. Rauna - (Ag.DCS)	Secretary	Tanzanian

The Committee reports to the Commission and is required to meet on quarterly basis. During the year ended 30 June 2021 the Committee held three ordinary meetings. During those meetings, matters that were deliberated upon included the following:

- i. Recommendation for approval of proposed Annual Budget and Plans for the Financial year 2021/22;
- ii. Recommendation for approval of Financial and Activity Progress Quarterly Reports for the Financial year 2020/21;
- iii. Recommendation for approval of Quarterly Procurement Reports for 2020/21;
- iv. Recommendation for approval of proposed Annual Procurement Plan for the Financial year 2021/22;
- v. Recommendation for approval of new fees for appeals of Foreign Awards Recognitions;
- vi. Recommendation for approval of revised Annual Budget and Plans for the Financial year 2020/21;
- vii. Recommendation for approval of Accounting Policy and Accounting Procedure Manual 2021.

(iv) Staff Appointment, Disciplinary and Development Committee

S/N	Name	Position	Nationality
1.	Dr. Gift Kweka	Chairperson	Tanzanian
2.	Ms. Adelgunda Mgaya	Member	Tanzanian
3.	Ms. Hilda Kabissa	Member	Tanzanian
4.	Dr. Aggrey Mlimuka	Member	Tanzanian
5.	Prof. David Mfinanga	Member	Tanzanian
6.	Prof. Charles Kihampa (ES)	Ex- officio Member	Tanzanian
7.	Mr. Yusuf I.Rauna (Ag.DCS)	Secretary	Tanzanian

The Committee reports to the Commission and is required to meet on quarterly basis. During the year ended 30 June 2021, the Committee held two ordinary meetings. During the meetings, matters that were deliberated upon included the following:

- i. Recommendation on staff promotions;
- ii. Reports on staff position, training and development;
- iii. Recommendation for approval of TCU Succession Plan 2021-25;
- iv. Recommendation on the Staff Training programmes.

(v) Audit Committee

S/N	Name	Position	Nationality
1.	Prof. Lughano Kusiluka	Chairperson	Tanzanian
2.	Dr. Gift Joseph Kweka	Member	Tanzanian
3.	Prof. Godwin Mjema	Member	Tanzanian
4.	Prof. Godwin Ndossi	Member	Tanzanian
5.	Mr. Juma Muhimbi	Member	Tanzanian
6.	Prof. Charles Kihampa (ES)	Ex- officio Member	Tanzanian
7.	Ms. Roserine Rutta (LGO)	Secretary	Tanzanian

The Committee reports to the Commission and is required to meet on quarterly basis. During the year ended 30 June 2021 the Audit Committee held four ordinary meetings and one Special meeting. During those meetings, matters that were deliberated upon included the following:

- i. Recommendations on the draft financial statement for financial year 2019/20 and approval for submission to external auditor's approved by CAG to commence audit process;
- ii. Recommendations on the audited report and financial statements for the year ended 30 June 2020;
- iii. Recommendations on Management Letter issued by the statutory auditors;
- iv. Recommendation on the implementation of issues raised in the Management letter for Financial Year 2018/19 and 2019/20;
- v. Recommendation on external audit fees charged for financial year 2019/20.

- vi. Recommendations on quarterly Internal Audit Reports;
- vii. Recommendation of Internal Audit Plan for 2020/21 and 2021/22.

TENDER BOARD

S/N	Name	Position	Nationality
1.	Dr. Fulgence Matimbo	Chairperson	Tanzanian
2.	Dr. Mariam Ramadhani	Member	Tanzanian
3.	Mr. Mathayo Mafang'ha	Member	Tanzanian
4.	Mr. Augustine Swai	Member	Tanzanian
5.	Mr. Yusuf I. Rauna	Member	Tanzanian
6.	Mr. Alexander Kamwela	Member	Tanzanian
7.	Ms. Hilder Kawiche	Member	Tanzanian
8.	Mr. Nsubisi Mwansangubo	Secretary	Tanzanian

The Tender Board worked and maintained an independent working environment and conducted its business and made decisions through meetings and circularization methods depending on the nature of issues requiring the approval of the Tender Board Committee. During the year ended 30 June, 2021 the Tender Board Committee held four meetings and made 20 circular resolutions. During those meetings and circularization, matters that were deliberated upon included the following:

- i. Approval of Annual Procurement Plan for Financial Year 2020/21 and 2021/22.
- ii. Approval of various procurements through tender and circular resolutions as per procurement plan.
- iii. Approval of advert for quotations and quotation documents for various procurements.
- iv. Approval of procurement quarterly reports.

1.4 Capital Structure

The Commission's capital structure for the year under review is shown in the statement of financial position. The source of corporate funding has been through Capital Grants and Government annual parliamentary budgetary allocations in respect of Personnel Emoluments, Development Fund and Other Charges. During the year Development Projects and other charges (OC) were not funded.

1.5 Management

The Management of the Commission is under the Executive Secretary assisted by three Directors namely:

- a) Director of Accreditation;
- b) Director of Admission, Coordination and Data Management; and
- c) Director of Finance and Administration (Corporate Services).

Currently, there are five support services units that report directly to the Executive Secretary as shown below:

- a) Internal Audit Unit - Administratively reports to the Executive Secretary; functionally reports to the Audit Committee of the Commission;
- b) Procurement Management Unit;
- c) Legal Unit;
- d) Public Relations; and
- e) Information, Communication Technology

1.6 Shareholders of TCU

The Commission is wholly owned by the Government of Tanzania through the Treasury Registrar.

1.7 Attainment in Physical Terms

Given below are the brief explanations for physical performance of planned operational activities during the year under review;

1.7.1 Accreditation and Admission Performance

During the year under review, the Commission registered one new institution and re-accredited two university institutions. Four institutions were upgraded from Certificate of Full Registration (CFR) to Certificate of Accreditation (CoA) as shown below: -

Type of Registration	2020/21	2019/20
	Number of Institutions	
Certificate of Accreditation	4	4
Certificate of Re- Accreditation	2	0
Provisional License	1	0
Total	7	4

Also, the Commission conducted a total of 28 audits comprising of technical visitations, impromptu audits, and institutional monitoring (last year a total of 56 audits were conducted). Also the Commission reviewed and validated a total of 249 programme curricula (last year a total of 245 programme curricula were validated).

The Commission further assessed 8,586 and recognized 7,237 foreign awards submitted for recognition (last year a total of 2,975 foreign awards were recognised).

As at 30 June 2021 cumulative list of institutions registered/recognized by the Commission is 47 as outlined below: -

(a) Number of Institution by Level of Registration

Types of Registration	2020/21	2019/20
Certificate of Accreditation	37	29
Certificate of Full Registration	7	13
Certificate of Provisional License	2	1
Deregistered	1	9
Total	47	52

- Institutions established by Acts of Parliament, Government Notice, Universities Act, with Certificate of Accreditation and Certificate of Full Registration may conduct convocations and graduations.
- Institutions with Certificate of Provisional License are not allowed to run academic and research activities until when they are granted Certificate of Accreditation.

(b) University level Institutions operating in Tanzania by Status and ownership

	Public		Private		Total	
	2020/21	2019/20	2020/21	2019/20	2020/21	2019/20
Fully fledged Universities	12	12	18	18	30	30
Colleges	7	4	10	9	17	13
Campus, Centers and Institutes	2	3	3	4	5	7
Total	21	19	31	31	52	50

During the year the Commission coordinated, harmonized and approved admission of 87,934 students to undertake Bachelor's degree programmes in various higher education institutions (last year admission was 87,813). Further, the Commission collected data from institutions and established that a total of 82,075 students were enrolled in University Institutions in the year under review (last year enrolment was 76,114) as listed below:

S/N	Type of institution	2020/21	2019/20
1	Public Universities	65,330	59,996
2	Private Universities	16,745	16,118
	Total	82,075	76,114

1.7.2 Financial Performance for the year 2020/21

The Commission recorded surplus of TZS 573,877,692 during the year ended 30 June 2021 against a surplus of TZS 270,430,161 recorded in the year ended 30 June 2020. The increase in surplus was contributed by both the increase in the number of students in university institutions where TCU collected quality assurance fees as main source of income and cost cutting measures.

1.7.3 Future Development Plans

The Tanzania Commission for Universities owns two Plots of land. Plot No. 59 at Uporoto Street - Ursino, Dar es Salaam and Plot No. 56/4 Kisasa B area, Dodoma Municipal and has plans to build permanent office buildings.

During the year under review, the government did not allocate any funds for construction of a permanent office building.

1.7.4 Key Performance Ratios

Funds were not received from the Government for recurrent and development expenditure. Non-receipt of these funds hampered the Commission's activities. It was therefore not possible to efficiently execute the capital development projects and other planned activities for the year under review.

The following financial ratios for year 2020/21 were attained compared to the last financial year 2019/20.

Liquidity Ratios	2020/21	Desired	2019/20
Current ratio	55.58:1	2:1	22.90:1
Acid test	55.38:1	1:1	22.82:1

1.8 Risk Management and Internal Control

The Commission has a Risk Management Policy, which was duly approved by the Commission. Every individual within the Commission is responsible for risks inherent at his/her place of work. Risk assessment responsibility rests with Internal Audit Department. Effective internal control is maintained through ensuring that there is segregation of duties and enhancing oversight systems. The Commission's Audit Committee has an oversight role of the overall risk management.

1.9 Solvency

The Commissioners have reviewed the current financial position of the Commission and the working capital needs. On the basis of this review, the Commissioners are of the opinion that for the Commission to perform effectively and efficiently, it needs additional internal and external

sources of financing which include review of current charge rate for services rendered by the Commission. The subsidy received from the Government is inadequate. In order to enable the Commission to carry out its operations effectively, the Commissioners have been recommending/demanding injection of more funds from the Government to execute effectively its role as per given mandates. The annual operating results are as shown in the financial statements attached to this report.

1.10 Resources

The major resource that the Commission possesses is human capital. It has well-trained personnel in all relevant disciplines.

The other resource which forms part of corporate funding has been through Government annual parliamentary budgetary allocations and government funds collected and retained for its operations. Quality assurance income received from registered university students, foreign award recognition fees, institutional accreditation fees and accreditation of new curricula.

1.11 Principal Risks and Uncertainties

The principal risks and uncertainties for the year under review comprises of the following:

- a) Funding of development projects;
- b) Cost control under technical consultancy services;
- c) Recruitment and retention scheme of the human capital; and
- d) Operations in the day to day activities - in terms of operational challenges and working capital needs.

1.12 Relationships with Stakeholders

The Commission interacts with the following key stakeholders: Higher Learning institutions; Students and Graduates; Students union; Parents/Guardians; Employers; Employees; Ministries, Departments and agencies (MDAs); Professional bodies; Media; Suppliers of Goods and Service: and the General public. The Commission enjoys good and

cooperative support from almost all stakeholders. The key to this relationship has been prompt and informed communication systems.

1.13 Financial Position and Cash Flows

The annual financial position, operating results, changes in equity and cash flows are as shown in the set of financial statements attached to this report.

1.14 Serious Prejudicial Matters

During the period under review, there was a Civil Case. No. 122 of 2016 *Ramadhan Kipenya & others Versus Tanzania Commission for Universities (TCU) & St. Joseph University in Tanzania (SJUIT)*. On 11 February 2021, the High Court dismissed the case in favour of the Commission with no orders as to costs.

1.15 Management and Employees' Relationship

There were continued good relations between employees and management for the year 2020/21. There were no unresolved complaints received by management from the employees during the year. A healthy relationship continues to exist between management and employees. The Commission is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribe, religion and disability which does not impair the ability to discharge duties.

1.16 Training Facilities

The Commission continued to provide training for its employees as need arose. Opportunities to attend seminars and courses inside and outside the country were also provided. A total of two staff are pursuing Ph.D. studies and one is pursuing Masters as part of staff capacity building. Also, members of staff have attended short courses to sharpen their skills and widen their practical knowledge while executing the Commission's daily activities.

1.17 Medical Assistance

The Commission meets the cost of medical consultation and treatment for all employees and their immediate family dependents through contributions made to the National Health Insurance Fund (NHIF). The Commission joined the Fund since July 2011.

1.18 Financial Assistance to Staff

This is available to all employees depending on the merit of each case as assessed by management as well as liquidity position of the Commission. However, employees are also encouraged to obtain loans or advances from Commercial banks to meet their various needs in as far as finance is concerned. Currently we have contractual agreements with five commercial banks namely Azania Bank, Tanzania Postal Bank, Bank of Africa, CRDB Bank Ltd Plc and National Micro Finance Bank.

1.19 Persons with Disabilities

The Commission does not discriminate against persons with disability. In the event of a member of staff becoming disabled, every effort is made to ensure that his/her employment with the Commission continues and appropriate training is arranged. It is the policy of the Commission that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

1.20 Employee Benefits

a) Retirement Benefits

The Commission has statutory obligations to contribute to pensionable scheme in favor of all the employees employed under permanent and pensionable terms. The Commission pays contributions to PSSSF scheme which is for public employees. Contributions to this fund are recognized as an expense in the period the employees render the related services. However, the Government has taken responsibility to pay salaries and employers pension contributions.

b) Short Term Benefits

The cost of all short-term employees' benefits such as salaries, employees' entitlements to leave pay, medical aids, long service award,

other contributions, etc are recognized during the period in which the employees renders the related services.

c) Terminal Benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accept voluntary redundancy in exchange for these benefits. The Commission recognizes termination benefits when it is constructively obliged to either terminate the employment of the current employees according to detailed formal plan without possibility or to provide termination benefits as a result of an offer made to encourage voluntary redundancy.

d) Promotion

During the financial year 2020/21, the Commission approved 30 staff promotions as per approved establishment by the President's Office, Public Service Management and Good Governance (UTUMISHI).

1.21 Gender Policy

The Commission has an equal opportunity employment policy as far as gender issues are concerned. Every effort is made to ensure that the Commission's employment policy maintains gender balance subject to technical and experience considerations.

1.22 Statement of Compliance

The Commission complied with laws, rules and regulations relating to the higher education sector, labour, environmental, and all other laws in the country which affects the Commission during the year.

1.23 HIV/AIDS Awareness Programme

The Commission has an HIV/AIDS awareness programme in operation. The Commission encourages her employees to undergo regular voluntary HIV tests and for those in need of medical assistance such assistance is provided free of charge by the Commission.

1.24 Related Party Transactions

All related party transactions and balances are disclosed in note 26 to these financial statements.

1.25 Political and Charitable Donations

The Commission did not make any political or charitable donations during the year.

1.26 Corporate Social Responsibility

The Commission upholds good corporate social responsibility practices. It identifies itself with the community that it works with and maintains peace and good working environment. The level of responsibility depends on the nature of operations within the vicinity. Typically, unskilled labour is reserved for the communities in which the Commission operates.

1.27 Challenges

1.27.1 Despite the number of achievements, there were equally a number of challenges encountered during the implementation the Commission planned activities as follows:

- (i) Noncompliance by university institutions on Commission's directives especially on procedures, guidelines and standards;
- (ii) Delayed payment of outstanding quality assurance fees from previous years.
- (iii) Complaints by some of the investors seeking recognition of their foreign awards submitted through online system.

1.27.2 The Commission addressed these challenges and the following are the action taken so far;

- (i) Trained Heads of HEIs, lecturers, and admission officers on various quality assurance issues related to accreditations, admissions and data management;
- (ii) Continued to remind University Institutions for payment of the outstanding quality assurance fees and costs for validation of new programs.

- (iii) Held consultative meetings with Tanzania Investment Centre (TIC) and the Ministry responsible for labour/issuing permits on the procedure for recognition of foreign awards.

1.28 COVID-19 Pandemic

The COVID-19 pandemic continued to affect many countries including Tanzania. The risks arising from this pandemic include service and supply chain disruption, unavailability of key human resources, locations being quarantined, among others. The Commission has assessed that, at the time of issuing these financial statements, it was impracticable to determine and disclose the extent of the possible effects of the pandemic on the Commission business. It is reasonably possible, based on the existing knowledge, the outcomes within the next financial year that are different from judgements and assumptions used could require a material adjustment to the carrying amounts of assets and liabilities.

There were no other events during the reporting period which required adjustment to or disclosure in the financial statements.

1.29 Statement of Commissioners' Responsibilities

The TCU Establishment Order requires the Commissioners to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Commission as at the end of the financial year and of its comprehensive income for that year. It also requires the Commissioners to ensure that the Commission maintains proper accounting records that disclose, with reasonable accuracy, the financial position of the Commission. The Commissioners are also responsible for safeguarding the assets of the Commission and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

The Commissioners accept responsibility for the preparation and presentation of financial statements that are free from material misstatement whether due to fraud or error. Nothing has come to the attention of the Commissioners to indicate that the Commission will not remain a going concern for the foreseeable future.

1.30 Audit Mandate

The Controller and Auditor General is the statutory auditor of The Tanzania Commission for Universities (TCU) by virtue of Article 143 of the Constitution of the United Republic of Tanzania, 1977 (as amended from time to time) and amplified in section 10(1) of the Public Audit Act, Cap 418 (R.E 2021). However, in accordance with section 33(1) of Public Audit Act Cap 418 (R.E 2021), the Controller and Auditor General authorized BASIL & ALRED, to carry out the audit of The Tanzania Commission for Universities for the year ended 30 June 2021.

The Commission through the Audit Committee approves the remuneration of the external auditors.

BY ORDER OF THE COMMISSION

NAME	<u>Penna Mleume</u>	<u>09/03/2022</u>	<u>[Signature]</u>
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POSITION CHAIRMAN**DATE****MEMBER**

2.0 DECLARATION OF THE HEAD OF FINANCE / ACCOUNTING

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act, 1972 (as amended by the Auditors and Accountants (Registration) (Amendment) Act No. 2 of 1995 CAP 286 (R.E 2002), requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Governing 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 Board of Directors / Governing Body as under Directors Responsibility statement on an earlier page.

I, **Yusuf Rauna** being the Acting Director of Finance and Administration (Corporate Services) of the Tanzania Commission for Universities (TCU) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2021 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 Tanzania Commission for Universities (TCU) as on that date and that they have been prepared based on properly maintained financial records.

Signed by:  _____

Position: Acting Director of Finance and Administration

NBAA Membership No.: ACP2605

Date: 09/3/2022 _____

3.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Prof. Penina O. M. Mlama,
Chairperson,
Tanzania Commission for Universities,
P. O. Box 6562,
Dar es Salaam.

3.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

I have audited the financial statements of Tanzania Commission for Universities (TCU), which comprise the statement of financial position as at 30 June 2021 and the statement of financial performance, statement of changes in net assets and cash flow statement and the statement of comparison of budget and actual amounts for the year then ended, as well as the notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Tanzania Commission for Universities as at 30 June 2021 and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting.

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAI). My responsibilities under those standards are further described in below sections entitled “Responsibility of the Controller and Auditor General for the Audit of the Financial Statements”. I am independent of Tanzania Commission for Universities 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 Councilor's Report and the Declaration by the Head of Finance but does not include the financial statements and my audit report thereon.

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 ISSAI will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 ISSAI, 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Further, Section 48(3) of the Public Procurement Act, 2011 (as amended in 2016) 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.

3.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

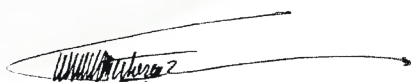
Compliance with the Public Procurement laws.

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

I performed a compliance audit on procurement of goods, works and services in the Tanzania Commission for Universities for the financial year 2020/21 as per the Public Procurement Act, 2011 and its Regulations of 2013 (as amended in 2016).

Conclusion

Based on the audit work performed, I state that procurement of goods, works and services of Tanzania Commission for Universities is generally in compliance with the requirements of the Public Procurement Act, 2011 and its underlying Regulations of 2013 (as amended in 2016)



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2022



FINANCIAL STATEMENTS

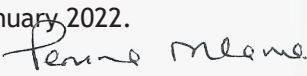
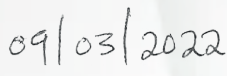

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021

	NOTE	2020/21 TZS	2019/20 TZS
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	17	2,343,865,807	2,060,808,005
Staff Receivables from exchange transactions	18	38,785,730	45,787,202
Trade Receivables from exchange transactions	19	2,178,435,888	2,178,487,564
Prepayment/Deposits	23	330,676,417	162,934,584
Inventories	20	18,102,524	15,063,239
TOTAL CURRENT ASSETS		4,909,866,366	4,463,080,594
NON-CURRENT ASSETS			
Property and Equipment (Net)	8(a)	1,153,298,672	1,128,451,368
Intangible Assets	8(b)	98,988,638	15,009,254
TOTAL NON-CURRENT ASSETS		1,252,287,310	1,143,460,622
TOTAL ASSETS		6,162,153,676	5,606,541,216
CURRENT LIABILITIES			
Trade payables - exchange transactions	21	36,962,923	156,722,766
Other Payables - exchange transactions	22	51,369,721	38,176,394
TOTAL CURRENT LIABILITIES		88,332,644	194,899,160
TOTAL LIABILITIES		88,332,644	194,899,160
NET ASSETS		6,073,821,032	5,411,642,056
NET ASSETS/EQUITY			
Capital Funds		785,700,000	785,700,000
Retained Earnings		5,288,121,032	4,625,942,056
TOTAL EQUITY		6,073,821,032	5,411,642,056
TOTAL NET ASSETS/EQUITY		6,073,821,032	5,411,642,056

TANZANIA COMMISSION FOR UNIVERSITIES
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Notes 1 to 44 on pages 27 to 59 form part of the financial statements.

This report was approved by the Commission at its 107 Commission meeting held on 06th January 2022.

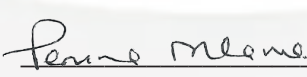
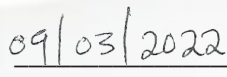
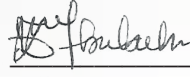
NAME			
POSITION	CHAIRMAN	DATE	MEMBER

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21 TZS	2019/20 TZS
REVENUE			
Revenue from non-exchange transactions	9	5,599,913,600	5,511,668,294
Revenue from exchange transactions	10	1,814,332,280	1,511,829,690
TOTAL REVENUE		7,414,245,880	7,023,497,984
EXPENSES			
Staff Costs and Benefits	12	2,520,883,107	2,428,643,451
Accreditation, Admission and Grants Expenses	11	2,365,037,076	1,797,726,465
Administrative Expenses	13	1,197,101,641	1,711,772,287
Other Expenses	15	542,846,578	581,822,284
Financial Expenses	16	8,529,871	7,249,987
Depreciation and Amortization	14	205,969,915	225,853,349
TOTAL EXPENSES		6,840,368,188	6,753,067,823
SURPLUS FOR THE YEAR		573,877,692	270,430,161

Notes 1 to 44 on pages 27 to 59 form part of the financial statements.

This report was approved by the Commission at its 107 Commission meeting held on 06th January 2022.

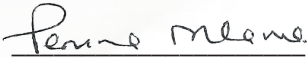
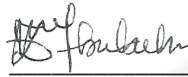




NAME			
POSITION	CHAIRMAN	DATE	MEMBER

STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2021

	Capital Fund TZS	Retained Earnings TZS	Total TZS
YEAR ENDED 30 JUNE 2021			
At start of year	785,700,000	4,625,942,056	5,411,642,056
Adjustments - Others (Note7)		88,301,284	88,301,284
Surplus for the year		573,877,692	573,877,692
As at 30 June 2021	785,700,000	5,288,121,032	6,073,821,032
YEAR ENDED 30 JUNE 2020			
At start of year	785,700,000	4,414,497,553	5,200,197,553
Adjustments - Others		(58,985,658)	(58,985,658)
Surplus for the year		270,430,161	270,430,161
As at 30 June 2020	785,700,000	4,625,942,056	5,411,642,056

The Notes 1 to 44 on pages 27 to 59 forms part of the financial statements.
This report was approved by the Commission at its 107 Commission meeting held on 06th January 2022.

NAME	<u></u>	<u>09/03/2022</u>	<u></u>
POSITION	CHAIRMAN	DATE	MEMBER

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2021

	NOTE	2020/21	2019/20
Cash generated From Operating Activities		TZS	TZS
Receipts:			
Government Subvention	28	1,756,507,600	1,774,446,385
Admission Fees	10	23,590,000	35,220,000
Quality Assurance Fees	27	3,771,917,183	3,161,301,240
Other income	29	1,753,021,818	1,430,826,889
Total Receipts		7,305,036,601	6,401,794,514
Payments:			
Personnel Expenses	12	(2,520,883,107)	(2,428,643,451)
Accreditation, Admission and Grants Expenses	32	(2,365,037,076)	(4,331,403,832)
Administrative Expenses	30	(1,275,594,457)	(1,003,788,857)
Other Expenses	31	(532,618,978)	(565,473,884)
Financial Expenses	16	(8,529,871)	(7,249,987)
Total Payments		(6,702,663,489)	(8,336,560,011)
Net Cash generated From Operating Activities	(A)	602,373,112	(1,934,765,497)
Cash flow From Investing Activities			
Cash paid for purchase of Property, plant and equipment	33	(319,364,964)	(423,465,296)
Cash paid for purchase of Intangibles	8b		
Net Cash flow From / (Used in) Investing Activities	(B)	(319,364,964)	(423,465,296)
Cash flow From Financing Activities			
Foreign Exchange (Gain) / Loss		49,654	760,981
Net Cash Flow From Financing Activities	(C)	49,654	760,981
Net Increase / (Decrease) in cash and cash equivalent	(A+B+C)	283,057,802	(2,357,469,812)
Cash and cash equivalent at the beginning of the year		2,060,808,005	4,418,277,817
Cash and cash equivalent at end of year	17	2,343,865,807	2,060,808,005

TANZANIA COMMISSION FOR UNIVERSITIES
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

Notes 1 to 44 on pages 27 to 59 form part of the financial statements.

This report was approved by the Commission at its 107 Commission meeting held on 06th January 2022.

NAME Pemba Mlewa 09/03/2022 [Signature]

POSITION CHAIRMAN

DATE

MEMBER

TANZANIA COMMISSION FOR UNIVERSITIES
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FINANCIAL YEAR 2020/21

	Original / Final Budget	Adjustments	Final Budget		Actual on Comparable Basis	Performance Difference
			TZS	TZS		
				2020/21		
	TZS	TZS		TZS	TZS	TZS
Government Subvention	2,401,373,676	0	2,401,373,676		1,756,507,600	(644,866,076)
Admission Fees	22,000,000	0	22,000,000		23,590,000	1,590,000
QA Fees	3,600,000,000	0	3,600,000,000		3,771,917,183	171,917,183
Other Income	1,080,000,000	0	1,080,000,000		1,753,021,818	673,021,818
Cash balance from previous year	1,304,305,000	0	1,304,305,000		2,060,808,005	756,503,005
TOTAL REVENUE	8,407,678,676	0	8,407,678,676		9,365,844,606	958,165,930
Personnel Expenses	3,038,238,676	0	3,038,238,676		2,520,883,107	517,355,569
Accreditation, Admission and						
Grants Expenses	2,449,180,000		2,449,180,000		2,365,037,076	84,142,924
Administrative Expenses	1,625,860,000	0	1,625,860,000		1,275,594,457	350,265,543
Other Expenses	592,500,000	0	592,500,000		532,618,978	59,881,022
Finance Expenses	18,000,000	0	18,000,000		8,529,871	9,470,129
Capital Expenditure	683,900,000	0	683,900,000		319,364,964	364,535,036
TOTAL EXPENSES	8,407,678,676	0	8,407,678,676		7,022,028,453	1,385,650,223
SURPLUS / (DEFICIT) FOR THE						
YEAR		0	0	0	2,343,816,153	2,343,816,153

NB: Details on Statement of Comparison of Budget and Actual Amounts for the financial year 2020/21 are shown under Note 43 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: COMMISSION'S GENERAL INFORMATION

1.1. Introduction

Tanzania Commission for Universities (TCU) was established under the Universities Act, Cap 346, 2005 with a noble aim of regulating and promoting the quality of the higher education in the country through setting of minimum benchmarks with which the universities are required to comply. Tanzania Commission for Universities discharges its functions under the Ministry of Education, Science and Technology.

1.2. The Management of the Commission

The management of the Commission is headed by the Executive Secretary. The Executive secretary is the Chief Executive Officer of the Commission responsible for management of the day to day operations of the Commission and its Committees. The management carries out various routine and planned functions. The Executive Secretary is supported by three Directors as follows:

- i. Director of Accreditation;
- ii. Director of Admission Coordination and Data Management; and
- iii. Director of Corporate Services.

1.3. Place of Business

Tanzania Commission for Universities (TCU),
Ministry of Education, Science, and Technology Building,
Ground Floor,
P. O. Box 6562,
7 Magogoni Street
11479, Dar es Salaam

1.4. Bankers:

Bank of Tanzania
2 Mirambo Street,
P.O. Box 2939
11884 Dar es Salaam.

CDDDB Bank PLC
Azikiwe Branch
P.O. Box 268,
Dar es Salaam.

NOTE 2: BASIS OF PREPARATION

The financial statements have been prepared on a historical cost convention except for investment properties, certain items of property, plant and equipment and financial instruments that have been measured at fair value.

The financial statements are presented in Tanzanian Shillings (TZS) and all values are stated in whole except when otherwise indicated.

Statement of compliance

The financial statements of the Commission have been prepared in accordance with International Public Sector Accounting Standards (IPSAS accrual basis) as issued by the International Public Sector Accounting Standards Board (IPSASB) and comply with the Universities Act, Cap 346, of the law of Tanzania, Public Finance Act, Cap 348 [R.E 2020], Public Procurement Act, 2011 and Tanzania Financial Reporting Standards (TFRS 1: Directors Report).

NOTE 3: CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The financial statements of the Commission have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as directed by the government through Circular No EB/AG/FNA/14/VOL IV/78 dated 9 January 2015 - which are in line with the Public Finance Act, Cap. 348 [R.E 2020]. Updates and circulars are being issued from time to time by the Accountant General Ministry of Finance and planning of the URT on financial matters which the Commission have complied with.

The financial statements have been prepared under the historical cost convention.

NOTE 4: NEW AND AMENDED STANDARDS

IPSAS 41: Financial Instruments	Effective for annual financial statements covering periods beginning on or after 1 January 2022
IPSAS 42: Social Benefits	Effective for annual financial statements covering periods beginning on or after 1 January 2022

The above new and revised IPSAS and Amendments were issued but not yet effective and therefore have not been applied in these financial statements. The Commission has not yet assessed the impact of these changes on the financial statements.

NOTE 5: STANDARDS ISSUED BUT NOT YET EFFECTIVE

Standards issued but not yet effective at the date of issuance of the Commission's financial statements shall be applicable at a future date. The Commission intends to adopt those applicable standards when they become effective.

NOTE 6: SUMMARIES OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted, which are consistent with those of previous years, are shown below:

6.1 Foreign Currency Translation

Functional and Presentation Currency

The financial statements are presented in Tanzanian Shillings (TZS), which is the Commission's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into Tanzanian Shillings using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date. 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 Profit or Loss and Other Comprehensive Income.

6.2 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Commission and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and Value Added Tax or duty. The Commission assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Commission has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognized:

Rendering of services

Revenue from the rendering of services is recognized by reference to the stage of completion. Stage of completion is measured by reference to labour hours incurred to date as a percentage of total estimated labour hours for each contract. Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are eligible to be recovered.

Interest income

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as available-for-sale, interest income or expense is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated

future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. Interest income is included in finance income in the statement of comprehensive income.

6.3 Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. Such cost includes the cost of replacing part of the equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property and equipment are required to be replaced in intervals, the Commission recognizes such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in the statement of financial performance as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Land and buildings are measured at fair value less accumulated depreciation on buildings and impairment losses recognized after the date of the initial recognition. Review are performed frequently to ensure that the fair value of the asset does not differ materially from its carrying amount.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets or as may be determined during the review of the economic useful life (REL) and condition of each asset. The annual depreciation rates which have been consistently applied are:

No.	Class	Rate
1	Leasehold Land	Nil
2	Building	2%
3	Computers	25%
4	Motor Vehicles	20%
5	Intangible Assets	10%
6	Office Equipment	20%
7	Office Furniture	20%

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end, and adjusted retrospectively, if appropriate. For the financial year 2021 the management reviewed its assets under guidance of the Ministry of Finance and Planning (Public Assets Management Section) by reviewing of the remaining economic life of each asset (REL) in line with Government Assets Management Guidelines and various Circulars issued by the Ministry of Finance and Planning on this matter and as per letter with Ref. No. KA.31/187/01/52 dated 2 September 2021. The review of REL will be guided by the following table:

ESTIMATION OF REMAINING ECONOMIC LIFE													
Condition	Economic Life (Years)												
	4	5	7	10	15	20	25	35	40	50	60	75	100
	Estimated Remaining Economic Life(Years)												
New	4	5	7	10	15	20	25	35	40	50	60	75	100
Very Good	4	5	7	10	15	19	24	34	38	48	57	72	95
Good	3	4	6	9	13	17	22	30	34	43	51	64	85
Fair	3	3	5	6	9	12	15	21	24	30	36	45	60
Poor	2	2	3	4	6	8	10	14	16	20	24	30	40
Very Poor	2	2	2	2	3	3	4	6	6	8	9	12	15

6.4 Intangible assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Internally generated intangible assets are not capitalized and expenditure is reflected in the statement of comprehensive income in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be finite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. For the financial year 2021 the management reviewed useful life of its intangible assets and changed the annual rate of amortization from 25% to 10%.

The amortization period and the amortization method for an intangible asset are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the Amortization period or method, as appropriate, and treated as changes in accounting estimates.

The amortization expense on intangible assets is recognized in the statement of comprehensive income. Gains or losses arising from derecognizing of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of comprehensive income when the asset is derecognized.

6.4 Impairment of Non-Financial Assets

The Commission assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Commission makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or

cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognized in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of comprehensive income. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

6.6 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups of assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered through a sale

transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

6.7 Government grants

Government grants are non-exchange transactions which are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

6.8 Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 are classified as financial assets at fair value through statement of financial performance, loans and receivables, held-to-maturity investments or available-for-sale financial assets as appropriate.

The Commission determines the classification of its financial assets at initial recognition.

All financial assets are recognized initially at fair value plus, in the case of investments not at fair value through statement of financial performance, directly attributable transaction costs.

All regular way purchases and sales of financial assets are recognized on the trade date, which is the date that the

Commission commits to purchase the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

The Commission's financial assets include cash and short-term deposits, trade and other receivables, loan and other receivables.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through comprehensive income statement

Financial assets at fair value through statement of financial performance include financial assets held for trading and financial assets designated upon initial recognition as at fair value through statement of financial performance.

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term.

Cash and cash equivalents

Cash and bank balances in the statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

After initial measurement loans and receivables are carried at amortized cost using the effective interest method less any

allowance for impairment. Gains and losses are recognized in the statement of comprehensive income when the loans and receivables are derecognized or impaired, as well as through the amortization process.

Fair value

The fair value of investments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business on the financial year end date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; discounted cash flow analysis or other valuation models.

Amortized cost

Held-to-maturity investments and loans and receivables are measured at amortized cost. This is computed using the effective interest method less any allowance for impairment.

The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

Impairment of financial assets

The Commission assesses at each financial year end date whether a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Financial assets carried at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of the loss shall be recognized in comprehensive income statement. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date. Any subsequent reversal of an impairment loss is recognized in statement of financial performance.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Commission will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of allowance/provisions of 25% total amount identified trade debtors. Impaired debts are derecognized when they are assessed as uncollectible.

Available-for-sale financial investments

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortization) and its current fair value, less any impairment loss previously recognized in statement of financial performance, is transferred from equity to statement of financial performance. Reversals in respect of equity instruments classified as available-for-sale are not recognized in statement of financial performance. Reversals of impairment losses on debt instruments are reversed

through statement of financial performance; if the increase in fair value of the instrument can be objectively related to an event occurring after the impairment loss was recognized in statement of financial performance.

Derecognition of financial assets

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive cash flows from the asset have expired;
- The Commission has transferred its rights to receive cash flows from the asset or has assumed obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:
 - a) The Commission has transferred substantially all the risks and rewards of the asset, or
 - b) The Commission has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Commission has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Commission's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Commission could be required to repay.

6.9 Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through statement of financial

performance, or loans and borrowings as appropriate. The Commission determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

The Commission's financial liabilities include trade and other payables, bank overdraft, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

- Financial liabilities at fair value through comprehensive income statement
- Financial liabilities at fair value through statement of financial performance includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of financial performance. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term.
- Gains or losses on liabilities held for trading are recognized in the statement of financial performance.

Interest bearing loans and borrowings

All loans and borrowings are initially recognized at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in statement of financial performance when the liabilities are derecognized as well as through the amortization process.

Derecognition of financial liabilities

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

6.10 Provisions

Provisions are recognized when the Commission has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Commission expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in statement of comprehensive income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

6.11 Employment benefits

Short term benefits

These include salaries and wages, annual leave and other short-term benefits. Liabilities related to annual leave at the end of the financial year are accrued in the financial statements.

Post-employment benefits

The Commission operates defined contribution plans only at the moment.

Defined contribution plan

The Commission's employees are members of two state-owned pension schemes, namely the Public Service Social Security Fund (PSSSF) and National Social Security Fund (NSSF). PSSSF was formed after change of establishing laws of Parastatal Pension Fund -PPF, Public Service Pension Fund-PSPF, Local Authority Pension Fund-LAPF and Government Employee Pension Fund-GEPP. The Commission/government and the employees contribute 15% and 5% respectively, of the employee's gross salary. The Commission's contributions to the funds are charged to the statement of financial performance in the year to which they relate.

Other long-term employment benefits

These include gratuity for contract staff which are paid at the end of the contract terms.

Termination benefits

Termination benefits are payable when employment is terminated by the Commission before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Commission recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than twelve months after financial year end date are discounted to present value.

6.12 Taxes

Income Tax

The Tanzania Commission for Universities is a government agency, thus is not liable to pay tax. The Commission is exempted under Second Schedule of The Income Tax Act, Cap 332 [R.E 2019].

Value added tax

Revenues, expenses and assets are recognized net of the amount of value added tax except:

- where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

NOTE 7: SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparations of financial statements in conformity with IPSAS require the use of certain accounting estimates. It also requires management to exercise its judgment in the process of applying the Commission's accounting estimates.

The Commission makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next period.

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

Impairment of non-financial assets

The Commission assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Fair value of financial instruments

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

Inventory (Stocks and Stores)

Stocks and store (Inventory) are measured at costs upon initial recognition. The extent that inventory was received through non exchange transactions (for no cost or for nominal costs) the costs of the inventory is its fair value at the date of acquisition.

Inventories are recognized as expenses when deployed for utilization or consumption in the ordinary course of operations of the Commission using FIFO method.

Adjustments - Others

The adjustment relates to reinstatement of intangible assets that were fully amortized and had a zero carrying amount at the year end. The reinstatement was necessitated by a change in estimates of useful lives during the year following the need to align the commission's economic useful lives of each intangible assets with the Government's Asset Management Guidelines. In accordance with the guidance from the Ministry of Finance and Planning (Public Assets Management Section) with Ref No. KA.31/187/01/52 dated 2

September 2021, the Commission's economic useful lives of intangible assets were reassessed at 10 years instead of the 4 years that was applied previously.

In accordance with IPSAS 3, - Accounting policies, changes in accounting estimates and errors, the change in estimate is to be accounted for prospectively. However, because the assets had been fully amortised, it was necessary to reinstate the assets for the prospective application of amortization to take effect. The impact of the adjustment is as follows:

Impact on retained earnings increase/(decrease)	
Accumulated amortization cost at the beginning of the year	172,911,106
Amortization cost during the year	10,998,738
Net book value at the end of the year	(88,931,722)
Effect on retained earnings	94,978,122
Correction on prior year invoice	(6,676,838)
Net effect on retained earnings	88,301,284

NOTE 8 (a) PROPERTIES, PLANT AND EQUIPMENT

CURRENT YEAR 2020/21

Description	Leasehold Land	Buildings	Computers	Office Equipment	Furniture & Fittings	Motor Vehicles	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Carrying Amount at costs / revaluation as at 01/07/2020	477,000,000	77,000,000	476,782,523	150,538,293	263,834,789	812,551,504	2,257,707,109
Additions - Current year	0	0	69,125,500	16,519,496	1,914,400	162,934,584	250,493,980
Disposal - Current year	0	0	0	(16,500,000)	(2,854,692)	(139,000,000)	(158,354,692)
Carrying Amount at costs / revaluation as at 30/06/2021	477,000,000	77,000,000	545,908,023	150,557,789	262,894,497	836,486,088	2,349,846,397
Total Accumulated Depreciation as at 01/07/2020	-	10,780,000	268,703,930	101,735,695	206,335,009	541,701,109	1,129,255,743
Depreciation - Current year	-	1,539,167	57,414,360	11,243,149	24,347,686	100,426,815	194,971,177
Disposal - Current year				(15,651,184)	(2,848,433)	(109,179,578)	(127,679,195)
Total Accumulated Depreciation as at 30/06/2021	0	12,319,167	326,118,290	97,327,660	227,834,262	532,948,346	1,196,547,725
Net Assets as at 30/06/2021	477,000,000	64,680,833	219,789,733	53,230,129	35,060,235	303,537,742	1,153,298,672

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PREVIOUS YEAR 2019/20

Description	Leasehold Land	Buildings	Computers	Office Equipment	Furniture & Fittings	Motor Vehicles	Total
	TZS	TZS	TZS	TZS	TZS	TZS	TZS
% Rates	0	2	25	20	20	20	
Carrying Amount at costs / revaluation as at 01/07/2019	477,000,000	77,000,000	279,906,641	110,656,064	233,642,988	548,000,000	1,726,205,693
Additions - Current year	0	0	196,875,882	39,882,229	30,191,801	264,551,504.72	531,501,417
Carrying Amount at costs / revaluation as at 30/06/2020	477,000,000	77,000,000	476,782,523	150,538,293	263,834,789	812,551,504	2,257,707,109
Total Accumulated Depreciation as at 01/07/2019	0	9,240,000	205,883,956	68,602,397	133,655,042	493,200,000	910,581,395
Adjustments							
Depreciation	0	1,540,000	62,819,974	33,133,298	72,679,967	48,501,109	218,674,348
Total Accumulated Depreciation as at 30/06/2020	0	10,780,000	268,703,930	101,735,695	206,335,009	541,701,109	1,129,255,743
Net Assets as at 30/06/2020	477,000,000	66,220,000	208,078,593	48,802,598	57,499,780	270,850,396	1,128,451,368

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NOTE 8 (b) INTANGIBLE ASSETS 2020/21

Software	Date of Effective Usage	Date of Upgrade	Cost/Valuation	Total Cost/Valuation	10% Amortization				Carrying Amount As at 30/6/2020
					As at 01/07/2020	Adjustment for amortization due to change of useful life 01/07/2020	Carrying for the year	As at 30/6/2021	
Admission System (UMIS)	Mar-13	Dec-18	143,495,000	143,495,000	129,744,999	(71,910,429)	8,566,043	77,094,387	13,750,001
Aruti Software (Payroll Module)	Apr-13		5,600,000	5,600,000	5,599,999	(3,101,668)	310,167	2,791,502	1
Programme Management System (PMS)	Apr-13		14,500,000	14,500,000	14,499,999	(8,031,107)	803,111	7,227,997	1
Asset Management Enterprises Software	Jul-12	Apr-17	14,774,000	14,774,000	13,514,750	(6,562,279)	782,153	7,039,376	1,259,250
Sage Pastel Version 11.2	Jul-13		9,551,360	9,551,360	9,551,359	(5,372,639)	537,264	4,835,376	1
Total			187,920,360	187,920,360	172,911,106	(94,978,122)	10,998,738	98,988,638	15,009,254

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
NOTE 9	REVENUE FROM NON-EXCHANGE TRANSACTIONS		
	Government Subvention	1,753,411,600	1,735,657,800
	Quality Assurance Fees	3,611,502,000	3,394,026,000
	Institutional Fees (Annual Fees)	235,000,000	195,000,000
	ESPJ Project	0	186,984,494
	TOTAL	5,599,913,600	5,511,668,294
NOTE 10	REVENUE FROM EXCHANGE TRANSACTIONS		
	Institutional Fees (Programmes & Visitations)	358,222,004	771,872,495
	Exhibition Contributions	224,600,000	130,167,819
	Admission Fee (No Objection Certificates)	23,590,000	35,220,000
	Evaluation of Foreign Certificates	1,138,063,420	573,808,395
	Gain on Disposal of Asset	69,807,302	0
	Exchange Rate Gain	49,554	760,981
	TOTAL	1,814,332,280	1,511,829,690
NOTE 11	ACCREDITATION, ADMISSION AND GRANTS		
	Visitation and Evaluation Expenses (Local)	232,218,200	116,573,000
	Admission Expenses	317,870,600	237,601,051
	Certificate Evaluation Expenses	191,460,000	32,861,356
	Grants Expenses	402,778,860	219,360,085
	Programme Evaluation Expenses	709,900,000	570,550,000
	Task Force Expenses	28,185,000	28,420,000
	Quality Assurance Expenses	373,022,030	295,122,360
	NICHE Project	0	0
	Printing expenses	93,842,386	89,511,671
	Data Management Information System	15,760,000	36,345,000
	ESPJ Project	0	171,381,942
	TOTAL	2,365,037,076	1,797,726,465
NOTE 12	PERSONNEL EXPENSES		
	Salaries and Wages	1,785,664,650	1,784,277,974
	Housing Allowance	81,600,000	94,800,000
	Transport / Fuel Allowance	17,700,000	18,850,000
	Hospitality Allowance	9,366,000	35,179,000

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
	Overtime Allowance	148,935,000	108,191,890
	Staff Welfare	54,500,900	49,062,100
	Pension Contribution Employer / Gratuity	10,800,000	22,719,168
	Staff Insurance	3,951,876	3,161,503
	Other Allowances	120,471,000	129,630,992
	Responsibility Allowance	99,073,620	94,883,524
	Leave Travel Allowance	11,594,400	13,305,800
	Short term Training (Local)	167,202,661	71,068,500
	Long-term Training (Local)	10,023,000	3,513,000
	TOTAL	2,520,883,107	2,428,643,451
NOTE 13	ADMINISTRATIVE EXPENSES		
	Travelling on Duty (Local)	210,077,433	149,977,608
	Travelling on Duty (Foreign)	1,769,040	8,998,200
	Recruitment and Transport	5,458,600	49,821,200
	Stationery and Office Supplies	55,430,367	39,341,976
	Telephone, Fax and Internet	77,502,995	59,057,683
	Electricity	31,909,324	40,859,699
	Water	7,873,289	0
	Postage and Telegrams	7,866,200	5,112,800
	Property Insurance	20,233,855	8,543,321
	Legal Matters	7,900,000	3,700,000
	Office General Cleanliness	39,296,503	30,861,420
	Security Expenses	71,090,721	62,392,810
	System Development and Acquisition	39,240,043	58,316,424
	Computer Accessories	2,666,700	2,407,300
	Maintenance and Repair of Computer	15,334,400	8,838,079
	Fuel and Oil	50,000,000	63,090,564
	Maintenance of Motor Vehicles	42,024,172	42,702,906
	Motor Vehicle Insurance	30,408,179	23,428,479
	Tyres and Tubes	7,009,932	6,564,040
	Repair of Offices	26,549,232	50,837,850
	Repair of Office Equipment & Furniture	14,225,392	20,237,456
	Commission Expenses	160,751,664	133,481,472
	Commission Committee Expenses	155,180,000	165,352,000
	Tender Board Committee Expenses	23,470,000	9,420,000
	Audit Committee Expenses	33,893,600	9,020,000

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
	Workers Council and annual staff retreats	59,940,000	4,840,000
	Write-off Expenses	0	654,569,000
	TOTAL	1,197,101,641	1,711,772,287
NOTE 14	DEPRECIATION / AMORTISATION EXPENSES		
	Depreciation Expenses	194,971,177	218,674,349
	Amortization of Intangibles	10,998,738	7,179,000
	TOTAL	205,969,915	225,853,349
NOTE 15	OTHER EXPENSES		
	Advertising and Publicity	26,468,726	21,362,000
	Newsletters, Newspapers and Periodicals	15,685,200	12,890,000
	Annual fees, Contributions and Events	16,134,000	18,060,000
	Audit Fees	47,000,000	46,680,320
	Taxes and Penalties	180,000,000	195,000,000
	Exhibition Expenses	257,558,652	287,829,964
	TOTAL	542,846,578	581,822,284
NOTE 16	FINANCE EXPENSES		
	Bank Charges	8,529,871	7,249,987
	TOTAL	8,529,871	7,249,987
NOTE 17	CASH AND CASH EQUIVALENTS		
	General Account CRDB	248,272,714	131,246,135
	Revolving Fund CRDB	1,869,727	149,833,694
	Forex Account USD	47,211,269	35,845,217
	CAS Account CRDB	15,578,544	74,806,103
	Bank of Tanzania	2,030,933,553	1,668,776,600
	NICHE/TIMBE Project	0	300,256
	TOTAL	2,343,865,807	2,060,808,005
NOTE 18	STAFF RECEIVABLES		
	Loans	38,277,199	45,221,071
	Sub Total 1	38,277,199	45,221,071
	Outstanding Imprest	508,531	566,131
	Sub Total 2	508,531	566,131
	TOTAL	38,785,730	45,787,202

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
NOTE 19	TRADE RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS		
	Arch Bishop James University College	0	0
	St Augustine University of Tanzania- DSM Centre	0	216,000
	Archbishop Mihayo University College of Tabora	20,176,000	14,006,000
	Ardhi University	162,520,000	76,876,000
	Cari Vision Study Abroad Universities Ltd	2,500,000	0
	Dar es Salaam University College of Education	80,748,000	75,780,000
	Darwin Education Agency Ltd	2,500,000	0
	Education Study Link	2,500,000	0
	Elimu Solutions Tanzania Ltd	2,500,000	0
	Gelson University Link Ltd	2,500,000	0
	Kampala International University	22,992,000	49,608,000
	Livjene International	2,500,000	0
	LSC Africa	2,500,000	0
	Marian University College	0	8,170,000
	Moshi Cooperative University	990,000	0
	Mzumbe University	121,022,000	121,022,000
	Mkwawa University College of Education	0	46,872,279
	Muhimbili University of Health & Allied Sciences	66,187,693	57,114,603
	Muslim University of Morogoro	50,658,000	66,452,000
	Mbeya University of Science & Technology	5,000,000	16,984,000
	Mwenge Catholic University	1,494,000	7,325,000
	Nelson Mandela African Institution of Science & Technology	29,602,000	14,900,000
	Open University of Tanzania	355,406,000	137,700,000
	Overseas Education Agency	2,500,000	0
	Phoenix (T) Assurance Ltd	16,503,790	16,503,970
	Rafiki China Elite University	2,500,000	0
	Ruaha Catholic University	0	3,461,860
	St Augustine University of Tanzania DSM Centre	216,000	0
	St. Augustine University of Tanzania Mbeya Centre	24,890,000	9,554,000
	St Francis University College of Health & Allied Sciences	0	664,000

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
	St. Augustine University of Tanzania- Mwanza	536,318,000	506,836,000
	Stella Maris Mtwara University College	99,624,000	74,694,000
	Stephano Moshi Memorial University College	38,900,000	35,840,000
	TASSAA Limited	2,500,000	0
	Sokoine University of Agriculture	0	94,304,090
	AbdulRahaman Al-Sumait University	864,000	1,368,000
	State University of Zanzibar	44,708,000	53,613,000
	Teofilo Kisanji University DSM Centre	14,286,000	14,286,000
	Teofilo Kisanji University	121,122,000	120,060,000
	Tumaini University DSM College	100,512,000	88,002,000
	United African University of Tanzania	502,000	430,000
	Universities Abroad Representative Ltd	2,500,000	0
	University of Arusha	10,222,000	0
	University of Dodoma	314,403,100	302,761,100
	University of Dar es Salaam	102,412,137	433,612,000
	University of Iringa	8,606,980	65,900,980
	UTUMISHI	21,493,352	24,589,352
	Yuhoma Education Limited	2,500,000	0
	Zanzibar University	24,458,000	15,246,000
	Total	2,426,837,052	2,554,752,234
	Less: Provision 25% for Doubtful Debts	248,401,164	376,264,670
	TOTAL	2,178,435,888	2,178,487,564
	AGEING OF TRADE RECEIVABLES		
	1 - 6 Months	940,116,070	1,049,693,553
	9 - 12 Months	498,116,324	0
	Over 1 Year	988,604,658	1,505,058,681
	TOTAL	2,426,837,052	2,554,752,234
	Reconciliation of trade receivables from non - exchange transactions		
	Receivables as at 1 July 2020		2,554,752,234
	Less debtors adjusted during the year		(7,950,000)
	Add invoices raised during the year		<u>3,651,952,000</u>
	TOTAL		6,198,754,234

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
	Less amounts collected in relation to prior year invoices		(1,006,564,023)
	Less amounts collected in relation to current year invoices		<u>(2,765,353,159)</u>
	TOTAL COLLECTIONS		(3,771,917,182)
	Receivables as at 30 June 2021		<u>2,426,837,052</u>

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
NOTE 20	INVENTORIES		
	Stationeries and office supplies	18,102,524	15,063,239
	TOTAL	18,102,524	15,063,239
NOTE 21	TRADE PAYABLES FROM EXCHANGE TRANSACTIONS		
	Tanzania Telecommunication Company	4,533,169	2,315,284
	TERNET	0	4,807,250
	Reos Insurance Co Ltd	2,926,206	40,445,934
	Freedom Incredible Connection Ltd	0	6,419,200
	Soft net Technologies Ltd	0	17,124,763
	SUMAJKT Guard Ltd	7,729,000	18,349,000
	Tanzania Broadcasting Cooperation	0	3,280,400
	Tanzania Electric Supply Company	3,084,548	4,838,398
	Toyota Tanzania	0	3,824,837
	Abdulhakim Amani	1,326,000	1,068,000
	Knight Support T Ltd	0	253,700
	Sub Total	19,598,923	102,726,766
	Advance from Customers:		
	Aga Khan University	0	172,000
	Hubert Kairuki Memorial University	0	3,398,000
	Jordan University	306,000	0
	Moshi Cooperative University	0	16,388,000
	St Augustine University of Tanzania Arusha Centre	0	108,000
	Tumaini University Makumira& Mbeya	528,000	744,000
	St. Joseph University in Tanzania	16,530,000	16,494,000
	University of Arusha	0	16,692,000
	Sub Total	17,364,000	53,996,000
	TOTAL	36,962,923	156,722,766
	Reconciliation of trade payables from exchange transactions		
	Payables as at 1 July 2020		156,722,766

TANZANIA COMMISSION FOR UNIVERSITIES
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
	Less: Payments made in relation to previous years		(156,722,766)
	Add: Invoices received during the year		1,710,623,403
	Less: Invoices paid relating to trade payables during the year		<u>(1,673,660,480)</u>
	Payables as at 30 June 2021		<u>36,962,923</u>
NOTE 22	OTHER PAYABLES UNDER EXCHANGE TRANSACTIONS		
	Provision for Audit Fees	50,125,000	40,000,000
	PSSSF (PPF, PSPF, LAPF & NSSF)	129,648	487,648
	NIC	197,579	197,579
	Withholding Tax / Stamp Duty	(2,563,097)	(2,359,749)
	THTU	3,300	3,300
	NHIF	(636,641)	(152,384)
	Other Institutions Deductions	4,113,932	0
	TOTAL	51,369,721	38,176,394
	Reconciliation of other payables under exchange transactions		
	Payables as at 1 July 2020		38,176,394
	Less: Payments made in relation to previous years		(41,045,605)
	Add: Invoices received during the year		213,003,150
	Less: Invoices paid relating to other payables during the year		<u>(160,764,217)</u>
	Payables as at 30 June 2021		<u>49,369,722</u>
NOTE 23	PREPAYMENT / DEPOSITS		
	E-mail Services Subscription (TERNET)	4,807,250	0
	Purchase of Motor Vehicles (Prepayment)	325,869,167	162,934,584
	TOTAL	330,676,417	162,934,584

NOTE 24	RELATED PARTY TRANSACTIONS AND BALANCES		
	As defined by IPSAS 20 require disclosure of related party transactions in relation to remuneration received by key management personnel and Commission members. The total remunerations paid to key management personnel and members of commission for period ended June 2021 are shown below: -		
		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
	Key Management Employees		
	Short-term Employee Benefits (Executive Secretary, Director of Accreditation, Director of Admission and Data Base Management and Director of Corporate Services.	457,539,500	470,366,600
	Post-employment Benefits		0
		457,539,500	470,366,600

Number of Key Management Personnel	4	5
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	Commissioners' Emoluments		
	Commissioners Annual Fees / Meetings	96,300,000	116,260,000
		96,300,000	116,260,000
	Number of Commissioners	8	8

NOTE 25 CONTINGENT LIABILITIES

As at 30 June 2021 the Commission has total unsettled contingent liabilities amounting to TZS 1,298,203,940.10 in relation to disputed PAYE (Pay as You Earn) - amounting to TZS 765,409,417 via tax assessment No. 437327704 and SDL (Skills and Development Levy - amounting to TZS. 532,794,523 via tax assessment No.437327714 payables to TRA arising from tax assessments for the years July 2012 - 2016. The matter was submitted to Hon. Minister of Finance and Planning for guidance and waiver as per letter with Ref. No. CBC.199/272/01/26 dated 10/2/2017.TCU has committed to pay monthly installment of TZS. 15,000,000 via the letter with Ref: TCU/BE.23/248/01/32 dated 18 April 2018 until the matter is resolved.

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		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
NOTE 26	CAPITAL COMMITMENTS		
	The Commission had no capital commitments as at 30 June 2021.		
NOTE 27	QUALITY ASSURANCE FEES		
	Gross Collection (Note 9)	3,611,502,000	3,394,026,000
	Less, Account receivable for the year	(846,148,840)	(965,314,960)
	Add, Account receivable paid for previous year	1,006,564,023	732,590,200
	Actual collected at the end of the year	3,771,917,183	3,161,301,240
		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
NOTE 28	GOVERNMENT SUBVENTION		
	Gross Received (Note 9)	1,753,411,600	1,735,657,800
	Add, Amount Received for previous year	3,096,000	38,788,585
	Actual Received at the end of the year	1,756,507,600	1,774,446,385
NOTE 29	OTHER INCOME		
	Institutional Fees (Programmes & Visitations)	358,222,004	775,872,495
	Exhibition Contributions	224,600,000	130,167,818
	Institutional fees	235,000,000	195,000,000
	Miscellaneous Income (evaluation of Foreign awards)	1,138,063,320	574,569,376
	Less, Amount not collected for the year	(75,000,000)	(64,000,000)
	Less: Non-Cash Items	(127,863,506)	(180,782,800)
	Actual collected at the end of the year	1,753,021,818	1,430,826,889
NOTE 30	ADMINISTRATIVE EXPENSES		
	Gross expenses (Note 13)	1,197,101,641	1,711,772,287
	Less; Write off	0	(654,569,000)
	Accrued expenses for the year	(18,273,600)	(91,959,166)
	Add; Accrued expenses paid during the year	91,959,166	38,544,736

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	Add: Prepayment during the year	4,807,250	
	Actual expenses during the year	1,275,594,457	1,003,788,857
NOTE 31	OTHER EXPENSES		
	Gross expenses (Note 15)	542,846,578	581,822,284
	Less; Accrued expenses for the year	(1,326,000)	(16,348,400)
	Less; Provision for the year & Last year not Paid	(50,125,000)	
	Add; Accrued expenses paid during the year	4,348,400	
	Add; Last year Provision Paid During the year	36,875,000	
	Actual expenses during the year	532,618,978	565,473,884
		<u>2020/21</u>	<u>2019/20</u>
		TZS	TZS
NOTE 32	ACCREDITATION, ADMISSION AND GRANTS		
	Gross expenses (Note 11)	2,365,037,076	1,797,726,464
	Add; ESPJ - Project Fund	0	2,533,677,368
	Actual expenses during the year	2,365,037,076	4,331,403,832
NOTE 33	PROPERTY, PLANT AND EQUIPMENT		
	Gross expenses (Note 8 (A))	250,493,980	531,501,417
	Less; Paid Capital Expenditure for the year	(100,482,799)	(6,419,200)
	Less; Last Year Prepayment	(162,934,584)	(264,551,505)
	Add; Prepayment during the year	325,869,167	162,934,584
	Unpaid capital expenditure the last year	6,419,200	0
	Actual Capital Expenditure during the year	319,364,964	423,465,296

NOTE 35	Reconciliation of Surplus with Net Cash Flow from Operating Activities		
		2020/21	2019/20
		TZS	TZS
	Surplus for the Period	573,877,692	270,430,161
	Adjustment for non-cash items		
	Depreciation and Amortization	205,969,915	225,853,349

	Expense		
	Increase (Decrease) in Provision for Doubtful Debts& accruals	(129,113,505)	(167,782,762)
	Gains or Losses on Disposal	(69,807,302)	0
	Add/(less) Movements in Working Capital		
	(Increase) Decrease in Receivables	298,793,945	345,035,054
	Increase (Decrease) in Payables	(106,566,515)	26,324,098
	Project Fund Payables	0	(2,733,452,067)
	(Increase) decrease in Prepayments	(167,741,833)	105,116,921
	(Increase) decrease Inventories	(3,039,285)	(6,290,251)
	Net Cash flow from Operating Activities	602,373,112	(1,934,765,497)

NOTE 36 NUMBER OF EMPLOYEES

The number of employees at the end of the year was 51 as compared to 49 by 30 June 2020.

NOTE 37 CAPITAL MANAGEMENT

The primary objective of the Commission's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

The Commission manages its capital structure and makes adjustment to it, in light of changes in economic conditions to maintain or adjust the capital structure as it may deem necessary.

No changes were made in the objectives, policies or processes during the year ended 30 June 2021.

NOTE 38 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Commission's principal financial instruments comprise project funds and trade payables. The main purpose of these financial instruments is to raise finance for the Commission's operations. The Commission has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations and other government revenue sources.

The main risks arising from the Commission's financial instruments are treasury risk management, interest rate risk, credit risk, liquidity risk, and foreign currency risk. The Commission reviews and agrees policies for managing each of these risks which are summarized below:

a. Treasury risk management

The Commission operates a treasury function to provide competitive funding costs, invest and monitor financial risk. The Commission does not use derivative financial instruments for speculative purposes.

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission's exposure to the risk of changes in market interest rates is insignificant as the Corporation has fixed interest rate on borrowings.

c. Credit risk management

Potential concentration of credit risk consists principally of short-term cash and trade debtors. The Commission deposits short term cash surpluses only with banks of high credit standing. Trade debtors are presented net of allowance for doubtful debts. For the majority of customers, including export clients, full upfront

payment is demanded. With few exceptions, credit customers are secured by guarantees issued by reputable banks. Accordingly, the Commission has no significant concentration of credit risk that has not been adequately provided for.

d. *Liquidity risk*

The Commission adopts a liquidity policy that addresses acceptable ranges of operational liquidity and a maximum limit on liquidity borrowings sources. The Commission is ensuring enough liquidity to guarantee the day-to-day operations costs by employing measures on debts collection and funds mobilization.

e. *Foreign currency risk*

Foreign exchange risks are quantified by identifying all currently liabilities denominated in foreign currency and identifying contractually committed future currency transactions. The foreign exchange exposure will exist until settlement or until the exchange rate is fixed. The foreign exchange exposure is determined by aggregating these balances by currency and settlement date and converting to reporting currency i.e. Tanzania Shilling.

NOTE 39 COMPARATIVE FIGURES

Previous year's figures have been regrouped whenever appropriate to make them comparable with current year figures.

NOTE 40 EVENTS AFTER THE REPORTING DATE

There were no events after the reporting dates which require adjustments or disclosure in the financial statements.

NOTE 41 COVID-19 PANDEMIC

The COVID-19 pandemic continued to affect many countries including Tanzania. The risks arising from this pandemic include service and supply chain disruption, unavailability of key human resources, locations being quarantined, among others. The Commission has assessed that, at the time of issuing these financial statements, it was impracticable to determine and disclose the extent of the possible effects of the pandemic on the Commission business. It is reasonably possible, based on the existing knowledge, the outcomes within the next financial year that are different from judgements and assumptions used could require a material adjustment to the carrying amounts of assets and liabilities.

There were no other events after the reporting period which require adjustment to or disclosure in the financial statements

NOTE 42 APPROVAL OF FINANCIAL STATEMENTS

These Financial Statements were approved by the Commission at its 107th Commission meeting held on 06 January 2022.

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NOTE 43 **DETAILS ON STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FINANCIAL YEAR 2020/21**

	Original/Final Budget	Adjustments	Final Budget	Actual on Comparable Basis	Performance Difference	Remarks
	2020/21					
	TZS	TZS	TZS	TZS	TZS	
Government Subvention (PE)	2,401,373,676	0	2,401,373,676	1,756,507,600	(644,866,076)	The decrease was due to lack of permit to employ new staff.
Admission Fees	22,000,000	0	22,000,000	23,590,000	1,590,000	Number of applicants applying for approval (No objection certificate) to study abroad increased.
QA Fees	3,600,000,000	0	3,600,000,000	3,771,917,183	171,917,183	The increase was because of: i. Increased number of students; and ii. Increased number capacity attributed by some programmes and institutions allowed to admit new students.
Other Income	1,080,000,000	0	1,080,000,000	1,753,021,818	673,021,818	The increase was because of: i. The technical verification of institutions and programmes; ii. Increased number of applicants for recognition of foreign awards;

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						iii. Payment of new programmes; and iv. Disposal of assets.
Cash balance from previous year	1,304,305,000	0	1,304,305,000	2,060,808,005	756,503,005	Saving from the previous year balance
TOTAL REVENUE	8,407,678,676	0	8,407,678,676	9,365,844,606	958,165,930	

NOTE 44: DETAILS ON STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE FINANCIAL YEAR 2020/21

	Original/Final Budget	Adjustments	Final Budget 2020/21	Actual on Comparable Basis	Performance Difference	Remarks
Personnel Expenses	3,038,238,676	0	3,038,238,676	2,520,883,107	517,355,569	The decrease was due to lack of permit to employ new staff to fill the approved vacant position.
Accreditation, Admission and Grants Expenses	2,449,180,000		2,449,180,000	2,365,037,076	84,142,924	Decrease was because of unimplemented planned activities due to interference of other activities and time constraints.
Administrative Expenses	1,625,860,000	0	1,625,860,000	1,275,594,457	350,265,543	Administrative services were maintained due to cost cutting measures.
Other Expenses	592,500,000	0	592,500,000	532,618,978	59,881,022	Other costs (none administrative) were fairly

Controller and Auditor General

AR/PA/TCU/2020/21

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Finance Expenses	18,000,000	0	18,000,000	8,529,871	9,470,129	maintained. Bank transactions cost decreased.
Capital Expenditure	683,900,000	0	683,900,000	319,364,964	364,535,036	The procurement of some planned ICT facilities were not executed.
TOTAL EXPENSES	8,407,678,676	0	8,407,678,676	7,022,028,453	1,385,650,223	
SURPLUS/ (DEFICIT) FOR THE YEAR				2,343,816,153	2,343,816,153	

The Tanzania Commission for Universities

P.O. Box 2600, 1 JKT Street, 41104

Tambukareli, DODOMA.

Tel: +255(0) 22 2113694, Fax: +255(0) 22 2113692

E-mail: es@tcu.go.tz Website: www.tcu.go.tz