

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairman of the Board,
Tanzania Coffee Board,
P.O. Box 732
Kilimanjaro,
Tanzania

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

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

In my opinion, the accompanying financial statements present fairly in all material respects, the financial position of Tanzania Coffee Board as at 30 June 2023, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and the manner required by the Public Finance Act, Cap. 348

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Tanzania Coffee Board in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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

Other Information

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

3.0 STATEMENT OF DIRECTORS RESPONSIBILITIES

These financial statements have been prepared by the management of the Tanzania Coffee Board (the "Board") in compliance with the provisions of Section 25(4) of the Public Finance Act, Cap 348 (Revised Edition 2020). The financial statements as required by the said Act are presented in a manner consistent with International Public Sector Accounting Standards (IPSAS). Moreover, Section 33(1) of Tanzania Coffee Industry Act of 2001 requires the Board to maintain proper accounting records with respects to all sums of money received and expended by the Board and matters in respect of which the receipt and expenditure take place, and all the assets and liabilities of the Board.

The Directors are also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud, error and other irregularities.

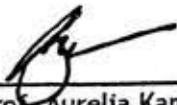
The Directors accept responsibility for the financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS) and the requirements of the Tanzania Coffee Industry Act of 2001 and Public Finance Act, Cap 348 (Revised Edition 2020).

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Board and of their surplus in accordance with IPSAS.


The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Nothing has come to the attention of the Directors to indicate that the Board will not remain a going concern for at least twelve months from the date of this statement.

BY ORDER OF THE BOARD OF DIRECTORS


Prof. Aurelia Kamuzora
Chairperson of the Board

18 / 03 / 2024
Date


Primus Kimaryo
Director General

18th March 2024
Date

4.0 DECLARATION OF THE HEAD OF FINANCE OF TANZANIA COFFEE BOARD

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

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

I, **Peter John Mollel** the Director of Finance and Administration (DFA) of Tanzania Coffee Board hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2023 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and the requirements of Tanzania Coffee Industry Act of 2001 and Public Finance Act, Cap 348 (Revised Edition 2020).

I thus confirm that the financial statements give a true and fair view position of Tanzania Coffee Board as on that date and that they have been prepared based on properly maintained financial records.

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Signed by:

Position:..

NBAA Membership No. ACPA 2175

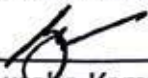
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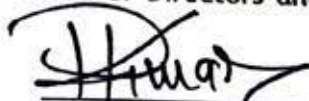
5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

	Notes	2022/23	RESTATED 2021/22
		TZS "000"	TZS "000"
ASSETS			
Current Assets			
Cash and Cash equivalents	5	8,371,690	1,719,878
Trade and Other Receivables	6	7,333,766	3,803,749
Inventories	7	75,983	46,639
Total Current Assets		15,781,439	5,570,266
Non-Current Assets			
Investment Property	8	12,543,793	12,165,102
Property, Plant and Equipment	9	21,639,953	21,250,082
Intangible Asset	10	46,029	61,238
Total Non-Current Assets		34,229,775	33,476,423
Total Assets		50,011,214	39,046,688
LIABILITIES			
Current Liabilities			
Trade and Other Payables	11	12,015,861	1,398,131
Provisions	12	10,320	66,420
Total liabilities		12,026,181	1,464,551
Net Assets		37,985,033	37,582,137
NET ASSETS / EQUITY			
Capital Fund	13	311,332	311,332
Accumulated surplus		37,673,701	37,270,805
Net assets/ Equity		37,985,033	37,582,137

The accompanying notes are integral part of the financial statements which were authorized for audit on 18/02/2024 by the Board of Directors and were signed on its behalf by:

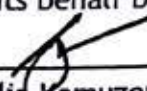

 Prof. Aurelia Kamuzora
 Chairperson of the Board

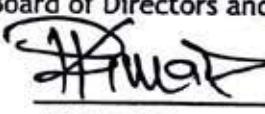

 Primus Kimaryo
 Director General

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

Revenue		2022/23	RESTATED 2021/22
Revenue from Non- exchange Transactions	Notes	TZS "000"	TZS "000"
Government Subvention	14	1,811,444	1,218,465
Exporters Contribution	15	4,105,739	3,834,688
Regulatory Revenue	16	106,787	117,143
		6,023,970	5,170,296
Revenue from Exchange Transactions			
Warehouse	17	669,823	541,320
Clearing and forwarding	18	1,596,219	1,024,447
Rental	19	459,550	421,362
Coffee Roasting Unit (CRU)	20	225,295	386,875
Other Revenue	21	314,773	791,940
		3,265,660	3,165,944
Total Revenue		9,289,630	8,336,240
Expenses:			
Administration Expenses	22	7,413,947	6,621,194
Selling and Distribution	23	1,735,089	1,481,173
Finance Charges	24	39,619	28,988
Other Expenses	25	64,000	124,912
Total Expenses		9,252,655	8,256,267
Surplus for the year		36,975	79,973


The accompanying notes are integral part of the financial statements which were authorized for audit on 18/03/2024 by the Board of Directors and were signed on its behalf by:


 Prof. Aurelia Kamuzora
 Chairperson of the Board


 Primus Kimaryo
 Director General

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


	Notes	Capital Fund TZS "000"	Accumulated Surplus TZS "000"	Total TZS "000"
Year ended 30 JUNE 2023				
As at 1st July 2022		311,332	37,270,805	37,582,137
Surplus for the year		-	36,975	36,975
Prior year adjustment	28		365,921	365,921
As at 30 June 2023		311,332	37,673,701	37,985,033
As at 1st July 2022		311,332	36,858,265	37,169,597
Surplus for the year		-	79,973	79,973
Prior year adjustment			332,567	332,567
Adjustment of Revaluation gain	28	-	-	-
As at 30 June 2022		311,332	37,270,805	37,582,137

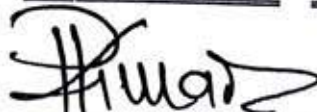

 Prof. Aurelia Kamuzora
 Chairperson of the Board


 Primus Kimaryo
 Director General

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2023

		2022/023	2021/22
		TZS "000"	TZS "000"
Cash flows from operating activities			
Gross Receipts			
Government Subvention (PE & OC)	14	1,811,444	1,218,465
Cash received on fees, refunds, licences and commissions	35.1	3,844,202	3,496,195
Exporters Contribution	15	4,105,739	3,834,688
Cash received from coffee auction	36	202,308,405	172,699,331
Total Receipts		212,069,790	181,248,679
Gross Payments			
Payments for administrative expenses	35.2	(6,612,044)	(6,341,060)
Payments for selling and distribution expenses	23	(1,735,089)	(1,481,173)
Finance Cost	24	(39,619)	(28,988)
Other expenses	35.3	(120,100)	(117,892)
Payments for coffee auction	36	(196,176,912)	(171,491,365)
Total Payments		(204,683,764)	(179,460,478)
Net cash flows from operating activities		7,386,027	1,788,201
Cash flows from investing activities			
Acquisition of PPEs	8&9	(734,215)	(852,161)
Net cash outflows in investing activities		(734,215)	(852,161)
Cash flows from financing activities			
Cash repayments of amounts borrowed			-
Net increase/(decrease) in cash and cash equivalents		6,651,812	936,040
Cash and Cash equivalents:			
At start of the year		1,719,878	783,838
Net foreign exchange differences			-
At end of the year	5	8,371,690	1,719,878



 Prof. Aurelia Kamuzora
 Chairperson of the Board

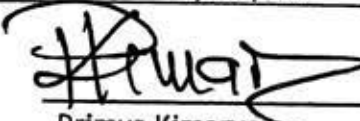

 Primus Kimaryo
 Director General

TANZANIA COFFEE BOARD (TCB)

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

	Original	Final	Actual	Variance	Variance%
	TZS'000	TZS'000	TZS'000	TZS'000	
	TZS	TZS	TZS	TZS	
REVENUE					
Government subvention (PE, OC & Devo)	2,757,073	2,757,073	1,811,444	945,629	34%
Own Sources	6,074,214	6,074,214	7,949,941	(1,875,727)	-31%
Total Revenue	8,831,287	8,831,287	9,761,385	(930,098)	-11%
EXPENSES					
Administration Expenses	6,966,252	6,966,252	6,612,044	354,208	5%
Selling and distribution	1,724,635	1,724,635	(1,735,089)	10,454	-61%
Finance Charges	55,200	55,200	39,619	15,581	28%
Other Expenses	85,200	85,200	(120,100)	34,900	-41%
Total Expenses	8,831,287	8,831,287	8,506,852	324,435	


 Prof. Aurelia Kamuzora
 Chairperson of the Board


 Primus Kimaryo
 Director General