

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



PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

**REPORT OF THE CONTROLLER AND AUDITOR GENERAL ON THE
FINANCIAL AND COMPLIANCE AUDIT FOR THE
FINANCIAL YEAR ENDED 30 JUNE 2025**

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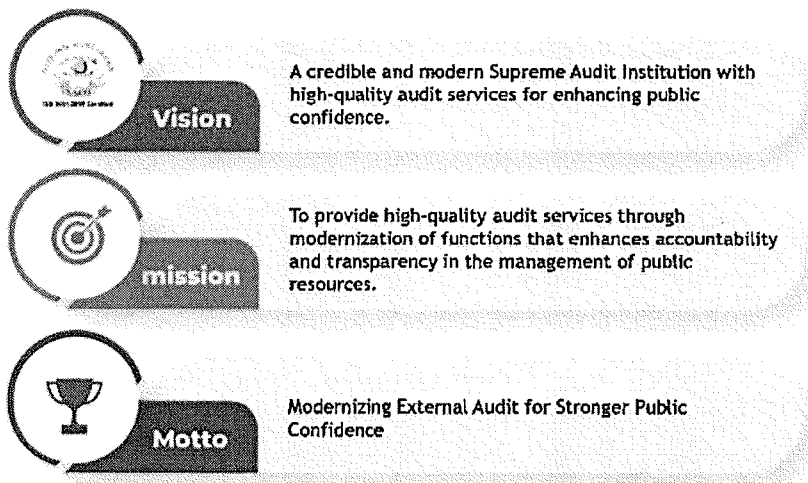
AR/PA/PPRA/2024/25

About the National Audit Office

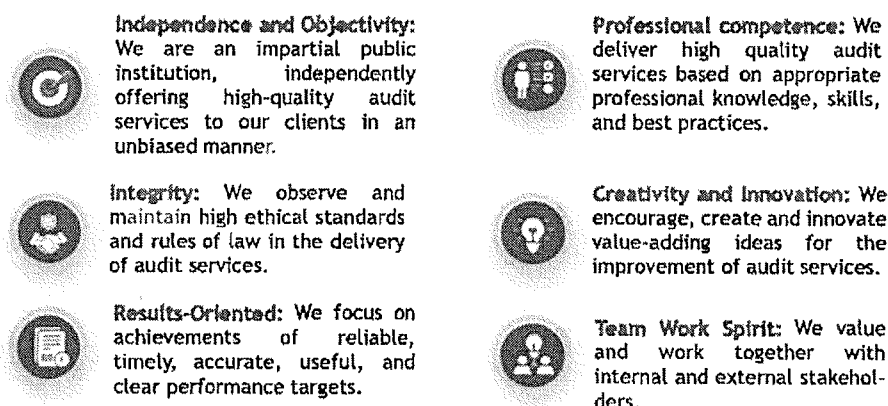
Mandate

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

NAOT Vision, Mission & Motto



Core Values



© This audit report is intended to be used by the Public Procurement Regulatory Authority and may form part of the annual general report which once tabled to National Assembly, becomes a public document hence, its distribution may not be limited.

TABLE OF CONTENTS

Abbreviations	iii
1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL	1
1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS	1
1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS	4
2.0 REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025	6
3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE	46
4.0 DECLARATION OF THE DIRECTOR OF CORPORATE SERVICES (HEAD OF FINANCE) ..	47
5.0 FINANCIAL STATEMENTS.....	48

Abbreviations

AIDS	Acquired Immunodeficiency Syndrome
APP	Annual Procurement Plan
CAG	Controller and Auditor General
EoS	Economic Operators
FYDP	Five Years Development Plan
GPSA	Government Procurement Services Agency
HIV	Human Immunodeficiency Virus
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
MoF	Ministry of Finance
NAOT	National Audit Office of Tanzania
NBAA	National Board of Accountants and Auditors
NeST	National e-Procurement System of Tanzania
OCDS	Open Contracting Data Standards
PCCB	Prevention and Combating of Corruption Bureau
PEs	Procuring Entities
PPAA	Public Procurement Appeal Authority
PPRA	Public Procurement Regulatory Authority
TASAF	Tanzania Social Action Fund

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Board,
Public Procurement Regulatory Authority,
P. O. Box 2865,
Dodoma,
TANZANIA.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Public Procurement Regulatory Authority, which comprise the statement of financial position as at 30 June 2025, the statement of financial performance, statement of changes in net assets, 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 respect, the financial position of the Public Procurement Regulatory Authority as at 30 June 2025, 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 in 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 the Public Procurement Regulatory Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), together with the National Board of Accountants and Auditors (NBAA) Code of Ethics, and I have fulfilled my other ethical responsibilities in accordance with these requirements.

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

Key Audit Matters

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

Other Information

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

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

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

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

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

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

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

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

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

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

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are, therefore, the key audit matters. I describe these matters in my audit report

unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest of such communication.

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement Laws

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

I conducted a compliance audit of the procurement of works, goods, and services Public Procurement Regulatory Authority for the year ended 30 June 2025 as per the Public Procurement Act, 2023 the Public Procurement Regulations, 2024, and related directives. I examined each phase of the procurement life cycle, including advertising of tenders, evaluation of bids, award of contracts, and contract management, to confirm that the entity issued competitive solicitations, applied approved evaluation criteria, secured authorizations before award, and maintained complete transaction records.

Conclusion

Based on the audit procedures performed, I conclude that, except for the matter described below, Public Procurement Regulatory Authority generally complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

Contract implementation records maintained outside the NeST system

Regulation 19(3) of the Public Procurement Regulations, 2024, mandates the upload of contract implementation details to the electronic system upon commencement. To the contrary my review of contract management practices found that, the Authority maintains these records exclusively in hard-copy files and has failed to upload any implementation information for ongoing contracts into the National e-Procurement System of Tanzania (NeST).

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

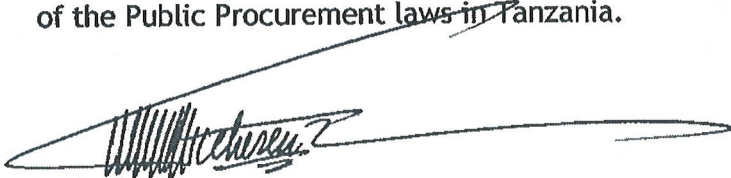
I conducted a compliance audit of budget formulation and execution at the Public Procurement Regulatory Authority for the year ended 30 June 2025 as per the Public Finance Act (Budget Act), Cap. 348, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries, and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely

authorizations before incurring obligations, recorded transactions accurately, and reported variances as required.

Based on the audit procedures performed, I conclude that the Public Procurement Regulatory Authority complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.

Conclusion

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



Charles E. Kichere
Controller and Auditor General,
Dodoma, United Republic of Tanzania.
March 2026



2.0 THE REPORT BY THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2.1. INTRODUCTION

In compliance with Section 27 of the Public Procurement Act (Cap. 410) and the Tanzania Financial Reporting Standard (TFRS) No. 1 on the Report by those charged with Governance of 1 January 2021, the Board of Directors submits its report and the Financial Statements of the Public Procurement Regulatory Authority (PPRA) for the period ended 30 June 2025.

2.2. MISSION, VISION, AND CORE VALUES

2.2.1. MISSION

To enhance fairness, competitiveness, transparency, non-discrimination, accountability, and innovation in the regulation of public procurement.

2.2.2. VISION

To have an effective and sustainable public procurement that facilitates national development.

2.2.3. CORE VALUES

Based on the vision and mission, implementation of the current Strategic Plan, PPRA will be guided by six (6) Core Values, namely Team Work, Transparency, Accountability, Integrity, Professionalism, and Innovation.

Table 1: PPRA's Core Values

VALUE	AFFIRMATION FORM	PRINCIPLE
Team work	PPRA upholds interdepartmental co-operation and develops its human resources for the achievement of strategic goals	When people work together, they can create something greater than themselves as individuals.
Transparency	PPRA warrants to provide potential suppliers and contractors with clear and consistent information so that the public procurement process is well understood and applied as equitably as possible.	Provide an adequate degree of transparency in the entire procurement cycle in order to promote fair and equitable treatment for potential suppliers
Accountability and control	PPRA is accountable for all its actions and outcomes	Accepting responsibility for your actions (and inactions) is the ultimate way to build trust internally and externally
Integrity	In all of its contacts with clients, partners, and vendors, PPRA maintains the highest standards of integrity. When it comes to regulating public procurement, the Authority always puts ethics first in the best interest of the country	Acting with strong ethics is a priority for everyone representing the organization, as well as the company's behaviour as a whole

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Professionalism	PPRA will strive to deliver the best services to the customers with utmost professionalism	Ensure that procurement officials meet high professional standards of knowledge, skills, and integrity
Innovation	PPRA will embrace creativity and innovation in service delivery to improve efficiency and enhance Stakeholder Satisfaction	Being innovative, creative, and embracing technology paves the way for efficient service delivery and stakeholders' satisfaction

2.3. NATURE OF OPERATIONS

(a) The legislative and regulatory environment in which the Authority operates.

The Authority was established in May 2005 after the enactment of the Public Procurement Act, 2004 and charged with the responsibility to regulate and oversee the implementation of the Act. It replaced the Central Tender Board (CTB), which was established under the Public Procurement Act, 2001. In effort to improve the public procurement sector, the Public Procurement Act, 2011 was enacted to repeal the Public Procurement Act, 2004. Due to changes and the need to embrace digitalization, the Public Procurement Act, 2023 was enacted.

The Objectives of the Authority, as stipulated under Section 9 of the Public Procurement Act, Cap 410, shall be to:

- a) ensure value for money in procurement and supply;
- b) ensure observance of fairness, competition, transparency, sustainability, accountability, economy, efficiency, effectiveness, and integrity in public procurement and supply;
- c) set standards for the public procurement and supply systems in the United Republic;
- d) ensure that procuring entities give preference to local tenderers in tenders for goods, works, and services;
- e) monitor compliance of the law by procuring entities; and
- f) build, in collaboration with the Ministry responsible for procurement and supply and other relevant professional bodies, procurement and supply Capacity in the United Republic.

(b) The industry in which the Authority operates.

The Public Procurement Regulatory Authority (PPRA) operates within the framework of public procurement, under the jurisdiction of the Ministry of Finance. The Authority's mandate encompasses overseeing, regulating, and monitoring public procurement processes across Tanzania to ensure transparency, fairness, and efficiency.

PPRA's Head Office is located in Dodoma, the Capital city of Tanzania. To effectively manage its operations and provide support across the country, PPRA maintains six zonal offices strategically located in key regions: Coastal Zone in Dar es Salaam, Northern Zone in Arusha, Lake Zone in Mwanza, Southern Zone in Mtwara, Southern Highlands Zone in Mbeya, and Central Zone in Tabora.

These zonal offices enable PPRA to efficiently oversee procurement activities in all regions of Mainland Tanzania, ensuring that public procurement standards are upheld consistently across the country.

(c) Main services, customers, business processes, and distribution methods

The Public Procurement Act, Cap. 410 mandated the PPRA to ensure that procurement processes in the public sector are open, fair, transparent, and competitive and deliver value for money outcomes to the public. In addition, Section 8(2) of the Act identifies PPRA as a body corporate that has all the powers to expedite its functions.

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

PPRA is governed by the Board of Directors established under Section 22 of the Public Procurement Act, CAP. 410. The Board is responsible for overseeing the management of the business and affairs of the Authority.

(e) Effectiveness and efficient utilization of resources

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

(f) Macro and micro economic conditions

Public procurement constitutes a significant portion of the Government Budget, making a substantial contribution to the growth of the national economy. The performance of procurement is closely linked with the effective implementation of the FYDP, adherence to procurement policies, and the proper management of economic development projects. Within this framework, PPRA will consider developments in the global arena that could impact its performance

PPRA continues to monitor the country's public procurement system, ensuring it generates economic opportunities and maximizes value for money. PPRA actively engages in initiatives aligned with global economic trends, while also working towards sustainable development goals, advancements in women's empowerment, youth employment, and financial inclusion

(g) Market forces

PPRA operates as a player in procurement business with a given exclusive mandate on items as stated in the Establishing Act Cap.410. There is no competition with internal players in the industry, but our performance in the area of procurement business is key to the Nation in ensuring business sustainability and economic growth. The Authority strives to provide better

procurement services in order to monitor and enforce compliance of the Public Procurement Act, CAP 410.

(h) The speed and effect of technological change

In today's globalized world, technological advancements, particularly in information technology, are critical in driving efficiency and innovation. PPRA has strategically leveraged available technological opportunities to execute its mandate effectively. The Authority utilizes advanced infrastructure such as the National ICT Broadband Backbone (NICTBB), the National Internet Data Centre (NIDC), and the Government Data Centre to host its systems and enhance communication with stakeholders.

PPRA diligently adheres to national policies, strategies, guidelines, and regulations governing ICT in Tanzania. These include the National ICT Policy of 2016 and its implementation strategy, the e-Government Act of 2019 and its associated regulations, and various guidelines and standards issued by the e-Government Authority under its mandate. The Authority ensures that all ICT initiatives are aligned with these frameworks to promote transparency, efficiency, and accountability in public procurement processes.

Recognizing the rapid pace of technological change, PPRA is also committed to addressing the associated security risks. To safeguard its ICT assets and systems, PPRA strictly follows national security standards and strategies, such as the National Cyber Security Strategy. This approach helps mitigate potential risks and ensures the integrity and reliability of the systems.

Moreover, PPRA has Capitalized on the ICT resources available within the government to develop the National e-Procurement System of Tanzania (NeST).

NeST is a transformative tool designed to revolutionize public procurement by streamlining various processes, including user registration, tender notifications, tender preparation and submission, online tender evaluation, contract awarding, catalogue creation and management, framework agreements, auctions, and payments.

In addition to leveraging local resources and infrastructure, PPRA is keen on learning from best practices globally. By studying successful ICT initiatives from other countries, the Authority aims to enhance its technological Capacity further, ensuring that it remains at the forefront of innovation in public procurement. Moving forward, PPRA will continue to invest in ICT and build the Capacity of its ICT staff to keep pace with technological advancements, ensuring the continuous improvement of its services and systems.

The Authority has adopted various digital initiatives, including the National Internet Data Centre (NIDC), e- Government Authority Data Centres, National ICT Broadband Backbone (NICTBB), National Cyber Security Strategy 2016, National ICT Policy (2016) and its implementation strategy. PPRA uses the e-Government system, e- e-Government Act, 2019, and its Regulations to ensure compliance of the systems. These initiatives are in-line with the National Five-Year Development Plan III (2021/22 - 2025/26). PPRA has taken advantage of those initiatives to oversee proper use of technology to advance its service delivery, including the enhancement of

the development of NeST. The system supports various public procurement procedures including user registration, tender notification, tender preparation and submission, online tender evaluation, contract awarding, creation and management of catalogue, creation and management of framework agreements and auctions and payments.

The Authority has embraced the technological changes and advancement opportunities and will ensure future investment on ICT is enhanced, including building Capacity to ICT staff to cope with technological changes

(i) Environmental challenges

The environmental key policies and legislations provide guidance for environmental management in the public procurement sector. The main objective of the environmental management is to prevent and/ or reduce environmental degradation, mitigating and adapting to climate change while implementing various procurement contracts in order to achieve sustainable development goals (SDGs). The Authority will promote environmental protection initiatives while undertaking its oversight role.

(j) Political Environment

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

2.4. SERVICE PERFORMANCE INFORMATION

During the year, PPRA focused on implementing its objectives as provided in the Strategic Plan (revised Edition), which guided the Authority in achieving its vision and mission, and facilitating the attainment of value for money in Tanzanian procurement. The service performance implementation is provided in the Table 2 below:

Table 2: SERVICE PERFORMANCE IMPLEMENTATION

Objectives	Risk and Impacts	Mitigation	Strategies	Key Performance Indicators (KPI)	2024/25 Targets	Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS)	Actual (TZS)
A: HIV/AIDS infections and non-communicable disease reduced, and supportive services improved.	Possibility of stigma due to lack of confidentiality resulting into increased HIV/AIDS infection and loss of manpower:	i. Existence of code of ethics and conduct for confidentiality ii. Existence of awareness sensitization program.	Enhance implementation of the National Guidelines for Management of HIV/AIDS and NCDs in public service in force	% of staff sensitized on HIV/AIDS and NCDs % of sensitized staff tested on HIV/AIDS status	100% staff sensitized on HIV/AIDS and NCDs. 100% of staff declared their HIV/AIDS status, and were provided with nutrition and health care support	- Financial Resources. - Competent Health experts. - Staff.	Promoting awareness and positive behavioural change on HIV/AIDS infections and non-communicable diseases in the workplace.	- Continuous awareness to all staff was extended through peers. - Protective gears were distributed in the PPRA offices. - Sensitisation seminar conducted on matters relating to NCDs and HIV/AIDS - Improved knowledge to staff	- Improved performance at work - Minimizing the number of HIV infections at work	- Awareness seminars conducted - Medical check provided by Benjamin Mkapa Hospital 48% of staff undertook voluntary testing of HIV/AIDS	73,200,000	69,234,000
B: National Anti-Corruption strategy and Action Plan (NACSAP) implemented.	Possibility of staff misconduct due to non-attendance at organized ethics and code of conduct seminars, resulting in poor service delivery.	i. Existence of awareness training on code of conduct and ethics to staff; ii. Existence of the implementation of the National Anti-Corruption Policy Strategy	Enhance Effective implementation of National Anti-corruption Strategy and Action Plan.	% of the National anti-corruption strategy implemented - Anti-Corruption and Fraud Policy reviewed - Whistleblowing guideline developed - Number of staff sensitised on anti-corruption, ethics and code of conduct	100% of Staff sensitized on anti-corruption and money laundering 100% of staff sensitized on Public Service Code of Ethics and Conduct	- Funds. - Competent Health experts - Staff	Enhancing national anti-corruption strategy.	- No corruption incidence was evidence/reported. - whistleblowing guideline developed - Increased awareness on ethics and corruption - Anti-corruption policy in place	- Corruption incidents have reduced - happier and satisfied customers	- Quarterly integrity committee meetings held 2 sensitisation seminars conducted	175,420,000	175,420,000

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Objectives	Risk and Impacts	Mitigation	Strategies	Key Performance Indicators (KPI)	2024/25 Targets	Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS)	Actual (TZS)
C: Performance of Public Procurement Improved	Possibility of inadequate procurement Capacity due to an unimplemented Capacity-building strategy, resulting in wastage of financial resources.	i. Existence of regular training programs; ii. Existence of updated Public Procurement Act and Public Procurement Regulations; and iii. Existence of Webinar.	• Strengthen Monitoring and Compliance in Public Procurement • Strengthening Capacity to undertake procurement research • Enhance public procurement Capacity • Leverage ICT in public procurement • Strengthening the provision of advisory services on legal frameworks • Enhance efficiency of the Debarment process	• Number of PEs monitored on compliance • 20% proactive investigations conducted • Procurement research agenda developed • Number of procurement research published • Number of registered Eos, CSO & Special groups Capacitated • Number of STDs, Guidelines developed • Number of modules developed in NeST • % of allegations/complaints/reported cases investigated • Number of legal advices provided to PEs and bidders on the Public Procurement Act, Cap. 410 • Number of debarment	• Compliance and Value for Money Audit tools reviewed • 100% of PEs monitored on procurement compliance • Capacity building strategy for procurement stakeholder s implemented • 3 modules in NeST operationalised • ICT Strategy implemented •	• Financial Resources. • Intellectual Resources. • Human Resources. • Social and Relationship Resources. • Natural Resource • Other Resources	• Developed modules in NeST. • System for Checking and Monitoring Procurement (SCMP) • Implementation of Capacity building programs to PEs • Automation of business processes	• 856 PEs registered in NeST trained, • 2,624 participants (EOs and special groups) trained; • Hosted the 16th East Africa Procurement Forum held at Arusha • Existence of Procurement audits tools; • NeST functions enhanced; • Contracting Data Standards (OCDS) portal developed • Assessment of the Public Procurement System in Tanzania through MAPs.	• Increased compliance with the Public Procurement Act and its Regulations; (ii) Increased value for money; (iii) Introduction of NeST usage; and (iv) Increased customers' satisfaction.	• Reviewed all procurement Audit tools • 75% PEs were monitored; • All proactive investigations conducted; • Conducted 1 (one) special audit and 36 investigations with respect to allegations, complaints, parliament committees (LAAC & PAC), and government directives received • Procurement Research Agenda developed; • 2 operational research studies and 2 surveys conducted; • 7(100%) STDs developed, 43 (100%) STDs; reviewed and 3 (75%)	42,118,309,746	27,430,894,798
	Possibility of loss of value for money in procurement due to lower coverage of procurement audit resulting into diminished national economic development.	i. Existence of budget provision ; ii. Existence of staff training; iii. Existence of audit manuals; iv. Existence of communication strategy										
	Possibility of data loss due to lack of proper backup mechanism leading to system failures.	i. Existence of data backup and recovery plan; ii. Existence of employee training and awareness programs; iii. Existence of regular audits and										

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Objectives	Risk and Impacts	Mitigation	Strategies	Key Performance Indicators (KPI)	2024/25 Targets	Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS)	Actual (TZS)
	Possibility of an outdated procurement system due to limited procurement research, resulting in loss of reputation in the procurement process.	security assessments i. Existence of NeST System; ii. Existence of MoUs with Academic Institutions; iii. Existence of Rescoping of research activities.		cases handled within the prescribed time						Guidelines developed. • 100% of PEs, 72% Local registered EOs, 63% CSOs and 25% Special Groups Capacitated on NeST; • 3 modules of NeST operationalized; • 100% of litigation matters attended; • 100% of debarment cases handled within the recommended time • 153 legal advices provided to PEs and bidders		
D: Capacity to deliver Quality Services strengthened	Possibility of qualified audit opinion due to outdated knowledge on accounting standards and regulations resulting into	i. Existence of staff attendance on IPSA Diploma courses; ii. Existence of CPD Programs; and iii. Existence of qualified staff	- Strengthen financial resources management - Promote conducive working environment	- Number of periodic financial reports prepared - Number of staff provided with administrative services	- Statutory Financial Report timely submitted - Administrative services provided to all staff - Human Resource Plan	- Competent staff - Financial Resources. - Intellectual Resources. - Social and Relationship Resources.	Compliance with internal control procedures and regulatory requirements	Sustainable operations	Authority's objectives implemented	- Staff benefits and other resources are provided - Budget performance ranked 93% in PIPMIS		

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Objectives	Risk and Impacts	Mitigation	Strategies	Key Performance Indicators (KPI)	2024/25 Targets	Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS)	Actual (TZS)
	damaged reputation. Possibility of unreliable data quality due to inaccurate data source resulting into compromised M&E reports.	i. Existence of data governance; ii. Existence of Data quality management process; iii. Existence of Data harmonization; and v. Existence of data entry trainings and data workshop.	- Strengthen human resources management - Strengthen Annual Plans and budget - Enhance Quality and Risk Management System - Strengthen the Internal control system	- Number of PPRA Human Resource Strategy reviewed - Percentage implementation of approved work plans - Updated risk register in place - Number of M & E Reports prepared - Number of Board meetings conducted annually - Number of quarterly RBIA audits conducted - Annual procurement plan in place - Updated asset registers in place	- implemented - Plans, Strategies, Budgets and Frameworks timely prepared - Risk Management framework implemented - Risk Register reviewed - Monitoring and Evaluation Framework implemented - Four (4) quarterly and operational internal audits conducted - PPRA procurement plan prepared and implemented	- Natural Resource - Other Resources			- Reviewed Risk registered in place - Internal Audits were conducted quarterly; - APP prepared and implemented - Quarterly Monitoring and Evaluations prepared - Six (6) motor vehicles distributed to zone offices			
E: Public Education and awareness strengthened	Possibility of stakeholder's disengagement due to unresolved complaints resulting	i. Existence of Help desk; and ii. Existence of mrejesho	Enhance implementation of the communication policy and the communi	- Communication policy in place - Communication strategy in place - Number of fliers	- Communication policy reviewed - Communication strategy implemented	- Financial Resources. - Intellectual Resources. - Human Resources. - Social and Relationshi	Compliance with the communication strategy	Award on NeST as a leading platform in supporting environmental conservation and protection in the country.	Improved awareness on PPRA activities	Publication and dissemination of one (1) Tanzania Procurement Journal (TPJ);		

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Objectives	Risk and Impacts	Mitigation	Strategies	Key Performance Indicators (KPI)	2024/25 Targets	Input	Processes	Outputs	Outcome	Implementation Status	Budget (TZS)	Actual (TZS)
	into reputation damage. The total risk status (Impact*Likelihood) is Moderate.		Enhance strategic stakeholders' engagement in matters related to the Authority's functions	- developed and distributed - Number of audio contents developed and aired - Number of stakeholders' meetings conducted - Number of public events and exhibition participated - Number of updates uploaded into the website	Authority's Website and Social Media c updated	- p Resources. - Other Resources		- Award obtained for an institution that contributes to empowering the economic development of persons with disabilities. - Award for the best Exhibitor in the Regulatory Authorities Category at the 48th Dar es Salaam International Trade Fai.		Three (3) social network accounts updated (Instagram, Facebook, and YouTube) where by a total of 780 contents were released Participated in 11 live TV programs to create awareness on NeST and Compliance of the Public Procurement Act, 2023 to the public Organized an Open Economic Empowerment Forum under the theme "The 30% Samia Allocation through NeST		

2.5. STAKEHOLDERS RELATIONSHIP

The Authority continued to maintain good relations with its stakeholders to enable its existence. Key stakeholders of PPRA range from Government institutions responsible for overseeing performance of the Authority to those whose functionality depends on the Authority's outputs. These stakeholders include MoF, TRO, PEs, PPAA, GPSA, PCCB, Service Providers, non - State Actors, professional boards, academic and research institutions, politicians, LGAs, Parliament, employees, development partners, NAOT, regional and international partners, the media, trade unions and the general public. Therefore, in decisions making, the Board considers the interests of all stakeholders to ensure their expectations are met.

Categories of stakeholders, services offered and stakeholders' expectations from the Authority are specified hereunder: The key concerns and the value we create to stakeholders are as detailed in **Table 3** below.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Table 3: Stakeholder Relationship

S/N	STAKEHOLDER NAME	SERVICE/PRODUCT OFFERED	EXPECTATIONS
1	President's Office	i. Annual Procurement audits Reports ii. Procurement Investigation Reports	i. High level of compliance with CAP 410 by all PEs. ii. Proper application of fair competitive, transparent, non-discriminatory and value-for-money procurement standards and practices iii. Timely submission of Procurement Audits and Investigation Reports.
2.	Ministry of Finance	i. Budget estimates ii. Implementation reports iii. Audited Financial Statements iv. Annual Reports v. Procurement Audit Guideline on PPP vi. Advisory services	i. Compliance with budget Act and guidelines. ii. Timely submission of advisory services iii. Timely submission of Authority Annual Reports
3.	Treasury Registrar	i. Budget estimates ii. Performance reports iii. Financial Statements	i. Compliance with budget Act and guidelines. ii. Timely remittance of contributions to the consolidated fund. iii. Proper implementation of performance contract
4.	Procuring Entities (PEs)	i. Enforce compliance with CAP 410 and its regulations. ii. Effective e-Procurement system iii. Procurement Capacity building iv. Procurement Practices and advisory services	i. User-friendly e-procurement system. ii. Professionalism in monitoring and compliance. iii. Capacity building interventions on the application of e-procurement system, CAP 410 and its regulations. iv. Timely provision of legal and technical advice on CAP 410 and its regulations.
5.	PPAA	i. Platform in NeST for handling Appeal matters ii. Technical advisory services on public procurement issues.	i. Compliance with CAP 410 and its regulations ii. User friendly of e-Procurement System
6.	GPSA	i. Accurate Annual Procurement Plan and requirements for the procurement processes ii. e-procurement supportive services iii. Assistance as stipulated in the contracting agreement.	i. Availability and accessibility of e-procurement system.
7.	NAOT	i. Relevant audit documents ii. Audit fee	ii. Compliance to Financial legislation. iii. Timely submission of documents required for Audit purposes. iv. Timely response to audit queries. v. Access to information systems.
8.	PCCB	Corruption red flags reports related to PE's procurement processes.	Timely provision of information related to corruption red flags in public.
9.	Economic Operators/Service Provider	i. Procurement Capacity building. ii. Procurement principle and practices advisory services. iii. Publication of data on public procurement opportunities and awards. iv. Procurement system support. v. Access to procurement	i. Timely access of updated public procurement information. ii. Timely access to advisory services. iii. Access to e-procurement system. iv. Fairness and transparency in the procurement process.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

		Information.	
10.	Non-State Actors	i. Procurement Capacity building. ii. Access to information. iii. Cooperation and participation in the development of different interventions.	i. Good governance, transparency and accountability ii. Timely provision of accurate procurement information and knowledge iii. Proper use of public funds.
11.	Professional Boards, Academic and Research Institutions	i. Procurement research opportunities. ii. Procurement information on compliance with CAP 410 and its regulations. iii. Sharing of experience, knowledge and skills on procurement matters. iv. Capacity building on public Procurement matters.	i. Us of procurement research findings. ii. Timely availability of relevant procurement information. iii. Updated with emerging issues in procurement. iv. Offering practical training to procurement trainers.
12.	Development Partners	vi. Project Implementation Reports. vii. Public Procurement Information.	i. Effective implementation of projects. ii. Quality and timely project implementation reports. iii. Good governance, transparency, accountability and credibility in conducting regulatory functions. iv. Timely information sharing.
13.	Media	i. Information on public procurement matters. ii. Capacity building to media practitioners.	i. Timely, accurate and reliable information on public procurement matters. ii. Active participation in the regulatory processes to enhance knowledge iii. Increased public awareness campaigns on procurement matters.
14.	General public	Information and knowledge on public procurement matters.	i. Timely and reliable public procurement information and knowledge. ii. Fairness, transparency, competitive, good governance and accountability in public procurement.

2.6. OPERATING AND FINANCIAL REVIEW

2.6.1. Overall Authority Performance

During the year under review, PPRA planned to implement various key priority Interventions which were included in the budget for the financial year (2024/25. Among others, the planned interventions include; Capacity building on the Public Procurement Act, Cap. 410 to all PEs, Economic Operators (Eos) and CSOs; Development, review and dissemination of Procurement Implementation Tools (PIT); Mainstreaming all regional public procurement strategies in national procurement procedures; Monitoring of all public procurement processes in all PEs; Monitoring of procurement contracts implementation in all PEs; Conducting procurement compliance and performance audit to PEs; Monitoring Internal Auditors Compliance with the Public Procurement Act, Cap. 410; Conducting investigations on all allegations/complaints/reported cases of breach of the Public Procurement Act, Cap. 410; assessment of procurement corruption red flags; Review and implement e Procurement system; To build Capacity to PEs and Eos on e-Procurement system; Development, review and upgrading the internal systems; Providing advisory services on Legal framework; Prepare and implement educational and awareness program on public procurement matters; Prepare and implement the Authority Annual Procurement Plan and Prepare and implement Authority Annual Audit Plan. Hereunder are the details of the achievements made during the period under review.

2.6.2. Analysis of Financial Performance

(a) Revenue

During the financial year ended 30 June 2025, the Authority managed to collect TZS 53,295,778,000 as revenue compared to TZS 36,380,675,000 in 2023/24 as shown in Table 4 below.

Table 4: Revenue Summary

Details	30.6.2025	30.6.2024	% Change
	TZS'000	TZS'000	
Revenue Grants	34,050,447	20,690,291	65
Internally generated fund	19,245,331	15,690,384	23
Total Revenue	53,295,778	36,380,675	46

(b) The revenue increased by TZS 16,915,103,000 equivalent to an increase of 46% compared to the financial year 2023/24. The percentage increase in revenue for the year 2024/25 was attributed to the increased application of NeST system by PEs and EoS, an increase in the Public Procurement Act Compliance, an increase in the Other charges budget for the development of NeST and review of the Public Procurement Act, Cap. 410 and its regulations, 2024, increase in PE Budget due to an increase in the number of staff as well as the release of foreign funds from development partners.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

(c) Wages, salaries and employee benefits

During the period under review the Authority spent for Wages, salaries and employee benefits TZS 18,655,254,000, compared to TZS 13,013,545,000 spent during financial year 2023/24

This increase was attributed by the additional of 21 staff from 172 to 193 staff who were transferred from other government organisations.

(d) Use of goods and services

The Authority incurred a total expenditure of TZS 25,850,490,599 during the period ended 30 June 2025 compared to TZS 14,052,576,457 reported in the preceding period. This was attributed by increase in scope of compliance audits from 188 PEs to 702 PEs, increase in number of trainings conducted to 856 Procuring Entities which attracted 53,215 participants consist of PEs, Members of Parliament and its committees and 2624 Participants from economic operators and special groups. Moreover, the Authority hosted the 16th East African Procurement Forum which attracted a total of 1407 Participants, moreover a total of 1943 outreach programs were carried out during the year to create public awareness of the Authority's regulatory functions. Additionally, the Authority continued with development of e-Contract Management Module and Integration with MUSE and other systems in NeST.

(e) Maintenance Expenses

The Authority incurred a total of TZS 268,117,000 during the period ended 30 June 2025 compared to TZS 278,273,000 in the period ended 30 June 2024. This decrease was contributed by decrease in motor vehicles repairs and maintenance since the Authority acquired new motor vehicles.

(f) Other Expenses

During the period ended 30 June 2025 the Authority's other expenses amounted to TZS 1,788,076,000 compared to TZS 137,966,000 in period ended 30 June 2024. The significant increase was attributed by tax payable expenses following tax audit for the previous five years conducted during the current financial year.

(g) Expected Credit Loss

During the year under review, the Authority computed ECL for its Cash balance was TZS 711,300 compared to TZS 21,758,256 in the previous year, hence there was a decrease of TZS 21,046,956 which was recognized as Gain in the Statement of Financial Performance.

(h) Depreciation

During the period ended 30 June 2025 the Authority's depreciation of Non-Current Assets amounted to TZS 744,177,000 compared to TZS 249,153,000 in period ended 30 June 2024. This increase was due to systematic allocations of cost over its estimated useful life.

(i) Amortization Expenses

The Authority amortized a total of TZS 785,727,000 during the period ended 30 June 2025 compared to TZS 10,484,000 during the period ended 30 June 2024.

(j) Transfer Payments

During the year under review, the Authority contributed a total of TZS 700,000,000 as contributions to consolidated funds compared to TZS 100,000,000 in the previous year.

(k) Surplus

Surplus fund during the period was TZS 4,312,949,000 compared to TZS 8,520,795,000 in previous period. This decrease was attributed by major increase in other expenses and supply of goods and services, and increase in depreciation charges, as well as loss in disposal of Assets

2.6.3. Analysis of Financial Position

(a) Cash and Cash Equivalents

During the period ended 30 June 2025 the Authority had a balance of cash and cash equivalent of TZS 670,031,000 compared to TZS 1,658,993,000 at the end of 30 June 2024. This decrease was attributed by payment of office furniture which were delivered during the year under review.

(b) Prepayments and staff advances.

i) Prepayments

During the period ended on 30 June 2025, the Authority had a prepayment amounting to TZS 102,405,000 compared to TZS 1,444,660,000 at the end of previous year. The remaining prepayment amount represents a refundable rent deposit to PSSSF

(c) Receivable (Staff Advances & Imprest)

During the period under review, the Authority had Staff advances (Salary advance) amounting to TZS 12,150,000 as the same as previous period. The Authority had no outstanding staff imprest at the end of financial year 2024/25.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

(d) Property and Equipment

During the period ended 30 June 2025, the Authority had Property, Plant and Equipment (PPE) amounting to TZS 14,657,387,000 compared to TZS 9,818,016,000 for the period ended 30 June 2024. The increase was contributed by the acquisition of Land, Computers, Office Equipment, Furniture and Motor vehicles.

(e) Intangible Assets

The Authority had some intangible assets that are fully amortized but are still in use and generating economic benefits for PPRA while other software is fully amortized and replaced by MUSE. In addition, during the year a total software acquisition of TZS 8,960,158,000 were recognized, they comprised of TZS 8,802,979,000 for NeST and TZS 157,179,000 for other System software. The increase of TZS 8,846,396,000 compared to TZS 113,762,000 at the end of 30 June 2024 was contributed by the acquisition of IDEA Application software, Veem Backup Essential Universal Software and recognition of NeST from Work in Progress.

(f) Payables and Accrued Expenses

The Authority had a balance of payables and accruals at the end of financial year 2024/25 amounting to TZS 2,276,880,000 compared to TZS 1,841,186,000 held at the end of 30 June 2024. The outstanding payables and accruals relate to accruals for various supplies.

2.6.4. Overall Financial Performance

During the period ended on 30 June 2025, the Authority had a surplus of TZS 4,312,949,000 compared to a surplus of TZS 8,520,795,000 recorded in 2023/24. The Authority's Expenses increased by 76% from TZS 27,859,880,000 in the previous year to TZS 48,982,828,000 in the year 2024/25. The Authority recorded 46% increase in revenue from TZS 36,380,675,000 in the previous year to TZS 53,295,778,000 in the year 2024/25. Table 5 below shows a snapshot of financial information for the year ended 30 June 2025.

Table 5: Summary of overall financial performance

Details	2024/25 TZS'000	2023/24 TZS'000	% Change
Revenue	53,295,777	36,380,675	46
Expenses	48,982,829	27,859,879	76
Total Assets	24,402,132	20,652,383	18
Total Liabilities	3,290,710	3,853,911	(15)
Net Assets	21,111,421	16,798,472	26

2.7. RESOURCES

The PPRA's key strengths which assist in the performance of its functions to achieve its objectives are pegged on a well-composed Board of Directors, effective Management, competent human resources, deployed ICT systems and documented internal operating procedures (IoPs). These strengths continuously create value to the Authority. In terms of

resources, the Authority has tangibles and intangibles, which include intellectual resources, human resources, social and relationship resources, natural resources, financial resources and other resources as explained here under.

(a) Intellectual Resources

The Authority has developed Training and Seminar Management System (TSMS), to ensure effective and efficient service delivery.

The Authority's intellectual resources include ICT application systems which has automated and modernized operations, thus, improved the provision of Procurement services. The Authority's ICT Systems in operations includes; Training and Seminar Management System (TSMS) and NeST (National e-Procurement System of Tanzania) that facilitates e-registration, e-tendering, e-contract management, e-payment, e-catalogue and e-auction.

(b) Human Resources

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

By 30 June 2025, the Authority had offices in various Regions of Tanzania and a total of 193 employees compared to 172 employees as at 30 June 2024. Factors that may affect the Authority in ensuring availability of competent human resources at an approved establishment include; absence of employees' incentive package, low level of support to staff career development, and budgetary limitations and control processes. Nevertheless, the Authority is taking close care of its human resources to ensure they are highly motivated to continuously working with the Authority and meet future demand.

(c) Financial resources

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

Financial resources of the Authority consist of: -

- i) Money appropriated by Parliament;
- ii) Loans or grants
- iii) Revenues collected from goods or services that are rendered by the Authority; and

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

- iv) Any other money received or made available to the Authority for the purposes of its functions.

(d) Social and Relationship Resources

In executing its functions, PPRA has established an ethical and transparent relationship with government institutions, customers, suppliers, policy makers and the society in general. The Authority conducts stakeholders' meetings to provide awareness and receive feedback on various Authority issues.

(e) Natural Resources

To respond to the national environmental agenda, the Authority has significantly reduced the use of printing stationery through automation of business processes.

2.8. AUTHORITY GOVERNANCE STATEMENT

The overall responsibilities of the Board of Directors, among other things, include providing general oversight on the Authority's operations, identifying key risk areas, monitoring investment decisions and reviewing the performance of management strategic plans and budgets. The Board is also responsible for ensuring presence of a comprehensive system of internal control as well as compliance with sound corporate governance practices.

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

2.11.1 Governance Structure of PPRA

Pursuant to Section 22 of Public Procurement Act, Cap 410, the Board of Directors is the governing body of the Authority. The Board consists of non-executive members whose chairman is appointed by the President and the other six members are appointed by the Minister responsible for Finance. The Director General of PPRA, who is appointed by the President, is the Secretary to the Board. The Board, for better carrying out of its function, has established several committees as provided for under Section 23 of the Public Procurement Act, CAP. 410. Board members who served the Board during the year 2024/25 are indicated in Table 6 below.

Table 6: Composition of Board of Directors

S/N	Name	Position	Qualification	Nationality	Age	Gender	Date of Appointment	Date of End of Tenure
1	Prof. Leonada R. Mwagike	Chairperson	Phd in Procurement	Tanzanian	53	Female	21 July 2022	20 July 2025
2	Eng. Sylvester N. Mayunga	Member	MBA, BSc in Engineering	Tanzanian	60	Male	19 January 2022	18 January 2025

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

S/N	Name	Position	Qualification	Nationality	Age	Gender	Date of Appointment	Date of End of Tenure
3	Eng. Prof. Ninatubu M. Lema	Member	PhD project management, MSc engineering	Tanzanian	69	Male	10 May 2020	12 February 2026
4	Adv. Mary S. Lyimo	Member	LLB	Tanzanian	70	Female	19 January 2022	18 January 2028
5	Hon. Allan J. Kiula	Member	MBA	Tanzanian	62	Male	19 January 2022	18 January 2028
6	Adv. Maria M. Memba	Member	LLM	Tanzanian	49	Female	06 January 2024	05 January 2027
7	CPA. Dr Neema K. Mssusa	Member	PhD in Business Administration	Tanzanian	48	Female	06 January 2024	05 January 2027
8	*QS. Samuel N. Marwa	Member	Master of Science in Finance (MSc)	Tanzania	66	Male	19 January 2025	18 January 2028
9	Dennis K. Simba	Secretary/ DG	MBA	Tanzanian	46	Male	21 July 2024	To date

**Prof. Leonada R. Mwangike was re-appointed for the second term with effect from 21st July 2025.*

**QS. Samuel N. Marwa was appointed on 19th January 2025 to replace Eng. Sylvester N. Mayunga whose tenure ended on 18th January 2025.*

2.11.2 Board operations and control

The principle on appointment, composition, size and qualifications of Board members was observed by the respective appointing authorities as follows:

(a) Diversity

The Board is composed of members of different qualifications with diversity of strength and knowledge of public procurement. Diversity is observed through differentiation in the Directors' age, gender, professional qualifications and previous experiences. In addition, members were appointed from both public and private sectors. As well, they are members of professional bodies.

(b) Composition of Board of Directors

The Board of Directors of PPRA is a governing body consisting of the Chairperson who is appointed by the President and six non-executive directors appointed by the Minister responsible for Finance. The Director General (DG) is appointed by the President and is the Secretary to the Board.

The Board, for better carrying out of its function, has established committees as provided for under Section. 23 of the Public Procurement Act, Cap. 410. The established committees are Audit Committee, Technical Committee and Advisory Committee.

(c) The Board Independence

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

(d) The Board Instruments

The Authority has developed the Board's Code of Ethics and Conduct, in compliance with the Treasury Registrar's Board of Directors Code of Ethics and Conduct Guidelines, 2022 of which has been cascaded down to all employees. Also has established Charters of the Board and its Committees so as to guide the Board in undertaking its oversight role and planned activities. The Code and the Charters are reviewed where needs arise to cope with changes. Further, the Board develops a work plan and an evaluation toolkit annually, to ensure effectiveness.

(e) Governance on Audit

The Board continues to oversee Management implementation of the Controller and Auditor General's recommendations made during the statutory audit of the previous financial years. In addition, the Board continues to oversee Management implementation of recommendations made by the Authority's Internal Auditor.

(f) Rights of the Government and the General Public

- (i) The Authority recognizes, respects and protects the rights of the Government and the general public through:
- (ii) Availing information on the Authority's performance by submission of quarterly performance reports to relevant Government authorities and publishing annual reports together with audited financial statements;
- (iii) Ensuring equitable treatment of all regulated service providers and customers in discharging the Authority's functions;
- (iv) Ensuring that Government, Ministries and Agencies hold meetings with the Authority's Management, when required, to discuss any matter related to the Authority's performance or service delivery; and
- (v) Engaging the media on dissemination of important Authority's information

(g) Meetings of Those Charged with Governance

During the financial year 2024/25, the Board had three committees namely, Audit Committee, Advisory Committee and Technical Committee. The Audit Committee dealt with issues related to risk management budget/planning, finance and audit. The Advisory Committee advised the Paymaster General (PMG) on applications for retrospective approvals, as they happened. The Technical Committee dealt with other core functions regarding to public procurement namely; monitoring and compliance, Capacity building, technical advisory services as well as procurement information system.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Paragraph 4(1) of the First Schedule to the Public Procurement Act, Cap. 410 states that, the Board shall meet at such times and such places being not less than once in a month as the Chairperson may determine. During the year under review, a total of four ordinary board meetings were planned and implemented with an addition of one extra ordinary meeting making a total of five board meetings conducted during the year. In exercising its oversight role, the board received, discussed and approved among others, budget, annual procurement plan, financial statements, internal audit quarterly reports, annual performance evaluation report (APER) and quarterly progress reports.

(h) Committees of Those Charged with Governance

During the financial year 2024/25, the Board had three committees namely,

- (i) Audit Committee;
- (ii) Advisory Committee, and
- (iii) Technical Committee.

The audit committee dealt with issues related to risk management, finance and audit. The Advisory Committee dealt with issues related to application for retrospective approval, appointment and disciplinary matters. The Technical Committee dealt with other core functions of public procurement namely monitoring and compliance, capacity building, technical advisory services as well as procurement information system. Composition of Board Committees is as explained below in Tables 7.

Table 7: Audit Committee composition

S/N	Name	Position	Attendance	
			Ordinary	Extraordinary
1	CPA. Neema K. Mssusa	Chairperson	4	1
2	Mrs. Mary S. Lyimo	Member	4	1
3	Eng. Sylvester N. Mayunga	Member	2	1
4	Hon. Allan J. Kiula	Member	4	1
5	*QS. Samuel N. Marwa	Member	2	-

**QS. Samuel N. Marwa was appointed on 19th January 2025 to replace Eng. Sylvester N. Mayunga whose tenure ended on 18 January 2025*

Table 8: Advisory Committee composition

S/N	Name	Position	Attendance	
			Ordinary	Extraordinary
1	Adv. Mary S. Lyimo	Chairperson	4	-
2	Eng. Prof. Ninatubu M. Lema	Member	3	-
3	Eng. Sylvester N. Mayunga	Member	2	-
4	Adv. Maria M. Memba	Member	3	-
5	Qs. Samuel N. Marwa	Member	2	-

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

**QS. Samuel N. Marwa was appointed on 19 January 2025 to replace Eng. Sylvester N. Mayunga whose tenure ended on 18 January 2025*

Table 9: Technical Committee composition

S/N	Name	Position	Attendance	
			Ordinary	Extraordinary
1.	Eng. Prof. Ninatubu M. Lema	Chairperson	4	2
2.	Adv. Maria M. Memba	Member	4	2
3.	CPA. Neema K. Mssusa	Member	4	3
4.	Mr. Allan J. Kiula	Member	4	3

(i) Attendance to Committee Meetings

During the financial year 2024/25, a total of five audit committee meetings were held, four meetings of the Advisory Committee were held whereas the Technical Committee held seven meetings.

Table 10: Attendance to Committee Meetings

S/N	Board Committee	Number of Meetings	
		Ordinary	Extraordinary
1	Audit Committee	4	1
2	Advisory Committee	4	-
3	Technical Committee	4	3
	Total	12	4

(j) Managing Operations of the Authority

The Director General, of the Authority and the Secretary to the Board, is responsible to the Board for the proper administration and management of the functions and affairs of the Authority. The Authority's Management team, which is under the supervision of the Director General demonstrated Capability to handle all operational and administrative matters efficiently.

The Management, under the Director General, is structured in the five (5) Divisions seven (7) Units and six (6) zones as follows:

Table 11: Key Management Personnel

S/N	Name	Position
1	Mr. Dennis K. Simba	Director General
2	CPA. Salmin Y. Malole	Director, Corporate Services
3	Eng. Awadhi J. Suluo	Director, Procurement and Supplies Compliance
4	Mr. Michael A. Moshiri	Director, Information and Communication Technology
5	Adv. Winfrida A. Samba	Ag. Director, Procurement and Supplies Capacity Development
6	Adv. Paul T. Kadushi	Director, Legal Services
7	CPA. Charles M. Birore	Director Procurement Investigation
8	Eng. Masunya E. Nashon	Director, Research, Development and Innovation
9	Mr. Robert M. Kitalala	Manager, Procurement Management

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

S/N	Name	Position
10	Ms. Remija K. Salvatory	Ag. Manager, Public Relations
11	CPA. Rose S. Millo	Chief Internal Auditor
12	Mr. Sako M.Mwakalobo	Manager, Risk Management and Quality Assurance
13	Mr. Alex S. Mange	Manager Monitoring and Evaluation
14	CPA. Magai M.Maregesi	Manager Zonal Services- Northern Zone
15	Ms. Vicky P. Mollel	Manager Zonal Services- Coastal Zone
16	Mr. Fenias S. Manase	Manager Zonal Services- Southern Zone
17	Mr. Pascal R. Manono	Manager Zonal Services- Southern Highlands Zone
18	Eng. Juma F. Mkoby	Manager Zonal Services- Lake Zone
19	Eng. Suma M. Atupele	Manager Zonal Services- Central and Western Zone

In addition, the Board had established a Risk Register which guides Management on risk management process including monitoring of external environment which may impact the regulatory process of the Authority.

2.9. FUTURE DEVELOPMENT AND PERFORMANCE

The Authority's and future development and performance are explained below:

(a) AUTHORITY FUTURE PLANS

The future plans for the Authority are embedded in the Authority's Strategic Plan as outlined below:

- i. **Infrastructure Improvement:** Enhancement of NeST and other infrastructure to enable transparency, efficiency, and lower transaction costs in the Public Procurement System. Also, the Authority has prioritized investing in system securities, data servers and other ICT equipment to enhance system availability and efficiency;
- ii. **Strengthen Procurement Compliance:** Enhancing Real-Time Monitoring, Auditing, and Investigations on the application of fair, competitive, transparent, non-discriminatory, and value-for-money procurement standards and practices. Likewise, broadening the scope of procurement audit (compliance, performance, and value for money) to more than 50% from 18% that was targeted in 2024/25 to ensure that Government funds are utilized appropriately, hence enabling saving;
- iii. **Procurement Capacity Development and Support:** Strengthening the Capacity of Procuring Entities (PEs) and other stakeholders for effective implementation of Public Procurement Act, Public Procurement Regulations, and application of NeST at Local Government Authorities and Lower Levels;
- iv. **Enhance Stakeholders' Engagement:** Enhancing Stakeholder engagement and awareness with an emphasis on the special group (i.e, the elderly, youth, women, and people living with disability); outreach and educational programs on the use of the new e-procurement system (NeST) as well as other services offered by the Authority; and

- v. **Strengthen Institutional Capacity:** Strengthen Institutional Capacity to increase efficiency in service delivery; this includes Capacity building programs for PPRA staff; build Capacity on the application of information collected via NeST and its application; and to meet the ongoing modern changes in procurement such as sustainable and green procurement. Also, the Authority has prioritized investing in creating a conducive work environment along with working tools for maximizing productivity at the workplace; a substantial amount has been set aside for the construction of an office building, where more funds will be allocated in subsequent years.

(b) Level of Capital Expenditure

During the period under review, the Authority acquired Assets totalling TZS 5,837,131,000 for acquisition of land, computers, equipment, motor vehicles, furniture, and software. The mentioned items are expected to improve day-to-day performance of the Authority operations in terms of efficiency and human health to achieve strategic objectives of the Authority.

(c) Integrated Financial Management Information System

During the year under review, the Authority's management continued to process its financial data using the Government Accounting System known as 'Mfumo wa Uhasibu Serikalini' (MUSE) and Planrep. MUSE is an accounting system that enhances the Authority's ability to process and reconcile transactions and prepare financial reports, while Planrep enhances the Authority's ability to process budgets.

(d) Description of Budget Information

The Authority's final approved budget for the financial year 2024/25 is TZS 68,200,480,000 compared to TZS 46,599,863,000 for 2023/24.

(e) Analysis of Authority's External Aspect/Environment

As a regulator, the Authority is influenced by the external environment. Analysis of political, economic, social, technological, environmental, and legislative factors is conducted to understand the context in which it operates. This analysis helps in identifying the factors that could either facilitate or hinder its implementation. Therefore, this section explains the analysis of external environmental factors that could impact the operations of the Authority:

(f) Political Aspect

Political stability is essential for promoting the economic development and growth of a nation. The current political stability and supportive environment, combined with the efficient utilization of government resources, foster value for money in all public procurement processes. The Authority stands to benefit from government initiatives, such as combating corruption,

minimizing political interference, and streamlining bureaucracy, all of which contribute to the promotion of economic development.

(g) Legislative Aspect

The legal and regulatory frameworks that govern the public procurement systems contribute to the smooth implementation of PPRA mandates. The Public Procurement Act, CAP.410, the Public Procurement Regulations, 2013 as amended by Public Procurement (Amendment) Regulations 2016, and the Local Government Tender Boards (Establishment and Proceedings Regulations, 2018) assisted the Authority in regulating the country's public procurement system. The Act further establishes regulations and operational bodies with their objectives and mandates.

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

- (i) Outcomes: what the Authority seeks to achieve in terms of its impact on society; and
- (ii) Outputs: the services that the Authority delivers during the financial year.
- (iii) The Authority reporting of service performance information is provided in this report under Key Performance Indicators.

2.10. CAPITAL STRUCTURE AND TREASURY POLICIES

(a) Capital Structure

The Authority's Capital structure for the period ended 30 June 2025 consists of Accumulated Surplus of TZS 21,111,421,000 compared to TZS 16,798,472,000 for 2023/24.

(b) Treasury Policies and Objectives

PPRA's treasury policies involve mechanisms established by the board, which delegate financial decisions to Management in a controlled manner. The control instruments in place include legislation, Government Circulars, Guidelines, and Board resolutions related to the opening, operation, and authorization of bank accounts. The primary objective is to ensure the proper control and safeguarding of Government financial resources. Under these mechanisms, the Authority's revenue is collected and remitted directly to revenue collection accounts maintained at commercial banks (CRDB, NMB, AZANIA, TCB) and the BANK OF TANZANIA (BOT) using the GePG system. Additionally, revenue is remitted weekly, specifically on Mondays, to the Authority's revenue collection accounts held at the Bank of Tanzania. All expenditures of the Authority are incurred within the approved limits outlined in the annual budget.

(c) Cash Flows

The Authority's cash flows can be analysed through the cash flow statement, which is categorized into three areas: cash flows from operating activities, cash flows from investing activities, and cash flows from financing activities. Thus, the analysis of the Authority's cash flows is summarized.

(d) Cash Flows from Operating Activities

The net cash flows from operating activities of TZS 5,306,588,000 in current period compared to TZS 9,825,499,000 of previous year, resulted as the difference between cash receipts amounting to TZS 53,259,389,000 in current year from Revenue grants, fees, and other revenue; and payments amounting to TZS 47,952,801,000 for wages, salaries and employee benefits; supplies and consumables used, other expenses, maintenance expenses and grants, subsidies and other transfer payments.

(a) Cash Flows from Investing Activities

The net cash flows used in investing activities of TZS 6,316,596,000 in current period compared to TZS 8,456,279,000 of previous year was derived from cash Capital expenditures for acquisition of property and equipment, Advance payment for Acquisition of Property Plant and equipment and Work in progress for NeST Development.

(b) Cash Flows from Financing Activities

There were no net cash flows from financing activities during the period ended on 30 June 2025, and in the previous year.

(e) Liquidity

During the period ended 30 June 2025, the Authority managed its liquidity level to ensure there is sufficient funds to meet its obligation when due, without incurring unacceptable losses or risking damage to the Authority's reputation. However, during the period under review, the Authority experienced a liquidity deficit whereby current assets (TZS 784,856,000) was lower than current liabilities (TZS 2,296,614,000) by TZS 1,512,028,000. The deficit was attributed to recognition of outstanding payables resulted from Tax Audit conducted by TRA for the previous five years and payables from other suppliers.

2.11. GENDER BALANCE AND DISABLED PERSONS

As at the end of the period 30 June 2025 the Authority's staff compliment stood at 193 as compared to 172 in the preceding financial year (2023/24). The approved establishment of the Authority is 258. The staff compliment as at 30 June 2025 is shown below.

Table 12: Staff complement as at 30 June 2025

S/N.	Staff Category	Number of Staff		Total
		Male	Female	
1.	Managerial Staff	21	10	31
2.	Technical Staff	97	47	144
3.	Support Staff	11	7	18
	Total	129	64	193

The Authority's recruitment policy is based on certain fundamental principles which among others includes equality under which we observe equal opportunity and refrain from discrimination during recruitment process. As such, equal opportunity is given to all qualified Tanzanian regardless of race, colour, religion, disability, gender or status. Recruitment and engagement are therefore based on merit; therefore, transparency and patriotism are maintained throughout the process. Special services are facilitated to disabled and challenged staff who happen to declare their status or those with physical disabilities.

The Authority strives to retain and develop professionals through succession planning and staff development implemented annually. Staff affairs are of high priority such that equitable staff incentive policy, improved working environments and facilitation of periodic staff meeting and workers council pave way to teamwork and organizational common goal realization. This makes the Authority to be one of the most attracting Government employers recently through equal investment in workforce.

2.12. EMPLOYEES' WELFARE

(a) Management and Employee Relationship

Relations between employees and management continued to be good during the year. A healthy relationship continues to exist between management and trade union. The Authority 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 ability to discharge duties.

The Authority places considerable value on the involvement of its employees and has continued its previous practice of keeping them informed on matters affecting them as employees. This is achieved through formal and informal meetings.

(b) Training Support

The Authority enhanced educational levels and skills of its employees in managerial, regulatory and technical areas. During the period under review, 189 employees attended seminars and workshops organized by professional bodies and short-term training; and 15 staff attended long-term training. Details of the training are presented below: -

Table 13: Training attended up to June 2025

S/N	Description of training	Number of staff		
		Female	Male	Total
1.	Long term training	8	7	15
2.	Short term training, Professional seminars and workshops	75	114	189

(c) Medical Assistance

All staff in the Authority are members of the National Health Insurance Fund (NHIF) and when a staff does not get required medical facility under NHIF cover, the Authority refunds the staff costs incurred where appropriate. The Authority pays mandatory contribution each month to NHIF and for the period ended 30 June 2025 the Authority incurred TZS 229,604,050 as medical expenses under NHIF.

(d) Health & Safety

The Authority takes all reasonable and practicable measures to safeguard health, safety and welfare of its staff. A safe working environment is ensured to all staff by providing protective gears, training and supervision where necessary.

(e) Interventions against COVID -19

During the year under review, PPRA adhered to Government's directives on how to protect and reduce transmission of COVID -19 pandemic to staff. The Authority provided sanitizers in the office, hand sanitizers and face masks to its staff. Furthermore, staff were continuously appraised on the government guidelines and measures to be taken against the pandemic while they are in the office as well as out of the office.

(f) Employees Benefit Plan

The Government through Treasury pays mandatory contributions to a publicly administered pension scheme (PSSSF) which qualifies to be a defined contribution plan. The amount incurred for the period ended 30 June 2025 was TZS 1,221,640,413 compared to TZS 914,982,203 for the year 2023/24.

2.13. CHALLENGES AND WAY FORWARD

During the year under review, the Authority encountered a number of challenges including the following:

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

S/N	Challenge	Description	Way-forward
External Challenge:			
1.	Inadequate compliance with Public Procurement Act, 2023	Malpractices in public procurement were evident due to non-compliance with the Public Procurement Act, 2023 and its Regulations in some tenders; for instance, a total of 34 firms/tenderers were debarred.	The Authority continues to raise awareness among PEs, Bidders, and other stakeholders about the requirements of the Public Procurement Act, 2023 to minimize cases of malpractice in public procurement and increase compliance with the Public Procurement Act, 2023 and the Public Procurement Regulations, 2024
2.	Inadequate procurement skills	Inadequate procurement skills and limited use of technology among certain tenderers and procurement practitioners in public procurement.	The Authority is continuing to implement Capacity-building programs to all procurement stakeholders.
3.	Inadequate skills in Contract Management and Procurement Records	Inadequate skills in Contract Management and Procurement Records.	Institutionalize contract management portal in NeST to monitor contract implementation and conducting periodical inspection to major national strategic projects.

2.14. PREJUDICIAL ISSUES

During the period ended 30 June 2025, there were no serious prejudicial matters to report which were outside the control of the Authority in achieving its objectives, as required by the Tanzania Financial Reporting Standard No.1.

2.15. RELATED PARTY TRANSACTIONS AND BALANCES

All related party transactions and balances are disclosed in Note 31 & 32 to the financial statements.

2.16. SUSTAINABILITY DISCLOSURES

The PPRA integrates Environmental, Social, and Governance (ESG) considerations into its regulatory and operational mandate. This commitment aligns with Tanzania's national development priorities, the Sustainable Development Goals (SDGs), and global sustainability reporting standards, including IFRS S1 (General Requirements for Sustainability-related Disclosures) and IFRS S2 (Climate-related Disclosures).

As the statutory authority overseeing public procurement, PPRA embeds sustainability principles across its core functions: regulatory oversight, Capacity development, compliance monitoring, procurement audits, and institutional governance. The sustainability disclosures presented herein demonstrate the Authority's commitment to fostering transparency, accountability,

ethical procurement practices, environmental stewardship, and climate resilience within Tanzania's public procurement system.

A) Governance

Sustainability governance is embedded in PPRA's institutional oversight structures and is detailed in Section Three (3) of PPRA ESG Policy. The Governing Board provides strategic direction on ESG integration, with support from executive management and specialized technical committees. Oversight responsibilities include: providing policy direction on ESG risks and opportunities relevant to public procurement; engaging with the Ministry of Finance, procuring entities, and oversight bodies; and ensuring alignment with international best practices, national procurement regulations, and public sector disclosure frameworks.

B) Strategy

PPRA's sustainability strategy, outlined in the Authority's Strategic Plan 2021/22-2025/26, focuses on: Promoting transparency and accountability in public procurement, strengthening institutional Capacity through continuous professional development and accreditation, enhancing operational efficiency and digital transformation in procurement processes, and supporting national climate action by integrating environmentally and socially responsible practices in procurement.

The Authority's strategy aligns its sustainability priorities with both the SDGs and national development priorities, using measurable performance indicators to track progress and outcomes.

C) Risk Management

Sustainability-related risks will be integrated into PPRA's enterprise risk management system, with a focus on: Climate-related risks affecting the sustainability of infrastructure projects and procurement outcomes, Ethical risks associated with corruption, fraud, or governance breaches in public procurement, and Emerging compliance requirements linked to ESG, sustainable procurement standards, and national sustainability regulations.

Mitigation measures include strengthening regulatory and compliance frameworks, promoting green and sustainable procurement guidelines, fostering stakeholder and supplier partnerships, enhancing transparency and accountability systems, and conducting regular Capacity-building and sensitization for the workforce and procurement entities.

D) Metrics and Targets

PPRA monitors sustainability and ESG performance using key indicators across four thematic areas: Environmental: Resource efficiency, GHG emissions (Scope 1, 2, and 3), and sustainable procurement practices; Social: Gender equity, Capacity building, stakeholder engagement, and supplier development; Governance: Compliance with

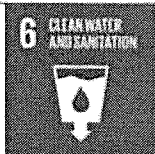
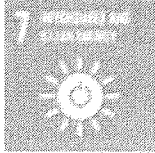
PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

procurement laws and regulations, institutional accountability, ethical conduct, and transparency; and Economic: Procurement efficiency, value for money, turnaround time, and digital system adoption.

Annual targets will be set, and annual progress will be reported through the Report by Those Charged with Governance.

E) Alignment with SDGs

Aligning the sustainability practices of PPRA to the 17 SDGs in the context of Tanzania requires a strategic approach. Below is an alignment tailored to PPRA's priorities and challenges:

SDGs		Sustainability Practices of PPRA	Metrics and Targets (KPIs)	Achievement / Comments
	SDG 1: No Poverty	- Inclusive public procurement that expands opportunities for SMEs, Special groups and local suppliers; - prompt-payment advocacy in contracts and guidelines.	% spend awarded to SMEs (↑ YoY); % tenders with SME-friendly lotting and qualification criteria (↑); - Amount awarded to special groups - Average supplier payment time (≤ 30 days).	- Increase of awarded contract to special group from 62 billion 2023/24 to 9.82 billion for 2024/25 - Inclusion of preference and set aside scheme to a special group in Public Procurement Act, 2023
	SDG 3: Good Health and Well-being	inclusion of HSE clause in the Tender and contract documents	% tenders and contract documents with HSE/quality clauses (↑);	100% of tenders and contract documents include HSE and Quality clauses.
	SDG 5: Gender Equality	- inclusion of a gender equality clause in the Tender and contract documents - targeted Capacity-building for Women Group business owners;	% tenders and contract documents with Gender equality Clause; # women groups capacitated in procurement matters (↑);	100% of tenders and contract documents include gender equality clauses. 132 women's groups were trained in the year 2024/25.
	SDG 6: Clean Water and Sanitation	contract clauses for safe waste/effluent handling.	% tenders documents and contracts with clauses for Clean Water and Sanitation	100% of tenders and contract documents for works include clauses for Clean Water and Sanitation.
	SDG 7: Affordable and Clean Energy	- Green procurement criteria for energy-using products; - promote lifecycle costing (LCC); - PPRA facility energy management.	% energy-related tenders with efficiency/LCC criteria (↑); - estimated kWh saved via procurement (↑); - PPRA Scope 2 electricity use/intensity (↓).	- Existence of SPP guideline - Existence of enabling LCC features in NeST

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

	SDG 8: Decent Work and Economic Growth	- Supporting local content and fair procurement practices that foster employment - Ensure value for Money in Public Procurement practices	# Local tenderers awarded contracts; % of PEs complied to satisfactory level of Value for money Procurement	162,671 local tenders were awarded contract in 2024/25 compared to 40,785 in 2023/24 75% of PEs complied to satisfactory level of Value for money Procurement in 2024/25
	SDG 9: Industry, Innovation, and Infrastructure	Promoting innovation through procurement of sustainable and efficient technologies	# of PE and Procurement stakeholders using the e-procurement system (NeST)	101,050 users of National e-Procurement system of Tanzania (NeST) for 2024/25. - Mandatory use of NeST to all PEs
	SDG 10: Reduced Inequalities	- Inclusive procurement for SMEs, youth, PWD-owned enterprises; - remove discriminatory specs;	% spent to target groups (↑); # inclusive-procurement clinics (↑); # tenders flagged for restrictive specs (↓).	- Set aside of 30% of procurement volume to the special group. 30% of procurement volume to local contractors - Each tender worth up TZS 50 Billion is reserved for local contractor - Contract clause for reduced inequalities are included in all tender and standard procurement documents
	SDG 12: Responsible Consumption and Production	- Circular and sustainable procurement (durability, recyclability, take-back); - waste-minimization clauses; - LCC adoption.	% tenders using LCC (↑); % contracts with end-of-life/take-back (↑); - waste diverted from landfill in service contracts (↑).	- Existence of SPP guideline - Capacitation PPRS's Staff on SPP implementation through benchmarking.
	SDG 13: Climate Action	- Climate-smart procurement for high-emission categories (fleet, construction, energy); - supplier emissions disclosures for major awards; - PPRA GHG inventory.	% high-value tenders requiring emissions data (↑); - supplier climate-risk attestations (↑); - PPRA Scope 1-3 inventory published annually.	- Use of National e-procurement system of Tanzania (NeST) - information in the report by those charges with governance.
	SDG 16: Peace, Justice, and Strong Institutions	- Integrity: open contracting publication; complaints review timeliness; - conflict-of-interest disclosures; - anti-corruption training.	% tenders published end-to-end (≥ 95%); - average complaint resolution time (↓); # COI disclosures filed (↑);	Existence of open data for procurement opportunities and awarded contracts.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

- | | | | | |
|--|--|--|------------------------------|--|
| | | | • # integrity trainings (↑). | |
|--|--|--|------------------------------|--|

This alignment ensures that PPRA contributes meaningfully to the achievement of Tanzania's SDGs by addressing critical challenges such as transparency, accountability, value for money, and sustainable procurement practices. Through strategic oversight of the public procurement system, enforcement of robust compliance frameworks, and promotion of ethical and accountable practices, PPRA strengthens governance, enhances service delivery, and ensures efficient utilization of public resources, thereby supporting Tanzania's broader sustainable development agenda.

Beginning July 2025, PPRA will implement comprehensive sustainability reporting, including greenhouse gas (GHG) emissions disclosures aligned with Scope 1, Scope 2, and all 15 categories of Scope 3, in accordance with the NBAA circular on sustainability disclosures. This initiative represents a major step in aligning PPRA's regulatory and operational activities with national climate action priorities and international sustainability reporting standards.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

F) Emissions Disclosure

Scope	Key Sources	Metrics and Targets (KPIs)	Mitigation Strategies	Disclosure Statement
Scope 1	Diesel for standby generators; fuel for pool/assigned vehicles; refrigerant leaks (HVAC).	KPIs: tCO₂e; liters of diesel/petrol; kg refrigerant top-ups; intensity: tCO₂e/employee and tCO₂e/m². Targets: Reduce generator diesel ≥50% by 2028 (vs 2024 baseline); transition ≥50% of fleet to hybrid/EV by 2030; ≤5% annual HVAC leakage.	Generator runtime minimization; solar + battery back-up; EV/hybrid procurement; preventive HVAC maintenance & leak detection.	PPRA reports direct emissions under operational control using the GHG Protocol; includes stationary/mobile combustion and fugitive gases; methods, factors, and uncertainties disclosed.
Scope 2	Purchased electricity for offices/data rooms (grid power).	KPIs: tCO₂e (location-based and, where applicable, market-based); kWh; intensity: kWh/m² and tCO₂e/employee. Targets: Cut electricity intensity ≥25% by 2028; source increasing share of renewable electricity where available.	Energy efficiency (LED, HVAC optimization, smart controls); server/IT consolidation; onsite solar where feasible; green procurement for efficient equipment.	PPRA discloses Scope 2 per GHG Protocol with both location-based and (if credible instruments exist) market-based values; methodologies and factors stated.
Scope 3 Category 1: Purchased Goods and Services	Office supplies, ICT hardware & software, cloud/services, consulting & training.	KPIs: spend-based tCO₂e; % strategic suppliers reporting GHGs; % tenders with environmental criteria. Targets: ≥80% of strategic suppliers disclose Scope 1+2 by 2028; ≥30% of spend with suppliers having SBTs by 2030.	Green procurement specs; supplier ESG questionnaires; preference for Ecolabel/EPD products; cloud providers with renewable energy.	Disclose estimation approach (spend-based/activity-based), supplier coverage, and material exclusions; plan to improve primary data over time.
Scope 3 Category 2: Capital Goods	Office fit-outs, furniture, major IT/servers.	KPIs: embodied tCO₂e per TZS million; % reused/refurbished items. Targets: ≥20% lower embodied carbon vs baseline for new fitouts.	Design for reuse; low-carbon materials; require EPDs; extend asset life.	Report embodied emissions for material projects; note assumptions and life-cycle boundaries.
Scope 3 Category 3: Fuel- and Energy-Related Activities	Well-to-tank emissions for fuels; transmission & distribution losses for electricity.	KPIs: tCO₂e; share of total energy emissions. Targets: Track annually; reduce via Scope 1/2 actions.	Same as S1/2: efficiency, renewables, fleet transition.	Methods mirror GHG Protocol guidance; factors for WTT and T&D disclosed.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Scope	Key Sources	Metrics and Targets (KPIs)	Mitigation Strategies	Disclosure Statement
Scope 3 Category 4: Upstream Transportation and Distribution	Courier/postage for documents, deliveries of supplies.	KPIs: tCO₂e/package; % low-emission courier use. Target: ≥50% of shipments via low-emission options by 2028.	Consolidate shipments; default to e-documents; choose low-carbon logistics partners.	Activity or spend-based estimates; coverage and data quality explained.
Scope 3 Category 5: Waste Generated in Operations	Paper waste, packaging, e-waste, organics.	KPIs: tCO₂e; kg waste; % diversion from landfill. Target: ≥70% diversion by 2028; paper use ↓ ≥40% by 2028.	Waste segregation; recycling/vendor take-back; digitalization to cut paper.	Disclose waste types, treatment methods, and emission factors; improvements to measurement planned.
Scope 3 Category 6: Business Travel	Domestic/international flights, road travel, accommodation.	KPIs: tCO₂e/travel-km; trips replaced by virtual; % rail/road vs air for short trips. Target: Travel emissions ↓ ≥40% by 2028 (vs 2024).	Travel hierarchy (virtual first); rail for short corridors; economy-class default; consolidated trips.	Emissions calculated from agency data or expense claims; class of travel and RF (RFI) treatment stated.
Scope 3 Category 7: Employee Commuting	Staff commuting by car, bus, ride-share, walking.	KPIs: tCO₂e/employee; modal split. Target: Commuting emissions ↓ ≥30% by 2030; ≥40% low-carbon modes by 2028.	Flexible/remote days; shuttle/carpool support; secure bike parking; transit incentives.	Survey-based estimates with factors by mode; coverage rate and assumptions disclosed.
Scope 3 Category 8: Upstream Leased Assets	Energy/waste from landlord-controlled spaces not in S2.	KPIs: tCO₂e; % floor area on "green lease" terms. Target: ≥80% of leases with green clauses by 2030.	Green leases; sub-metering; landlord engagement for efficiency/renewables.	Boundary and double-count risk with S2 clarified; data sources and allocation bases disclosed.
Scope 3 Category 9: Downstream Transportation and Distribution	Distribution of printed guidelines/reports; event materials.	KPIs: tCO₂e/dispatch; % digital vs print. Target: Digital share ≥90% by 2027.	"Digital-first" publishing; on-demand local printing; low-carbon mail services.	Likely immaterial; disclose basis and rationale, report if/when material.
Scope 3 Category 10: Processing of Sold Products	Not applicable (PPRA provides regulatory services, no physical products).	KPI: n/a. Target: n/a.	n/a	Disclose as not applicable with clear service-sector rationale.
Scope 3 Category 11:	Not applicable (no products whose in-use	KPI: n/a. Target: n/a.	n/a	Disclose as not applicable; provide rationale.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Scope	Key Sources	Metrics and Targets (KPIs)	Mitigation Strategies	Disclosure Statement
Use of Sold Products	energy PPRA influences).			
Scope 3 Category 12: End-of-Life Treatment of Sold Products	Not applicable (no products sold).	KPI: n/a. Target: n/a.	n/a	Disclose as not applicable; provide rationale.
Scope 3 Category 13: Downstream Leased Assets	Only if PPRA leases out assets to third parties (generally none).	KPIs/Targets: report only if such leases exist and are material.	Include green clauses if applicable.	State “currently not applicable”; commit to monitor.
Scope 3 Category 14: Franchises	Not applicable (no franchise model).	KPI: n/a. Target: n/a.	n/a	Disclose as not applicable.
Scope 3 Category 15: Investments	Treasury placements or other financial investments (if any).	KPIs: financed emissions (tCO₂e) per PCAF, if material. Target: Prefer low-carbon financial products where policy allows.	Investment policy screen (subject to public finance rules); engage custodians on disclosures.	If PPRA holds material investments, disclose method and perimeter; otherwise state immaterial/not applicable.

Through this implementation, PPRA aims to strengthen environmental stewardship within the public procurement system, enhance institutional efficiency, and contribute to Tanzania’s broader sustainability and climate resilience agenda.

a) Actions taken as a Regulatory Authority

Tanzania is making strides towards sustainable development with the establishment of a Sustainable Procurement Portfolio by the UNDP Tanzania country office. This initiative aims to integrate economic, environmental, and social dimensions into public procurement processes, reflecting a commitment to responsible governance.

Sustainable Public Procurement (SPP) is crucial for promoting economic prosperity, environmental protection, and social inclusivity. In Tanzania, the SPP portfolio tackles diverse development challenges, emphasizing inclusivity and sustainability while addressing environmental, health, social, and safety impacts. Strengthening legal, regulatory, and policy frameworks is essential to embedding SPP principles throughout procurement processes, enhancing the quality of goods, services and works procured.

The partnership between UNDP and the Public Procurement Regulatory Authority (PPRA) heralds a new era of accountability and transparency. This collaboration empowers oversight institutions to implement SPP mandates effectively, fostering a culture of compliance and accountability. Regulatory enhancements and the adoption of digital and innovative solutions promise to enhance Tanzania's procurement landscape, boosting transparency and efficiency.

As key focus of Tanzania's SPP initiative is local empowerment. By prioritizing the procurement of locally sourced commodities, goods, services, and works, particularly from enterprises led by women, youth, and people with disabilities, Tanzania aims to strengthen economic resilience and social inclusivity. The recent agreement between UNDP and the Tanzanian government through PPRA, marks a significant milestone in this collaborative effort. The government acknowledges UNDP's support in aligning procurement goals at national, regional, and global levels, underscoring the importance of public procurement reforms in ensuring value for money and fostering accountability.

Looking ahead, Tanzania anticipates a myriad of benefits from its commitment to SPP, including improved service delivery, robust economic growth, enhanced health and well-being, social development, and environmental sustainability. Capacity-building initiatives for PPRA staff, procurement entities, and suppliers are expected to further local content administration and organizational development.

The UNDP-PPRA partnership exemplifies a collaborative approach to advancing sustainable development in Tanzania. As the nation navigates the intricate web of socio-economic challenges, sustainable public procurement practices offer a beacon of hope, guiding Tanzania towards achieving its developmental goals and the 2030 Sustainable Development Goals.

2.17. STATEMENT OF COMPLIANCE

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

2.18. EVENTS AFTER REPORTING DATE

Prof. Leonada R. Mwangike was re-appointed for the second term with effect from 21 July 2025.

The directors are not aware of any event after the reporting date which require adjustment to or disclosure in the financial statements.

2.19. SOLVENCY

The Authority's state of affairs as at 30 June 2025 is reflected in these financial statements. The Authority's Liquidity gap which is the excess of current assets over current liabilities for the financial year ended 30 June 2025 was TZS (1,512,028,000) compared to TZS 272,915,117 of previous year. This shows that the Authority was not able to meet its current obligations when due. The deficit was attributed by recognition of outstanding payables resulted from Tax Audit conducted by TRA for the previous five years and payables from other suppliers.

2.20. APPOINTMENT OF INDEPENDENT AUDITORS

The Controller and Auditor-General (CAG) is the statutory auditor for the Public Procurement Regulatory Authority pursuant to the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 [CAP 2 R.E. 2005) and Section 9 - 12 of the Public Audit Act [CAP. 418 R.E. 2023].

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

3.0 STATEMENT OF RESPONSIBILITY BY THOSE CHARGED WITH GOVERNANCE

The Board is required by Section 26 of the Public Procurement Act, CAP 410 to prepare financial statements that give a true and fair view of the state of affairs of the Authority as at the end of the financial year and of the surplus or deficit of the Authority for that period. The Board confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the period ended 30 June 2025.

The Board also confirms that the International Public Sector Accounting Standards (IPSAS), have been followed. The Board is responsible for keeping proper accounting records, for safeguarding the assets of the Authority and hence taking reasonable steps for prevention of fraud and other irregularities.

By order of the Board



Prof: Leonada R. Mwagike
Chairperson of the Board

Date 17.03.2026



Dennis K. Simba
Director General

4.0 DECLARATION OF THE DIRECTOR OF CORPORATE SERVICES

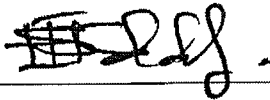
The National Board of Accountants and Auditors (NBAA) according to the powers conferred under the Auditors and Accountants (Registration) Act. No.7 of 2021, requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors and Management to discharge the responsibility of preparing financial statements of the Authority showing a 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 the financial statement's rests with the Board of Directors as under Directors Responsibility statement on item No.2 on Report of the Directors.

I, Salmin Y. Malole being the Director of Corporate Services of the Public Procurement Regulatory Authority (PPRA), hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 have been prepared in compliance with International Public Sector Accounting Standards (IPSAS) and Public Finance Act, [CAP.348 R.E.2020].

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

Signed by:



Name: Salmin Y. Malole

Position: Director of Corporate Services

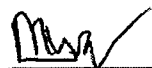
NBAA Membership No: ACPA 2488

5.0 FINANCIAL STATEMENTS

5.1 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

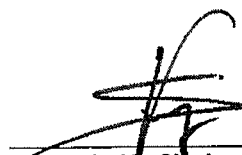
		30 June 2025	(Restated) 30 June 2024
	Note	TZS'000	TZS'000
ASSETS			
Current Asset			
Cash and Cash Equivalents	11	670,031	1,658,993
Prepayments	12	102,405	1,444,660
Receivables	13	12,150	12,150
Total Current Asset		784,586	3,115,803
Non-Current Assets			
Property, Plant and Equipment	14	14,657,387	9,818,016
Work in Progress - Software	15	0	7,604,802
Intangible Assets	16	8,960,158	113,762
Total Non-Current Assets		23,617,545	17,536,580
TOTAL ASSETS		24,402,131	20,652,383
LIABILITIES			
Current Liabilities			
Deferred Income (Revenue)	17	1,585	-
Deposits	18	18,149	1,011,789
Payables and Accruals	19	2,276,880	1,841,186
Total Current Liabilities		2,296,614	2,852,975
Non-Current Liabilities			
Deferred Income (Capital)	20	994,096	1,000,936
Total Non-Current Liabilities		994,096	1,000,936
TOTAL LIABILITIES		3,290,710	3,853,911
Net Assets		21,111,421	16,798,472
NET ASSETS		-	-
Capital Contributed by:			
Accumulated Surpluses		21,111,421	16,798,472
TOTAL NET ASSETS		21,111,421	16,798,472

Notes form part of the financial statements which were approved and signed on behalf of the Board of Directors by;



Prof: Leonada R. Mwagike
Chairperson of the Board

Date 17.03.2026



Dennis K. Simba
Director General

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

5.2 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

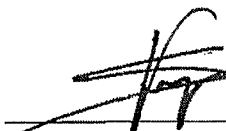
		2024/25 TZS'000	2023/24 TZS'000 Re Stated
REVENUE			
Revenue from non-exchange transactions			
Amortization of Revenue Grants from Government	21(i)	34,050,447	20,690,291
Fees, Fine, Penalties and Forfeits	21(ii)	8,548,966	7,786,702
Other Revenue	21(iii)	8,402,468	3,479,392
Reversal of Expected Credit Loss for Cash	41	21,047	-
Total Revenue from non-exchange transactions		51,022,928	31,956,385
Revenue from exchange transactions			
Ceipts from training and examination fees	22	2,272,850	4,424,290
Total Revenue from exchange Transactions		2,272,850	4,424,290
TOTAL REVENUE		53,295,778	36,380,675
EXPENSES AND TRANSFERS			
Expenses			
Wages, Salaries and Employee Benefits	23	18,655,254	13,013,545
Use of goods and services	24	25,850,491	14,052,577
Maintenance Expenses	25	268,117	278,273
Other Expenses	26	1,788,076	137,966
ECL Expenses	41	-	17,882
Depreciation of Property, Plant and Equipment	14	744,177	249,153
Amortisation of Intangible Assets	16	785,727	10,484
Loss on Disposal of Assets	40	190,987	-
Total Expenses		48,282,829	27,759,880
Transfers			
Grants, Subsidies and other Transfer Payments	27	700,000	100,000
Total Transfers		700,000	100,000
TOTAL EXPENSES AND TRANSFERS		48,982,829	27,859,880
Surplus		4,312,949	8,520,795

Notes form part of the financial statements



Prof: Leonada R. Mwangike
Chairperson of the Board

Date 17.03.2026



Dennis K. Simba
Director General

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

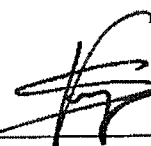
5.3 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2025

	Accumulated Surplus (TZS '000')	Total (TZS '000')
Opening Balance as at 01 July 2024 (Restated)	16,798,472	16,798,472
Surplus for the Year	4,312,949	4,312,949
Closing Balance as at 30 June 2025	<u>21,111,421</u>	<u>21,111,421</u>
Opening Balance as at 01 July 2023	8,277,677	8,277,677
Surplus for the Year (Restated)	8,520,795	8,520,795
Closing Balance as at 30 June 2024 (Restated)	<u>16,798,472</u>	<u>16,798,472</u>

Notes form part of the financial statements



Prof: Leonada R. Mwagike
Chairperson of the Board



Dennis K. Simba
Director General

Date 17.03.2026

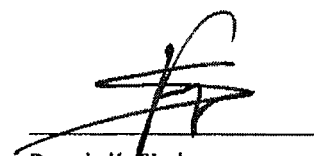
PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

5.4 CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

	Note	2024/25 TZS (000)	2023/24 TZS (000)
CASH FLOWS FROM OPERATING ACTIVITIES			
RECEIPTS			
Revenue from non-exchange transactions			
Amortization of Revenue Grants from Government	33(a)	34,035,105	20,695,493
Fees, Fine, Penalties and Forfeits	33(b)	8,548,966	7,786,702
Other Revenue	33(c)	8,402,468	3,479,392
Deposit received but not yet expended	11		1,011,789
Total revenue from non-exchange transactions		50,986,539	32,973,376
Revenue from exchange transactions			
Receipts from training and examination fee	33(d)	2,272,850	4,424,290
Total revenue from exchange transactions		2,272,850	4,424,290
Total Receipts		53,259,389	37,397,666
PAYMENTS			
Wages, Salaries and Employee benefits	32 (e)	18,655,254	13,013,545
Use of Goods and Service	32 (f)	25,547,714	14,042,383
Maintenance Expenses	32 (g)	268,117	278,273
Other Expenses	32 (h)	1,788,076	137,967
Grants, Subsidies and other Transfer Payments	32 (i)	700,000	100,000
Deposit	32(j)	993,640	
Total Payments		47,952,801	27,572,168
NET CASH FLOWS FROM OPERATING ACTIVITIES		5,306,588	9,825,498
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, Plant and Equipment	14	(4,302,418)	(3,845,794)
WIP Software		-	(3,268,230)
Advance payment for Acquisition of Property Plant and equipment	12		(1,342,255)
Acquisition of Intangible Assets	42	(2,021,663)	
Proceeds from sale of Assets	33(c)	7,485	
Total Investing Activities		(6,316,596)	(8,456,279)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(6,316,596)	(8,456,279)
CASH FLOWS FROM FINANCING ACTIVITIES			
NET CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Net increase/(decrease) in cash and cash equivalents		(1,010,008)	1,369,219
Cash and Cash equivalents at beginning of Period		1,680,751	311,532
Cash and cash equivalents at end of period		670,743	1,680,751



Prof: Leonada R. Mwangike
Chairperson of the Board



Dennis K. Simba
Director General

Date: 17.03.2026

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

5.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2025

	Original Budget TZS (000)	Reallocations/Carry over TZS (000)	Final Budget (B) TZS (000)	Actual Amount (A) TZS (000)	Variance (B-A) TZS (000)	Percentage %
RECEIPTS						
Revenue from non-Exchange transactions	38,200,480	-	38,200,480	34,041,945	4,158,535	11
Revenue from Exchange transactions	30,000,000	-	30,000,000	19,217,445	10,782,555	36
Total Receipts	68,200,480	-	68,200,480	53,259,390	14,941,090	22
PAYMENTS						
Maintenance Expenses	462,300	(30,000)	432,300	268,117	164,183	38
Other Expenses	1,852,400	(63,000)	1,789,400	1,788,077	1,323	0
Grants and Transfers	700,000	352,665	1,052,665	700,000	352,665	34
Use of Goods and Services	36,538,919	(686,330)	35,852,589	25,547,715	10,304,874	29
Wages, salaries and Employee Benefits	23,146,861	(435,335)	22,711,526	18,655,254	4,056,272	18
Acquisition of Intangibles/Work in Progress	2,000,000	-	2,000,000	1,972,210	27,790	1
Acquisition of Property, plant and Equipment	3,500,000	862,000	4,362,000	4,351,871	10,129	0
Proceed from sale of PPE	-	-	-	(7,485)	7,485	N/A
Total	68,200,480	-	68,200,480	53,275,759	14,924,721	22
Net Receipts/Payments	-	-	-	-16,369	16,369	

Prof: Leonada R. Mwangi
Chairperson of the Board

Dennis K. Simba
Director General

Date 17.03.2026

6.0 NOTES TO FINANCIAL STATEMENTS

ESTABLISHMENT AND PRINCIPAL ACTIVITIES

i) Establishment of the Authority

The Public Procurement Regulatory Authority was established by the Public Procurement Act, No. 21 of 2004 (as repealed by Act No 7 of 2011). The Act stipulates in detail the objectives, functions and powers of the Authority. The Authority offices are located at Ununuzi Street, P. O. BOX 2865, Dodoma.

The overall management of PPRA is vested in the Board of Directors as the Governing body under the supervision of the Ministry of Finance. The Director General carries out the day-to-day operations of the Authority.

ii) Authorisation of Financial Statements

These financial statements for the year ended 30 June 2025 were authorised for issue on or before 31 March 2026 by the Board of Directors, following the tabling of the Controller and Auditor General's annual audit report to the National Assembly of the United Republic of Tanzania.

7.0 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) accrual basis. The measurement basis applied in the preparation of these financial statements is the historical cost and accrual basis, except where otherwise stated (for example, the Statement of Cash Flows).

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

Budget is prepared on cash basis while the statement of financial position and performance are Prepared on accrual basis. The variation between the accrual items versus cash items are reconciled through preparation of reconciliation statements of budget versus actual as per IPSAS 24 requirement.

The complete set of the financial statements comprises a statement of financial position, a statement of financial performance, a statement of changes in net assets, a cash flow statement, a comparison of budget and actual amounts, and notes comprising a summary of significant accounting policies and other explanatory notes.

7.1 GOING CONCERN

The Authority's Management has assessed the Authority's ability to continue as a going concern and is satisfied that the Authority has the resources to continue its operations for the foreseeable future. Moreover, Management has not found any suspicious information that may have impact on the Authority's ability to continue as a going concern. Therefore, the financial statements are prepared on the going concern basis.

7.2 CASH FLOW STATEMENT

The cash flow statement is prepared using direct method.

7.3 STATEMENT OF COMPLIANCE WITH IPSAS AND LAWS

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

7.4 NEW AND AMENDED STANDARDS ADOPTED BY THE AUTHORITY

The Authority is aware of a number of new standards and some amendments issued but not yet effective as at 30 June 2025 and which might have impact in the Authority financial statements. These standards are those that the entity reasonably expects to have an impact on disclosures, financial position or performance when applied at a future date. The entity intends to adopt these standards when they become effective. The Standards includes;

There are two (2) new Standards issued by the International Public Sector Accounting Standards Board (IPSASB) but were not yet effective up to the date of issuance of the Authority's financial statements. The new Standards are:

- a) IPSAS 43 - Leases: IPSASB approved IPSAS 43, Leases with an effective date of 1 January 2025. IPSAS 43 supersedes IPSAS 13, Leases and introduces the right-of-use model for lessees, aligning with IFRS 16, Leases. The IPSASB will continue consideration of public sector specific leasing issues, such as concessionary leases, in its Other Lease-Type Arrangements project. The standard is applicable in FY 2025/26, and the Authority's has identified three lease agreements for recognition as right of use assets and lease liabilities.
- b) IPSAS 44- Non-current Assets Held for Sale and Discontinued Operations: In May 2022 IPSASB issued IPSAS 44 that specifies the accounting for assets held for sale and the presentation of discontinued operations. It requires assets that meet the criteria to be classified as held for sale, the standard will be applicable in FY 2025/26, and the

policy will be updated for presentation, no material quantitative impact is expected. Assets held for sale are measured at the lower of carrying amount and fair value less costs to sell and depreciation on such assets to cease; and presented separately in the statement of financial position and results of discontinued operations to be presented separately in the Statement of financial performance. IPSAS 44 will be effective for periods beginning on or after 1 January 2025.

- c) **IPSAS 45 - Property, Plant and Equipment:** This standard provides guidance on accounting for Property, Plant and Equipment so that users of Financial Statements can discern information about an entity's investment in its PPE and the changes in such investment. The standard applies to PPE used to develop or maintain the biological assets related to agricultural activity other than bearer plants, Mineral rights and mineral reserves such as oil, natural gas and similar non-regenerative resources and the recognition and measurement of exploration and evaluation assets. IPSAS 45 removed IPSAS 17's scope exclusion of Heritage Asset. This standard will be effective on 1 January 2025 with earlier application permitted
- d) **IPSAS 46- Measurement.** The objective of this Standard is to define measurement bases that assist in reflecting fairly the cost of services, operational Capacity and financial Capacity of assets and liabilities. The Standard identifies approaches under those measurement bases to be applied through individual IPSAS to achieve the objectives of financial reporting. An entity that prepares and presents financial statements under the accrual basis of accounting shall apply IPSAS 46, Measurement in measuring assets and liabilities. The measurement requirements described in this Standard apply to both initial and subsequent measurement, unless specific guidance is included in the individual IPSAS. IPSAS 46 will be effective for periods beginning on or after 1 January 2025
- e) **IPSAS 47-Revenue** which is effective for annual periods beginning on or after 1 January 2026. IPSAS 47 replaces the existing three revenue standards IPSAS 9, IPSAS 11 and IPSAS 23, and presents accounting models which will improve financial reporting and support effective public sector financial management. The objective of this Standard is to establish the principles that an entity shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions. To meet the objective, the Standard:
 - i) Requires an entity to consider the terms of the transaction, and all relevant facts and circumstances, to determine the type of revenue transaction; and
 - ii) Sets out the accounting requirements to account for the revenue transaction.
- f) **IPSAS 48-Transfer Expenses** which is effective for annual periods beginning on or after 1 January 2026. IPSAS 48 provides accounting guidance for transfer expenses, which account for a significant portion of expenditures for many public sector

entities. This new Standard fills a significant gap in the IPSASB's literature and provides guidance to help entities account for public sector transfer expense transactions.

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

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

h) IPSAS 49: Retirement Benefit Plans

The objective of IPSAS 49 is to prescribe the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants.

IPSAS 49 establishes comprehensive accounting and reporting requirements for the financial statements of retirement benefit plans, with participants comprising current and former public sector employees and other eligible members.

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

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

i) IPSAS 50: Exploration for and Evaluation of Mineral Resources

The International Public Sector Accounting Standards Board (IPSASB) has issued a new International Public Sector Accounting Standard 50 on Exploration for and Evaluation of Mineral Resources. IPSAS 50 provides guidance related to the costs incurred for exploration for, and evaluation of, mineral resources (for example, minerals, oil, natural gas and similar non-regenerative resources), as well as the costs of determining the technical feasibility and commercial viability of extracting the mineral resources

7.5 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

7.5.1 RECLASSIFICATION OF EXPENSES

In preparation of financial statements for the year ended 30 June 2025, expenses have been reclassified to reflect the nature of expenses incurred (Classification by Nature). This reclassification of expenses had been applied consistently as previous year.

7.5.2 FUNCTIONAL, PRESENTATION, CURRENCY TRANSLATION AND ROUNDING OFF

Functional and Presentation Currency

In line with IPSAS 4, items included in the financial statements are measured in Tanzanian shillings, the currency of the primary economic environment in which the Authority operates ("functional currency"). The financial statements are presented in Tanzanian Shillings, which is the Authority's functional and presentation currency, and all values are rounded to the nearest thousand (TZS'000) except where otherwise stated.

Foreign Currencies Translation

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

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. On-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date the fair value was determined.

Balances in the Financial Position which are in foreign currency are translated at the closing rate at the date of that statement of Financial Position.

7.5.3 PROPERTY AND EQUIPMENT

Property and equipment that qualify for recognition as an asset will be measured at its cost. Where an asset is acquired through a non-exchange transaction, its cost will be measured at its fair value as at the date of acquisition. These assets are subsequently shown at historical cost, less accumulated depreciation and impairment loss. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to Authority and the cost of the item can be reliably measured.

Where an asset is acquired at no cost, or for a nominal cost through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

The Authority has elected to use the cost model for all classes of property, plant and equipment. Depreciation is calculated on a straight-line method. According to Public Assets Management Regulation GN No.380, the cost or revalued amount of the Assets are allocated to its residual value over estimated useful life as follows:

Description	Useful life (Rate (%)(Per Annum)
Motor vehicles	10 years (10)
Computers	8 years (12.5)
Furniture, Fittings and Equipment	10 years (10)
Buildings	50 years (2)
Computer Systems and Programme	10 years (10)

Major renovations are depreciated over the remaining useful life of the related assets or to the date of the next major renovation, whichever is sooner. All other repairs and maintenance expenditure are charged to the Statement of Financial Performance during the financial period in which it is incurred. The asset's residual values and useful lives are reviewed and adjusted if appropriate at each Statement of Financial Position date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Review of Remaining Economic Life of Assets

According to Public Assets Management Guidelines 2019 together with Treasury Circular No.6 of 2018/19 and The Public Finance (Management of Public Property) Regulations, 2024 requires all Accounting Officers to review useful life of their Non-Current Assets which are still in use.

7.5.4 INTANGIBLE ASSETS

Expenditure which enhances and extends the computer software programmes beyond their original specifications and lives is recognized as a Capital improvement and added to the original cost of the software. Computer software development costs recognized as assets are amortized using the straight-line method over their useful lives, estimated at two years.

7.5.5 IMPAIRMENT OF ASSETS

Assets that are subject to the depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separable identifiable cash flows (cash generating units). No impairment review for the assets was carried out by the Authority since such events or changes did not exist during the year under review.

7.5.6 PROVISIONS

Provisions are recognized when the Authority has a present or constructive obligation as a result of past events which it is probable that will result in an outflow of economic benefits that can be reliably estimated.

7.5.7 INVENTORIES

Inventories are measured at cost upon initial recognition. Inventories that are acquired through non-exchange transactions, are measured at their fair value at the date of acquisition. Subsequently inventories are valued at the lower of cost and current replacement cost.

Cost is determined on a weighted average cost method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Inventories are recognized as an expense when issued for consumption in the normal course of operations of the Authority.

7.5.8 ACCOUNTS PAYABLES AND ACCRUALS

Accounts payable and accruals are obligations arise from the goods purchased and services rendered but they are not paid for as at the reporting date. Initially Payables are recognized and measured at their fair and subsequently measured at amortized cost using the effective interest method. They are classified as current liabilities if they are due within a year or less, if not they are presented as noncurrent liabilities.

7.5.9 TRADE AND OTHER RECEIVABLES

Trade receivables are recognized initially at fair value and subsequently measured at value less provision for bad and doubtful debts. Specific provision shall be made in the financial statements against trade receivables considered to be doubtful of collection. When a trade receivable is Uncollectable, it is written off against the Provision for bad and doubtful debts accounts. Subsequent recoveries of amounts previously written off are credited against operating expenses in surplus or deficit.

7.5.10 CASH AND CASH EQUIVALENTS

The Authority's Cash and Cash Equivalents comprise cash at bank only, and are subject to an insignificant risk of changes in value. They are initially and subsequently measured at their fair value.

7.5.11 REVENUE RECOGNITION

(a) REVENUES FROM NON - EXCHANGE TRANSACTIONS

The Authority recognizes revenues from fees when service is rendered and the asset recognition criteria are met. Other no exchange revenues are recognized when it is probable that the future

economic benefits or service potential will flow to the Authority and the fair value of the asset can be measured reliably.

(i) Fees, Fines, Penalties and forfeits

The Authority recognizes revenue from fees charged from various services rendered which are advertising fees, Annual fees, and Registration fees only when it is probable that the economic benefits associated with the transaction will flow to the Authority.

(ii) Amortization of revenue Grants from the Government

Revenue grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. When there are conditions attached to government grants, grants are recognized as a liability in a Statement of Financial Position and when amortized are recognized immediately in the Statement of Financial Performance. When there no conditions attached, they are recognized in total in the Statement of Financial Performance.

Thus, according to MUSE accounting system all transfers/inflow from the government are recognized as assets and liability, then during operations the recipient reduce carrying amount of the liability recognized and recognize an amount of revenue equal to that reduction.

(iii) Other Revenue

The Authority recognizes revenue from other revenue charged from various services rendered which are miscellaneous receipts, miscellaneous income, Professional fees, receipt from Audit fees and Tender Documents only when it is probable that the economic benefits associated with the transaction will flow to the Authority.

(iv) Transfer Revenue

Assets and revenue recognized as a consequence of a transfer are measured at the fair value of the assets recognized as at the date of recognition. Non-monetary assets are measured at their fair value, which is determined by reference to observable market values or by independent appraisal by a member of the valuation profession. Receivables are recognized when a binding transfer arrangement is in place, but cash or other assets have not been received.

Assets and revenue arising from transfer transactions are recognized in the period in which the transfer arrangement becomes binding, except for some services in-kind. The Authority recognizes only those services in-kind that are received as part of an organized program and for which it can determine a fair value by reference to market rates. Other services in-kind are not recognized. Where a transfer is subject to conditions that, if unfulfilled, require the return of the transferred resources, the Authority recognizes a liability until the condition is fulfilled.

(b) REVENUES FROM EXCHANGE TRANSACTION.

Revenue from Exchange Transactions is recognized to the extent that it is probable that the economic benefits will flow to the Authority and the amount can be measured reliably.

(i) Receipts from Training and Examination fees

The Authority recognizes receipts from training and examination fees charged for various services rendered only when it is probable that the economic benefits associated with the transaction will flow to the Authority.

7.5.12 EMPLOYEES BENEFITS

In line with IPSAS 39, the Authority had the following employee benefits:

(i) Defined Contribution Plan

The Authority contributes to statutory defined benefit for its employees under the Permanent and Pensionable term of employment at the rate of 15% of basic salary to the Public Service Social Security Fund (PSSSF) on a mandatory basis.

The Authority has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefits expense when they are due and are charged to the statement of financial performance in the year to which they relate.

(ii) Other Long - Term Employment Benefits

Gratuity arrangement is based on 25% on the monthly basic pay and qualifies as a defined benefit plan. For the period ended 30 June 2025, the Authority had one employee under Defined Benefit Plan Scheme.

(iii) SHORT - TERM EMPLOYEE BENEFITS

Short-term employee benefits, such as leave Travel, are recognized during the period in which the employee renders the related service. The Authority recognizes the expected cost of employee rewards only when the Authority has a present legal or constructive obligation to make such payment, and a reliable estimate can be made. For the year ended 30 June 2025 all employee took their leave and they were not paid their Leave Travel as per leave travel requirement provided in the Standing Order There was no leave travel outstanding for respective financial year.

7.5.13 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Authority's financial assets include cash and bank balances while financial liabilities include trade and other Payables.

Financial Assets and Liabilities

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

Classification of Financial Assets

The Authority shall classify financial assets as subsequently measured at amortized cost on the basis of the following criteria,

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

Financial asset at Amortized cost

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

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

Classification of Financial liabilities

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

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

Reclassification

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

Measurement

Initial measurement

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

Subsequent measurement of financial assets

After initial recognition, the Authority measures financial asset with respect to their classification at Amortized cost using the effective interest method. However, the Authority measures Short-term receivables at the original invoice amount if the effect of discounting is immaterial.

Subsequent measurement of financial liabilities

After initial recognition, the Authority shall measure a financial liability amortized cost or fair value according to their classification. However, the Authority measures Short-term payables at the original invoice amount if the effect of discounting is immaterial.

Impairment of Financial assets

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

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

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

Derecognition of a financial asset

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

The rights to receive cash flows from the asset have expired or is waived. The Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either:

- the Authority has transferred substantially all the risks and rewards of the asset, or
- the Authority has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

Derecognition a financial liability

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

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

8.0 RELATED PARTIES

The key management personnel (as defined by IPSAS 20, "Related Party Disclosures") are the members of the Board of Directors and Management, who together, constitute the governing body of PPRA. Related party transactions are disclosed under Note 31 and 32.

9.0 FINANCIAL RISK MANAGEMENT

In the period ended 30 June 2025, the Authority continued to implement financial risk management activities based on the Annual Risk management Action Plan and prevailed economic, financial, social and regulatory environment in the country. The overall objectives in managing risks were to ensure that appropriate Internal Controls are in place and are effective in safeguarding the Authority's Assets, enhancing compliance with the laws and protecting the organizational image to the public.

During the year under review, the Authority conducted financial risk management assessment and implemented mitigations measures that were designed to address prevailing risks to which the Authority was exposed. Further, financial risk management reviews were conducted, and the key risks and results were reported to the Board of Directors for decision and guidance.

The key financial management risks that were identified during the reporting period include Financial, Credit risk, Liquidity, as indicated in the Authority Risk Management Register. The

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

risks identified during the period were mitigated by developing and implementing controls designed to minimize the likelihood of occurrence of the potential risks.

(a) Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk mainly arises from receivables with customers and cash balances held at commercial banks. The Authority is exposed to credit-related losses in the event of non-performance by counterparties to financial instruments. However, the Authority does not regard there to be any significant concentration of credit risk, thus, it mitigates the credit risk by maintaining cash and cash equivalents with reputable financial institutions; and recovering staff debts, imprest or salary advance in terms of the applicable regulations directly from the employee's salary and/or pension.

The Authority's maximum exposure to Credit Risk as at 30 June 2025 is as shown below:

	30 June 2025	30 June 2024
	TZS'000	TZS'000
Cash and Cash Equivalents	670,742	1,658,993
	<u>670,742</u>	<u>1,658,993</u>

(b) Liquidity Risk

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

The Authority manages its liquidity risk to ensure it is able to meet estimated expenditure requirements based on approved budget and through the use of cash flow forecasts. This is achieved through prudent liquidity risk management which includes maintaining sufficient cash and cash equivalents. Furthermore, the Authority strived to ensure that receivables were settled within 30 days after the due date by introducing interest on late payments and maintaining active follow up on outstanding debts.

10.0 BUDGET PERFORMANCE INFORMATION

IPSAS 24 requires a public sector entity that is required or elect to make publicly available its approved budget to present budgetary information covering classification and basis adopted in the approved budget, budget period covered, explanation of changes between approved original and final budget because of reallocations within budget and material difference (variances) between the final budget amounts and actual amounts during the year for both revenue and expenditure.

10.1 BUDGETARY BASIS

The budget for financial year 2024/25 was prepared on cash basis as per requirements of the law and relevant Government Circulars. It was also prepared in line with the Medium - Term Expenditure Framework (MTEF) as one of the requirements of the Government Budget Guidelines for Preparation of 2024/25 budget.

10.2 BUDGET PERIOD COVERED

The budget for the financial year 2024/25 covered a twelve (12) months period starting 1 July 2024 to 30 June 2025.

10.3 CHANGES BETWEEN APPROVED ORIGINAL AND FINAL BUDGET

During the financial year 2024/25, the Authority revised its budget to consider the projections for the year ended 30 June 2025. Generally, re - allocation proposed covered expenditure only, and indicated no increase in total expenditure budget. The proposed reallocation was considered among expenditure line items.

10.4 BUDGET VARIANCES EXPLANATION

Funds allocated for Recurrent and Development Budget were less than what was budgeted for FY 2024/25. The Authority received during the period under review 90 percent of Government subvention for Recurrent Other charges, 100% for Development Local and 57% for development foreign and 66%, whereas 66 percent was for Own source budget. The Authority had on going activities and contracts as at the period end and therefore expenditure was lower than the budgeted amount.

	30 June 2025 TZS'000	30 June 2024 TZS'000
NOTE 11: CASH AND CASH EQUIVALENTS		
Recurrent Expenditure Cash Account-NMB	1,585	-
Deposit General Cash Account	-	1,011,789
Unapplied Cash Account	18,149	-
Own source Collection Account - CRDB	60	27
Own source Collection Account - NMB	772	1,258
BoT Own source Collection Account	606,277	664,639
Own source Recurrent Expenditure GF	43,899	3,038
	670,742	1,680,751
Provision of Credit Loss	(711)	(21,758)
	670,031	1,658,993

NOTE 12. PREPAYMENTS AND ADVANCE

Prepayment to Government Entities	102,405	1,444,660
	102,405	102,405

During the period ending on 30 June 2025, the Authority had prepayments of TZS 102,405,000 representing a refundable rent deposit to PSSSF (paid in 2018).

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

NOTE 13. RECEIVABLE

Staff salary advance	<u>12,150</u>	<u>12,150</u>
	<u>12,150</u>	<u>12,150</u>

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

14. PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2025

Details/Cost	Land TZS "000"	Building TZS "000"	Motor vehicle TZS "000"	Plant & Machinery TZS "000"	Computers TZS "000"	Office Equipment TZS "000"	Furniture TZS "000"	Total TZS "000"
Cost as at 1 July 2024	826,510	5,691,049	1,248,307	257,601	733,856	1,861,757	1,713,328	12,332,408
Additions for the Year - PPRA	240,599	-	1,788,096	-	373,246	2,207,554	1,172,524	5,782,019
Transferred Assets	-	-	-	-	-	-	-	-
Disposal for the year - PPRA	-	-	(379,297)	-	(239,736)	(816,630)	(102,696)	(1,564,218)
As at 30 JUNE 2025	<u>1,067,109</u>	<u>5,691,049</u>	<u>2,657,106</u>	<u>257,601</u>	<u>867,366</u>	<u>3,252,681</u>	<u>2,654,601</u>	<u>16,447,513</u>
Depreciation	-	-	-	-	-	-	-	-
At 1 July 2024	-	131,849	666,800	5,727	354,788	1,087,797	267,430	2,514,391
Charge for the year - PPRA	-	113,920	95,517	16,792	86,810	171,345	259,793	744,177
Transferred Assets	-	-	-	-	-	-	-	-
Disposal - PPRA	-	-	(334,648)	-	(215,819)	(717,477)	(85,955)	(1,382,487)
As at 30 JUNE 2025	<u>-</u>	<u>245,769</u>	<u>427,669</u>	<u>22,519</u>	<u>225,779</u>	<u>541,665</u>	<u>326,725</u>	<u>1,790,126</u>
At 30 JUNE 2025	<u>1,067,109</u>	<u>5,445,280</u>	<u>2,229,437</u>	<u>235,082</u>	<u>641,587</u>	<u>2,711,016</u>	<u>2,327,876</u>	<u>14,657,387</u>
At 30 JUNE 2024	<u>826,510</u>	<u>5,559,199</u>	<u>581,507</u>	<u>251,874</u>	<u>379,068</u>	<u>773,960</u>	<u>1,445,897</u>	<u>9,818,016</u>

*During the year, the Authority total acquisitions of Assets were TZS 5,782,019,000 which consist of Land TZS 240,599,000, Motor vehicles TZS 1,788,096,000, Automatic Generator (plant & machinery) TZS 257,601,000, Office Equipment TZS 2,207,554,000, Computers TZS 373,246,000 and Furniture TZS 1,172,524,000.

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2024

	Land	Building	Motor vehicle	Plant & Machinery	Computers	Office Equipment	Furniture	Total
Details/Cost	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"	TZS "000"
Cost as at 1 July 2023	826,510	301,000	1,248,307		560,717	1,408,716	343,290	4,688,540
Additions for the Year - PPRA		5,647,650	-		173,139	453,041	1,370,037	7,643,867
Adjustment for the year		(257,601)		257,601				
As at 30 JUNE 2024	826,510	5,691,049	1,248,307	257,601	733,856	1,861,757	1,713,327	12,332,407
Depreciation								
At 1 July 2023	-	90,933	595,929	-	317,713	1,032,181	228,484	2,265,239
Charge for the year - PPRA		42,639	70,871	5,727	37,075	55,616	38,946	250,874
Adjustment for the year		(1,722)						(1,722)
As at 30 JUNE 2024	-	131,850	666,800	5,727	354,788	1,087,797	267,430	2,514,391
Net book value								
At 30 JUNE 2024	826,510	5,559,199	581,507	251,874	379,068	773,960	1,445,897	9,818,016
At 30 JUNE 2023	826,510	210,067	652,378	-	243,004	376,535	114,806	2,423,301

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

	30 June 2025	30 June 2024
	TZS'000	TZS'000
15. WORK IN PROGRESS - SOFTWARE		
Work in progress - Software	-	7,604,802
	-	7,604,802
16. INTANGIBLE ASSETS		
Cost as at 01 July 2024	712,484	588,238
Additions	9,632,123	124,246
Cost as at 30 June 2025	10,344,607	712,484
<u>Accumulated Amortization</u>		
Balance as at 01 July 2024	598,722	588,238
Amortization during the year	785,727	10,484
Accumulated Amortization as at 30 June 2025	1,384,448	598,722
Net Book Value	8,960,158	113,762

The Authority has some intangible assets which are fully amortized but are still in use and generating economic benefits to PPRA while other software are obsolete and fully amortized. Below is the table of fully amortized assets at cost.

Asset category

Computer Software Non-Monetary Accounting (SAGE 300ERP) and Audit (Team mated & ACL) Software's	124,245,943	-
Old Accounting Software (SAGE ACCPAC)	185,765	-
Total	402,473	-
	124,834,181	-

17. Deferred Income (Revenue)

Deferred Income Revenue	1,585	-
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18. DEPOSIT

	2024/25	2023/24
	TZS'000	TZS'000
Deposit	-	1,011,789
Unapplied deposit Account	18,149	
	18,149	1,011,789

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

	30 June 2025 TZS'000	30 June 2024 TZS'000
19. ACCOUNTS PAYABLES AND ACCRUALS		
Supplies of goods and services	1,729,714	90,000
Withholding tax	-	193
International Contribution Payable	38,703	-
Payable - Asset Addition	1,883,910	1,740,906
Settlement of Suppliers Debts	(1,375,447)	
Development Deferred income	-	10,087
	<u>2,276,880</u>	<u>1,841,186</u>

20. DEFERRED REVENUE (CAPITAL)

Deferred Capital Grant	994,096	1,000,936
Development Deferred Income	-	-
	<u>994,096</u>	<u>1,000,936</u>

During the year under review, the Authority held a Deferred Revenue (Capital) of TZS 994,096 which was related to the building received from the Government. This represented a decrease of 6,839 from the previous year's amount of TZS 1,000,935 with the decrease attributed to amortization recognized in the statement of financial performance.

21. REVENUE FROM NON-EXCHANGE TRANSACTIONS

i) AMORTIZATION OF REVENUE GRANTS FROM THE GOVERNMENT

Government Grant Development Foreign	6,023,516	
Government Grant Development local	3,848,533	8,709,917
Government Grant Other Charges	18,070,196	7,405,463
Government Grant Personal Emolument	6,108,202	4,574,911
	<u>34,050,447</u>	<u>20,690,291</u>

The Authority received funds for Development Activities under the PFMRP amount TZS 7,023,516,000 of which TZS 1,500,000 was received from local and TZS 6,023,516,000 from foreign funds. As of 30 June 2025, the Authority had expended all received fund.

Moreover, it is noteworthy that all unspent funds from PFMRP local funding during the last financial year were successfully utilized in their entirety during the period under review.

ii) FEES, FINES, PENALTIES & FORFEITS

Advertising fees	3,236,630	2,904,235
Receipt from Annual Fees	1,141,300	1,796,950
Registration Fees	4,171,036	3,085,517
	<u>8,548,966</u>	<u>7,786,702</u>

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

	2024/25 TZS'000	2023/24 TZS'000
REVENUE FROM NON-EXCHANGE TRANSACTIONS (CONTINUED)		
iii) OTHER REVENUE		
Miscellaneous Receipts	183,273	49,946
Amortization of Office Building	6,839	4,885
Professional Fees	1,101,540	471,850
Tender Documents	7,110,816	2,952,711
	8,402,468	3,479,392
22 REVENUE FROM EXCHANGE TRANSACTIONS		
Receipt from training and examination fees	2,272,850	4,424,290
	2,272,850	4,424,290

*** During the year of review, out of total revenue of TZS 53,295,777,000 total amounts of TZS 6,324,081,000 were used to acquire Capital items, while out of total revenue of TZS 36,380,675,000 for the previous year, TZS 8,456,279,000 were used to acquire capital items. The summary of capital items are shown below:

Description	2024/25 (TZS'000)	2023/24 (TZS'000)
Office furniture	1,011,789	1,370,037
Software	2,021,663	3,268,230
Land	240,599	-
Motor vehicles	1,037,738	-
Equipments	2,012,292	275,463
Prepayment of PPE	-	1,342,255
Office Building	-	2,200,294
Total	6,324,081	8,456,279

23. WAGES, SALARIES AND EMPLOYEE BENEFITS	2024/25	2023/24
	TZS'000	TZS'000
Casual Labour Expenses	-	262,122
Civil Servants	6,108,202	4,574,911
Civil Servants Contract	-	11,764
Court Attire Allowance	30,000	12,000
Diezel Allowances	750,433	791,300
Electricity	95,065	63,420
Extra-Duty	3,142,282	2,278,550
Facilitation Allowance	1,826,017	667,803
Food and Refreshment	616,971	128,025
Furniture	112,800	176,377
Honoraria	-	473,657
Housing Allowance	1,403,244	867,130
Internship Allowance	160,150	160,000
Leave Travel	9,000	437,031
Medical and Dental Refunds	229,604	190,000

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Moving Expenses	549,552	368,000
Outfit Allowance	14,740	9,500
Professional Allowances	-	20,000
Risk Allowance	969,240	439,339
Sitting Allowance	270,608	113,690
Special Allowance	420,120	147,310
Subsistence Allowance	479,350	287,595
Telephone	702,074	307,480
Transport Allowance	681,752	199,820
Uniform Allowance	43,400	26,721
Water Allowance	40,650	-
	<u>18,655,254</u>	<u>13,013,545</u>

*TZS 183,246 of NHIF have been included in Civil Servants (6,108,202 *3%

** TZS 1,221,640 of PSSSF have been included in Civil Servants (6,108,202 *20%)

	2024/25 000'	2023/24 000'
24. USE OF GOODS AND SERVICE		
Advertising and Publication	632,353	177,681
Air Travel Tickets	238,880,	224,534
Catering Services	168,000	-
Cleaning Supplies	51,453	-
Communication Network Services	202,348	30,000
Computer Software - Use of goods and Services	26,911	327,935
Computer Supplies and Accessories	137,292	36,177
Conference Facilities	1,609,386	433,845
Consumable Medical Supplies	6,000	2,310
Courier Services	1,200	4,525
Diesel	743,528	481,531
Drugs and Medicines	3,000	4,050
Educational Radio and TV broadcasting programming	130,000	-
Electricity	163,736	79,640
Entertainment	354,040	188,720
Exhibition, Festivals and Celebrations	276,478	-
Food and Refreshments	1,741,412	1,427,899
Gifts and Prizes	63,704	82,286
Ground Transport (Bus, Train, Water)	39,200	6,750
Ground travel (bus, railway taxi, etc)	2,499,572	1,362,347
Internet and Email connections	190,043	225,620
Newspapers and Magazines	11,530	6,724
Office Consumables (papers, pencils, pens and stationaries)	389,479	221,953
Outsourcing Costs (includes cleaning and security services)	33,585	91,049

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Per Diem - Domestic	13,932,709	7,454,018
	<u>23,645,839</u>	<u>12,869,594</u>
	2024/25 000'	2023/24 000'
24. USE OF GOODS AND SERVICE (CONTINUED)		
Per Diem - Foreign	266,025	305,803
Posts and Telegraphs	17,926	18,905
Printing and Photocopy paper	110,810	53,004
Printing Material	5,400	-
Production and Printing of Training Materials	344,675	-
Protective Clothing, footwear and gears	1,943	1,000
Publicity	120,000	-
Remuneration of Instructors	21,420	-
Rent - Office Accommodation	91,101	373,181
Research and Dissertation Training - Domestic	16,000	-
Special Uniforms and Clothing	-	2,000
Subscription Fees	257,917	112,120
Technical Service Fees	471,302	168,820
Telephone Charges (Land Lines)	37,082	38,401
Textbooks	12,060	500
Training Allowances	-	6,000
Tuition Fees	409,205	99,999
Visa Application Fees	4,996	3,250
Water Charges	16,789	-
	<u>2,204,651</u>	<u>1,182,983</u>
Total	<u>25,850,491</u>	<u>14,052,576</u>
	30-Jun-25 TZS'000	30-Jun-24 TZS'000
25 MAINTENANCE EXPENSES		
Cement, Bricks and Building Materials	-	29,238
Computers, printers, scanners, and other computer related equipment	32,915	83,520
Direct Labour (contracted or casual hire)	2,860	1,000
Motor Vehicles and Watercraft	132,477	142,397
Outsource maintenance contract services	78,323	-
Outsource maintenance contract services	4,800	-
Paint and Weather Protection Coatings	-	5,004
Repair and Maintenance of Furniture	-	8,564

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

TV sets and Radios	500	-
Tyres and Batteries	16,242	8,550
Total	268,117	278,273
26 OTHER EXPENSES		
Agency fees	64,086	10,000
Car Wash	6,750	10,740
Parking Expenses	1,200	8,497
consultancy fees	80,000	-
Director's Fee	72,000	42,000
Burial Expenses	17,800	36,800
Security Services	48,847	29,929
Taxes Levied by another Level of Government	1,497,393	-
Total	1,788,076	137,966
27 TRANSFERS		
Grants, Subsidies and other Transfer Payments	700,000	100,000
	700,000	100,000

28. RELATED PARTY TRANSACTIONS AND BALANCES

The key management personnel (as defined by IPSAS 20, "Related Party Disclosures") are the members of the Board of Directors and Management, who together, constitute the governing body of PPRA. Details of the payments to the related parties is as shown in 30 and 31.

29. BOARD REMUNERATION

The remunerations of the Board of Directors are approved by the Treasury Registrar and are reviewed from time to time to match with what is being paid in similar Government organisations. During the period ended 30 June 2025, the annual Directors Fees were paid to four members of the Board of Directors at the approved rates as follows; TZS 12,000,000 for Chairman and TZS 10,000,000 to other members of the Board.

30. Board Remuneration

Details	Number of persons	2024/25	2023/22
		TZS '000	TZS '000
Directors' fees	6	72,000	42,000
Total Remuneration	6	72,000	42,000

31. COMPENSATION OF SENIOR STAFF

The senior staff consists of DG, heads of divisions, heads of independent units, and heads of sections. During the year, remuneration of senior staff was as follows: -

Details	Number of Staff	2024/25	2023/24
		TZS'000	TZS'000
Salaries	29	2,288,732	2,194,850
Retirement benefit obligations	29	458,646	444,370

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Utilities	29	153,470	138,770
Housing allowance	29	314,400	283,400
Total		3,215,248	3,061,390

32. ANALYSIS OF CASH PAYMENTS PRESENTED IN CASH FLOW STATEMENT

		2024/25	2023/24
		TZS'000	TZS'000
Description			
Wages, Salaries and Employee Benefits		18,655,254	13,013,545
Adjustments for Non-cash expenses			
Cash payments during the year	e	18,655,254	13,013,545
Use of Goods and Service		25,850,491	14,052,576
Add/Less (Change in working Capital)			
With-holding Tax		-	(193)
Payable and accruals		(1,729,714)	-
Adjustments for Non-cash expenses			
Payment of Outstanding Audit Fee		90,000	80,000
Payment of Outstanding Withholding Tax		193	-
Payment of construction of office building		1,336,744	-
Accrued Audit Fee for 2023-24		-	(90,000)
Cash payments during the year	f	25,547,714	14,042,383
Maintenance Expenses		268,117	278,273
Cash payments during the year	g	268,117	278,273
Other Expenses		1,788,076	137,966
Cash payments during the year	h	1,788,076	137,966
Grants, Subsidies and other Transfer Payments			
Revenue Transfer	i	700,000	100,000
Cash Payment		700,000	100,000
Payment to Jaffery Ind. Saini Ltd during the period		1,011,789	-
Unapplied Deposit Account		(18,149)	-
Cash Deposit Payments during the period	j	993,640	-
Total cash payments		47,952,801	27,572,168

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

33. ANALYSIS OF CASH RECEIPTS

	2024/25 TZS'000	2023/24 TZS'000
Description		
Amortization of Revenue Grants from Government as Performance on accrual basis	34,050,447	20,690,291
Adjustments for Non cash revenue/Unamortized Revenue	-	-
Revenue ~Grants Non - Monetary	(6,839)	(4,885)
Deferred Income Capital Grants Received but not yet amortized	-	10,087
Deposit received but not yet expended	-	1,011,789
Last financial year fund amortized during the year	(10,087)	-
Recurrent Deferred income - Addition	1,585	-
Cash receipts during the year a	34,035,105	21,707,282
 Fees, Fine, Penalties and Forfeits as per statement of financial performance	 8,548,966	 7,786,702
Adjustments for non-cash item	-	-
Cash receipts during the year b	8,548,966	7,786,702
 Other Revenue	 8,394,983	 3,479,392
Proceeds from sale of Assets	7,485	-
Adjustments for Non cash revenue	-	-
Amortization of revenue of Office buildings and structures	-	-
Other Revenue receipts during the year c	8,402,468	3,479,392
 Receipts from training and examination fee	 2,272,850	 4,424,290
Cash receipts during the year d	2,272,850	4,424,290
Total cash receipts	53,259,389	37,397,666

34. RECONCILIATION OF BUDGET INFORMATION

Reconciliation between of actual amounts on a comparable basis as presented in the statement of Budget Vs Actual and net cash flows from operating, investing and financing activities in the statement of Cash Flows.

Description	Operating TZS 000	Investing TZS 000	Total TZS 000
Actual Amount on Comparable Basis as presented in the statement of Budget Vs Actual	6,300,227	6,316,596	12,616,823
Basis Differences	(993,639)	-	(993,639)
Actual amount in the statement of Cash Flows	5,306,588	6,316,596	11,623,184

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

35. RECONCILIATIONS OF NET CASH FLOW FROM OPERATING ACTIVITIES TO SURPLUS

Description	Note	2024/25 TZS'000	Note	2023/24 TZS'000
Surplus for the year:		4,312,949		8,520,795
Adjustments for Non-cash item				
Depreciation	14	744,177		249,153
Amortization	16	785,727		10,484
Loss on Disposal of Assets	40	190,987		
Revenue Grant Non-Monetary	33(c)	(6,839)		(4,885)
Reversal of ECL for Cash	41	(21,047)	41	17,882
Deposit	32(j)	(993,640)	11	1,011,789
Increase in deferred revenue	17	1,585		
Decrease in development deferred income	19	(10,087)		-
Increase in accounts payables	19	302,777		20,280
Net cash flows from operating activities		5,306,588		9,825,499

36. CONTINGENT ASSETS AND LIABILITIES

During the financial year 2024/25, Tanzania Revenue Authority raised a corporate tax of TZS 969,896,935.55 to the Authority as a cooperate tax liability, where the Authority has filed an appeal to the Tax Revenue Appeals Board (TRAB), and according to IPSAS 19, the said amount should be disclosed as a contingent liability.

37. COMPARATIVE FIGURES

Comparative figures have been regrouped or adjusted necessary to conform to changes in presentation in the current year.

38. INTER PUBLIC ENTITIES TRANSACTIONS

S/N	DESCRIPTION	TRANSACTION AMOUNT(TZS)	BALANCE (TZS)
1	ARUSHA INTERNATIONAL CONFERENCE CENTRE	957,162,044.83	-
2	CONTROLLER AND AUDITOR GENERAL	90,000,000.00	-
3	GOVERNMENT PROCUREMENT SERVICES AGENCY	705,056,962.74	-
4	NATIONAL HEALTH INSURANCE FUND	252,378,400.00	-
5	PUBLIC SERVICEEE SOCIAL SECURITY FUND	31,551,840.00	-
6	TANZANIA BROADCASTING CORPORATION	17,700,000.00	-
7	TANZANIA ELECTRIC SUPPLY COMPANY LTD	155,394,568.70	-
8	TANZANIA POSTS CORPORATION	16,822,800.00	-
9	TANZANIA REVENUE AUTHORITY	2,110,814,878.76	1,497,392,999.68

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

10	TANZANIA TELECOMMUNICATION CORPORATION	149,024,642.83	-
11	TREASURY REGISTRAR	700,000,000.00	-
12	VETA	563,631,796.62	66,780,000.00
13	E GOVERNMENT AUTHORITY	462,015,276.00	64,310,000.00
14	NATIONAL SOCIAL SECURITY FUND	5,885,250.00	-
15	DODOMA MUNICIPAL COUNCIL	228,160,000.00	
16	TANZANIA BUILDING AGENCY	52,085,990.00	
17	NATIONAL BUREAU OF STATISTICS	16,820,000.00	
18	TABORA MUNICIPAL COUNCIL	12,439,310.00	
19	UNIVERSITY OF DAR ES SALAAM	10,000,000.00	
20	INSTITUTE OF ACCOUNTANCY ARUSHA	3,597,000.00	
21	MZUMBE UNIVERSITY	3,250,000.00	
22	MUHIMBILI ORTHOPAEDIC INSTITUTE	3,573,200.00	
23	MINISTRY OF FINANCE	3,500,000.00	
24	ENGINEERS REGULATORY BOARD	2,040,000.00	
25	DUWASA	7,004,177.52	72,819.49
26	SOKOINE UNIVERSITY OF AGRICULTURE	568,000.00	
27	MINISTRY OF EDUCATION, SCIENCE& TECHNOLOGY	26,000,000.00	-
28	TEMESA	13,160,110.75	-
	TOTAL AMOUNT	6,599,636,248.75	1,628,555,819.17

39. Restatement of Property, Plant and Equipment (PPE)

During the financial year 2024/25, the Authority identified a prior-year error relating to the classification of assets between *Office Buildings* and *Plant and Machinery (Automatic Generator)*.

The cost of Office Buildings of TZS 5,647,650,000 erroneously included TZS 257,601,000 for an Automatic Generator. Consequently:

- Depreciation on Office Buildings was overstated by TZS 1,722,000
- Depreciation on the Automatic Generator was understated by TZS 5,727,000
- From the above the total understated depreciation was TZS 4,005,000

In accordance with IPSAS 3 - Accounting Policies, Changes in Accounting Estimates and Errors, the Authority has retrospectively adjusted the financial statements for the year ended 30 June 2024.

The following table shows the impact of restatement on the financial statements (Figures in '000');

Description	Previously Reported (TZS) 2023/2024	Adjustment (TZS)	Restated (TZS)2024/2025
Property, Plant and Equipment	9,822,021	(4,005)	9,818,016
Accumulated Depreciation	133,572	4,005	137,577
Surplus for the year	8,524,801	4,006	8,520,795

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

Description	Previously Reported (TZS) 2023/2024	Adjustment (TZS)	Restated (TZS)2024/2025
Accumulated Surplus / Net Assets	16,802,478	(4,006)	16,798,472
Depreciation Expense	245,148	4,005	249,153

40. Loss on Disposal of Assets

Account Code	Description	June, 2025 TZS '000'	June, 2025 TZS '000'
22033109	Loss on disposal of property, plant and equipment	190,987	-
Total		190,987	-

41. EXPECTED CREDIT LOSS

a) COMPUTATION OF EXPECTED CREDIT LOSS FOR CASH BALANCES JUNE 2025

BANK NAME	ACCOUNT NUMBER	Rating Agency	BALANCE AS JUNE 2024 (EAD)	PD	LGD	ECL	CARRYING VALUE
			A	B	C	D=A*B*C	A-D
CRDB	0150500820100	Moody's	60,000.00	0.022	1.00	1,296.00	58,704.00
NMB	53010006786	Moody's	32,750,558.04	0.022	1.00	707,412.05	32,043,145.99
NMB	20110031672	Moody's	120,000.00	0.022	1.00	2,592.00	117,408.00
BOT	9925261831	Moody's	609,777,761.50	-	1.00	-	609,777,761.50
	Total		642,708,319.54			711,300.05	641,997,019.49

During the FY 2024/25, there is a decrease of TZS 21,046,956.15 in ECL from TZS 21,758,256.20 in 2023/24 to TZS 711,300.05 in 2024/25. This decrease is recognized as income in the 2024/25 Statement of Financial Performance.

b) COMPUTATION OF EXPECTED CREDIT LOSS FOR CASH BALANCES JUNE 2024

BANK NAME	ACCOUNT NUMBER	BALANCE AS JUNE 2024 (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D=A*B*C	A-D
CRDB	0150500820100	27,000.00	0.0216	-	-	27,000.00
NMB	53010006786	1,014,826,676.00	0.0216	0.99	21,758,256.20	993,068,419.80
NMB	20110031672	1,340,000.00	0.0216	-	-	1,340,000.00
BOT	9925261831	663,870,561.16	-	-	-	663,870,561.16
	Total	1,680,064,237.16			21,758,256.20	1,658,305,980.96

PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

COMPUTATION OF EXPECTED CREDIT LOSS FOR CASH BALANCES JUNE 2023

BANK NAME	ACCOUNT NUMBER	BALANCE AS JUNE 2023 (EAD)	PD	LGD	ECL	CARRYING VALUE
		A	B	C	D=A*B*C	A-D
CRDB	0150500820100	117,900,000	0.0216	0.94	2,384,640.00	115,515,360.00
NMB	53010006786	76,548,765	0.0216	0.90	1,491,453.32	75,057,311.56
NMB	20110031672	420,000	0.0216	-	-	420,000.00
BOT	9925261831	120,930,000	-	-	-	120,930,000.00
	Total	315,798,765			3,876,093.32	311,922,671.56

During the FY 2023/24, there is an increase of TZS 17,882,162.88 in ECL from TZS 3,876,093.32 in 2022/23 to TZS 21,758,256.20 in 2023/24. This increase is recognized as expenses in the 2023/24 Statement of Financial Performance

Where:

EAD Exposure at Default
 PD Probability of Default
 LGD Loss Given Default
 ECL Expected Credit Loss

42. Cash Acquisition of Intangible Assets**A. WIP Software**

Details	2025 (TZS '000')	2024 (TZS'000')	Monetary Addition
WIP Software	9,577,012	7,604,802	1,972,210

During the year 2024/25, the Authority continued with development of NeST system (WIP), which resulted to monetary addition of TZS 1,972,210, however by the year end the WIP balance was transferred to intangible asset, since the completion of phase 1 NeST development were accomplished.

B. Other Software

Details	2025 (TZS '000')	2024 (TZS'000')	Monetary Addition	Non-Monetary
Other software	179,357	124,246	49,453	5,658

During the year, total additions for other software was TZS 55,111,000 whereby TZS 49,453,000 was acquired through cash and TZS 5,658,000 was acquired on credit from Soft net Technologies. Therefore, total monetary acquisitions from WIP software and other software is TZS 2,021,663.

43. ASSETS PLEDGED AS SECURITY FOR LIABILITIES

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

44. CONTROLLING ENTITY AND ULTIMATE CONTROLLING ENTITY

The Ministry of Finance is the Controlling Entity and the Government of the United Republic of Tanzania is the Ultimate Controlling Entity of the Authority.