



THE UNITED REPUBLIC OF TANZANIA

NATIONAL AUDIT OFFICE



TANZANIA FISHERIES CORPORATION (TAFICO)

**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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March 2026

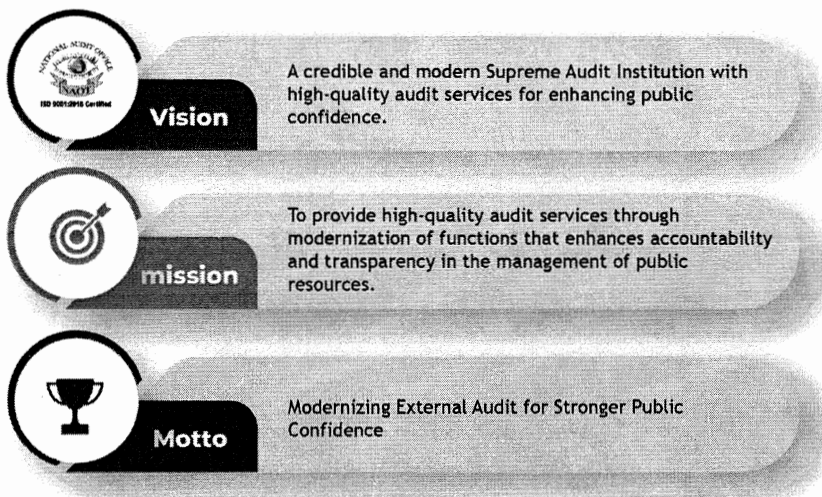
AR/CG/TAFICO/2024/25

About the National Audit Office

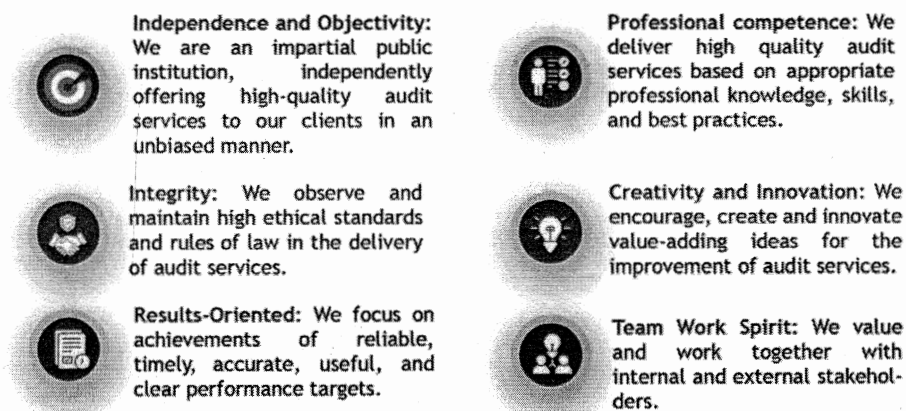
Mandate

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 Tanzania Fisheries Corporation (TAFICO) and may form part of the annual general report, which, once tabled in the National Assembly, becomes a public document; hence, its distribution may not be limited.

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Abbreviations

BMU	Beach Management Unit
CAG	Controller and Auditor General
CRMF	Corporate Risk Management Framework
CSR	Corporate Social Responsibility
EEZ	Economic Exclusive Zone
GPSA	Government Procurement Service Agency
IFAD	International Fund for Agricultural Developments
IFRS	International Financial Reporting Standard
MoU	Memorandum of Understanding
NBAA	National Board of Accountants and Auditors
NHIF	National Health Insurance Fund
OC	Other Charges
PE	Personnel Emolument
Reg.	Regulation
TAFICO	Tanzania Fisheries Corporation
TFRS	Tanzania Financial Reporting Standards
TZS	Tanzanian Shillings
WWF	World Wide Fund

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Board Chairperson,
Tanzania Fisheries Corporation (TAFICO),
P.O. Box 2336
17107 Kigamboni
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Fisheries Corporation (TAFICO), 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 respects, the financial position of Tanzania Fisheries Corporation (TAFICO), as at 30 June 2025, and its financial performance and cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and as required by the Public Finance Act, Cap. 348.

Basis for Opinion

I conducted my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the section below entitled "Responsibilities of the Controller and Auditor General for the Audit of the Financial Statements". I am independent of Tanzania Fisheries Corporation (TAFICO), 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 most significant in my audit of the financial statements for 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 Statement of the Board Chairperson, statement of management responsibility, Declaration by the Head of Finance and Accounts, 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 I obtained prior to the date of this audit report, I conclude that there is a material misstatement of that 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 International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), 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 it 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, significant audit findings, and 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 that I have communicated to 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 at Tanzania Fisheries Corporation (TAFICO) for the year ended 30 June 2025 as per the Public Procurement Act, the Public Procurement Regulations, 2013 (as amended), 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 authorisations before award and maintained complete transaction records.

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

Contract Signed Without Being Vetted by the Attorney General TZS 1,235,279,611

Reg. 72(1) and (2) of Public Procurement Regulations, 2024 requires that any formal contract arising out of acceptance of tender whose value is one billion shillings or more, and for all international procurement contracts, shall be vetted by the Attorney General before being signed by the parties. An agreement referred to under sub-regulation (1) which the Attorney General has not vetted shall be void.

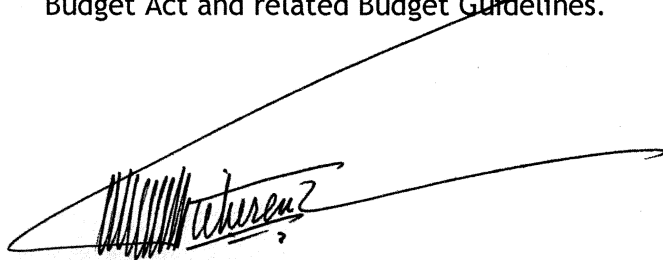
My review of contract management revealed that TAFICO entered a contract with Songoro Marine Transport Ltd for the Rehabilitation of the Floating Jet at Ras Mkwavi, Kigamboni (Contract No. AE/136/2023/2024/HQ/W/01) valued at TZS 1,235,279,611, signed on 8 July 2024. However, there was no evidence that the contract had been submitted to the Attorney General for vetting before being signed by the parties, contrary to regulations 72(1) and 72 (2) of the Public Procurement Regulations, 2024.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

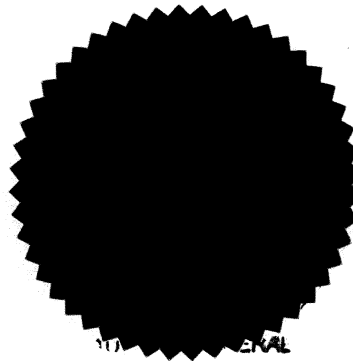
Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at Tanzania Fisheries Corporation (TAFICO) 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 authorisations before incurring obligations, recorded transactions accurately and reported variances as required.

Based on the audit procedures performed, I conclude that Tanzania Fisheries Corporation (TAFICO) complies, in all material respects, with the requirements of the Budget Act and related Budget Guidelines.



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



2.0 FINANCIAL STATEMENTS

STATEMENT OF THE BOARD CHAIRPERSON

INTRODUCTION

On behalf of the TAFICO Board of Directors, I am pleased to present the corporation's financial statements for the financial year 2024/25. This is the third set of Financial Statements since TAFICO became operational on July 1, 2022.

The Financial Statements consist of the Report by Those Charged with Governance prepared in compliance with Tanzania Financial Reporting Standards (TFRS) No. 1, which was issued by the National Board of Accountants and Auditors (NBAA) and became effective from 1 January 2021. Initially, this was known as the Director's Report. In addition, Financial Statements consist of a statement of financial position at the end of the period, a statement of profit or loss and other comprehensive income for the period, a statement of changes in equity for the period, a statement of cash flows for the period, notes comprising material accounting policy information, and other explanatory information.

The Board is pleased to report that the Financial Statements present fairly, in all material respects, the financial position of the Corporation, and its financial performance and its cash flows for the year ended on 30 June 2025 in accordance with the International Financial Reporting Standards (IFRS). As well, the Corporation's procurement of goods, works, and services was generally in compliance with the requirements of the Public Procurement Laws.

During the year 2024/25, the Corporation is in the third year of the implementation of its first five-year Corporate Strategic Plan (2022/23 - 2026/27). The Corporate strategic plan is aimed at providing stakeholders with an insight and understanding of the strengths, weaknesses, opportunities and challenges of TAFICO towards efficient investment in fisheries and aquaculture production in the country. It also shows TAFICO's direction forward by transforming its mode of operations towards commercial fishing, processing, and aquaculture development in the country. Furthermore, the Five-Year Strategic Plan is guided by the Vision, 'To become a leading organization in efficient commercialization of Exclusive Economic Zone (EEZ) fisheries, aquaculture, and processing industries that contributes to the improvement of livelihoods and the national economy while conserving the environment'. TAFICO's Vision will be achieved through the implementation of the mandated business functions.

TAFICO, through fishing and aquaculture, will continue to make important contributions to the development and modernisation of the fisheries sector and significantly contribute to building an industrial economy through strengthening collaboration with the private sector and other partners. During the financial year 2024/2025, the Board closely oversees the implementation of the Five-Year Strategic Plan (2022/23 - 2026/27)

in line with annual plans and budgets. The Board shall also continue to oversee the implementation of all key instruments necessary for the execution of the corporation's statutory functions and shall ensure the development of any additional required instruments for use.

Lastly, I would like to express the Board of Directors' gratitude to the Ministry of Livestock and Fisheries, as well as to all of the Corporation's employees and stakeholders. Through support, input, cooperation, commitment, and dedication in the pursuit of a better Tanzania through better regulation and better terms and conditions of the Corporation's fisheries business, all of them have helped the Board fulfil its responsibilities. The Board's special tribute is extended to Her Excellency, Samia Suluhu Hassan, and the President of the United Republic of Tanzania, for her good leadership and strategic efforts to revive the national economy, and to Hon. Ashatu K. Kijaji (MP) for his tireless efforts to improve the fisheries sector and increase its contribution to the national economy.

MEMBERSHIP AND COMMITTEES OF THOSE CHARGED WITH GOVERNANCE

The Members of the Board of Directors are appointed by the Minister responsible for Fisheries, and the Chairperson is appointed by the President of the United Republic of Tanzania.

However, TAFICO's Members of the Board of Directors, their period of operation has expired in September 2024; therefore, from then on, the Corporation is under the close supervision of the Permanent Secretary of the Ministry of Livestock and Fisheries.

Before the retirement of the Board Member, there were three committees assisting the TAFICO's Board of Directors in discharging its functions. These are the Finance and Administration Committee, the Audit and Risk Committee, and the Operation and Investment Committee.

The following are the Directors served on the Board during the first quarter of the financial year 2024/25.

Table 1: Members of the Board of Directors

No.	Name	Position	Age (yrs)	Gender	Discipline	Date of Appointment	Nationality
1.	Prof. Yunus D. Mgaya	Chairperson	67	Male	Zoology, Fisheries and Marine Biology	17 th September, 2021	Tanzanian
2.	Ms Prisca B. Lwangili	Vice Chairperson	43	Female	Political Science and Public Administration, and Human Resources Management	17 th September, 2021	Tanzanian
3.	Dr. Eliamini A. Kasembe	Member	60	Male	Marine Navigation with	17 th September, 2021	Tanzanian

No.	Name	Position	Age (yrs)	Gender	Discipline	Date of Appointment	Nationality
					Marine Technology		
4.	Mr Saidi Meck Sadick	Member	78	Male	Administrator and Politician	17 th September, 2021	Tanzanian
5.	Dr. Oscar C. Kibazohi	Member	64	Male	Food Science and Technology	17 th September, 2021	Tanzanian
6.	Dr. Ismaeil A. Kimirei	Member	51	Male	Aquatic ecologist	17 th September, 2021	Tanzanian
7.	Com. Justine Japhet Sayi	Member	40	Male	Commerce and Accounting	17 th September, 2021	Tanzanian
8.	Mr. Derick A. Mushi	Member	40	Male	Financial analytics & modeling, Project finance and development finance, research, and debt capital markets	17 th September, 2021	Tanzanian
9.	Mr. Magese E. Bulayi	Member	61	Male	Zoology, Marine Biology and Microbiology	17 th September, 2021	Tanzanian

The Members of the Finance and Administration Committee that served during the first quarter of the year ended 30 June, 2025 were as follows:

Table 2: Members of the Finance and Administration Committee

No.	Name	Position	Age (yrs)	Gender	Discipline	Date of Appointment	Nationality
1.	Com. Justine Japhet Sayi	Chairperson	40	Male	Commerce in Accounting	5 th May, 2023	Tanzanian
2.	Ms. Prisca B. Lwangili	Member	43	Female	Political Science and Public Administration; and Human Resources Management	5 th May, 2023	Tanzanian
3.	Mr. Saidi Meck Sadiki	Member	78	Male	Administrator and Politician	5 th May, 2023	Tanzanian
4.	Dr. Eliamini A. Kasembe	Member	60	Male	Marine Navigation with Marine Technology	5 th May, 2023	Tanzanian
5	Mr. Daniel Ngari	Co-opted Member	61	Male	Commerce and Accounting	5 th May, 2023	Tanzanian

The Members of the Audit and Risk Committee that served during the first quarter of the year ended 30 June, 2025 were as follows:

Table 3: Members of the Audit and Risk Committee

No.	Name	Position	Age (yrs)	Gender	Discipline	Date of Appointment	Nationality
1.	Dr. Ismaeil A. Kimirei	Chairperson	51	Male	Aquatic ecologist	5 th May, 2023	Tanzanian
2.	Ms. Prisca B. Lwangili	Member	43	Female	Political Science and Public Administration; and Human Resources Management	5 th May, 2023	Tanzanian
3.	Com. Justine Japhet Sayi	Member	40	Male	Commerce and Accounting	5 th May, 2023	Tanzanian
4.	Dr. Mwamini Tulli	Co-opted Member	66	Female	Commerce and Accounting	5 th May, 2023	Tanzanian
5.	Mr. Fredrick Milanzi	Co-opted Member	43	Male	Accounting and Tax Management	5 th May, 2023	Tanzanian

The Members of the Operation and Investment Committee that served during the year ended 30 June, 2025 were as follows:

Table 4: Members of the Operation and Investment Committee

No.	Name	Position	Age (yrs)	Gender	Discipline	Date of Appointment	Nationality
1.	Mr. Derick A. Mushi	Chairperson	40	Male	Financial analytics & modeling, Project finance and development finance, research, and debt capital markets	5 th May, 2023	Tanzanian
2.	Dr. Oscar C. Kibazohi	Member	64	Male	Food Science and Technology	5 th May, 2023	Tanzanian
3.	Dr. Eliamini A. Kasembe	Member	60	Male	Marine Navigation with Marine Technology	5 th May, 2023	Tanzanian
4.	Mr. Saidi Meck Sadiki	Member	78	Male	Administrator and Politician	5 th May, 2023	Tanzanian
5.	Dr. Siasa Issa Mzenzi	Co-opted Member	46	Male	Accounting, planning and Investment	5 th May, 2023	Tanzanian

1. Meetings of Those Charged with Governance

The Board and its committees meet every three months, with additional meetings convened as and when necessary.

During the year ended 30 June 2025, the Board held one ordinary meeting. All members of the Board were able to substantially devote their time to the Board meetings. The Audit and Risk Committee held one meeting, the Finance and Administration Committee held one meeting, and the Operation and Investment Committee also convened one meeting as at 30 June 2025. The meetings were convened only once because the Board retired in September 2024.

2. Secretary to the Board

The Chief Executive Officer is the secretary to the Board. He is responsible for advising the Board on legal and corporate governance matters and, in liaison with the Chairperson, for ensuring good information flows between the Board, its Committees and Management.

APPOINTMENT OF AUDITORS

In pursuance of the provisions of Article 143 of the Constitution of the United Republic of Tanzania of 1977 (revised 2005), Sections 30 - 33 of the Public Audit Act No. 11 of 2008 mandate the Controller and Auditor General (CAG) as the statutory auditor of the Tanzania Fisheries Corporation.

The contact and other details about the Controller and Auditor General are as provided below:

National Audit Office,
Audit House, 4 Ukaguzi Road,
P.O.Box 950,
41101Tambukareli,
DODOMA,
TANZANIA.

TIN Number: 104-961-444

Tel: 255 (026) 216 1200,

Fax: 255 (026) 211 7527,

E-mail:

ocag@nao.go.tz

Website:

www.nao.go.tz

RESPONSIBILITY OF THE EXTERNAL AUDITOR

The Controller and Auditor General (CAG) has a statutory responsibility to report to the stakeholders as to whether, in his opinion, the financial statements of the Corporation present fairly the financial position, financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard, the Tanzania Financial Reporting Standard (TFRS 1) and in the manner required by the Public Corporation Act, 2010. And whether the procurement transactions and processes have complied with the requirements of the Public Procurement Act No.10 of 2023 and its underlying Regulations of 2013 as amended in 2024.

STATEMENT OF COMPLIANCE BY THOSE CHARGED WITH GOVERNANCE

In performing the activities of the Corporation, various laws and regulations having an impact on the Corporation's operations were observed. Moreover, this report has been prepared in full compliance with the Tanzania Financial Reporting Standard No. 1 requirements - The Report by Those Charged with Governance.

STATEMENT OF DIRECTORS RESPONSIBILITIES

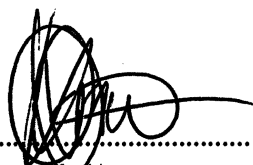
The Board of Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), The National Board of Accountants and Auditors (NBAA)'s pronouncements and the requirements of the TAFICO establishment order and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors accept responsibility for these financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards, NBAAs.

The Board of Directors are of the opinion that financial statements give a true and fair view of the state of financial affairs of the Tanzania Fisheries Corporation and its operating results.

The Directors further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

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



Agnes K. Meena
Acting Board Chairperson

STATEMENT OF THE CHIEF EXECUTIVE OFFICER

INTRODUCTION

The Corporation is pleased to present the 3rd issue of its Financial Statements for the financial year 2024/25. The report provides the Corporation's operational performance for the year ended 30 June 2025.

Tanzania Fisheries Corporation (TAFICO) was established through Public Corporation Act No. 17 of 1969, which was published in the Government Gazette Notice No. 58 of 1st March 1974 under Government Order No. 11 of 14th February 1974. The Institute's vision and mission are formulated to facilitate the implementation of the core functions and activities as elaborated in the Institute's Strategic Plan 2022/23 - 2025/27.

In the financial year 2024/2025, TAFICO implemented various activities that aimed at service provision and revenue generation from its project activities stipulated in the TAFICO business plans and Strategic Plan (2022/23 - 2026/27), as well as the Fisheries Sector Master Plan (2021/22 - 2036/37). Through donor-funded programs such as AFDP/IFAD and ESDP/Japan, TAFICO intends to purchase fishing vessels and also accomplish other projects like ice-making plants, cold storage facilities, capacity building, and technical training for ship crew and staff to enable TAFICO's business operation and revenue earnings.

However, TAFICO is faced with some challenges, including a shortage of financial resources (funds) and a lack of experience in implementing PPP projects. These challenges may pose obstacles to TAFICO's ability to successfully execute PPP projects. The shortage of financial resources may limit the capacity to invest in necessary infrastructure and attract private sector partners. Additionally, the lack of experience in implementing PPP projects may hinder the ability to navigate complex contractual arrangements and effectively manage the collaboration between public and private entities. TAFICO plans to resolve those challenges through the enhancement of private sector engagement in its various fisheries projects in the coming financial year 2025/26.

Hence, there is a need for strong financial support from the Government, development partners, and the private sector.

In this regard, the successful implementation of TAFICO activities depends on the availability of financial resources from both domestic and foreign sources. TAFICO will continue to solicit funds from different sources to enable the attainment of the intended objectives of its establishments.

In conclusion, I wish to extend my heartfelt gratitude to the Board of Directors for guidance, the Management Team for support and all staff for being loyal, dedicated and trustworthy in their areas of responsibility. Furthermore, I wish to convey my sincere gratitude to the Minister of Livestock and Fisheries, Hon. Ashatu K. Kijaji (MP) and the

Government of the United Republic of Tanzania under the good leadership of H.E. Dr. Samia Suluhu Hassan, the President of the United Republic of Tanzania for the trust bestowed upon us and providing us with all necessary guidance and support that accelerated these achievements.

We are dedicated to achieving our vision of being a leading organisation in the efficient commercialisation of Exclusive Economic Zone (EEZ), fisheries, aquaculture, and processing industries that contribute to the improvement of livelihoods and the national economy while conserving the environment.

NATURE OF CORPORATION

The Corporation exercises its mandates as provided in the Establishment Order No. 11 of 14th February 1974. It is the public corporation fully owned by the Government of Tanzania under the Ministry of Livestock and Fisheries entrusted with the duty of promoting the fisheries sector in the Country by undertaking large-scale commercial fishing projects in territorial waters, Exclusive Economic Zones (EEZ), and High Seas, also to engage in aquaculture activities in a large scale, that is the production of Fish, fingerlings and Fish feeds.

THE OPERATIONS OF THE CORPORATION

Principal Functions

The principal functions of the Corporation are as follows:

- To promote the development of the fishing industry;
- To fish, farm fish (aquaculture), buy, process, sell, prepare for market, import, export, all types of fish, fish products, aquatic flora and fauna and their products;
- To participate and encourage the establishment of national and international ventures with the object of improving the fishing industry and the marketing of fish, fish products, aquatic flora and fauna and their products;
- To participate and encourage the establishment of industries necessary for or expedient to the development of the fishing industry, including fish processing, value addition, the manufacture of fishing vessels, gears, fish feeds and production of aquaculture seeds;
- To participate in or undertake, on a commercial basis, any enterprise rented to or connected with the fishing industry;
- To carry out and promote research in aspects of the fishing industry related to value addition and the marketing of fish, fish products, aquatic flora and fauna and their products;
- To manage the affairs of any Corporation, Company, Firm or other body, the interests of which are transferred to or acquired by the corporation under the provisions of the Act or otherwise;

- To carry on its business operations and activities either within the United Republic or elsewhere, whether as principal, agent, contractor or otherwise, and either alone or in conjunction with any other person's firm or body corporate;
- To promote the interest and participation of local authorities, fisheries associations (e.g. BMU, Cooperative Societies, etc.), research, training and fisheries management initiatives in the fishing industry;
- To do all such acts and things as may be necessary to uphold and support the credit of the Corporation and to attain and justify public confidence and to avert or minimise any loss to the Corporation; and
- To do any act or thing or enter into any transaction which, in the opinion of the Board, is calculated to facilitate the proper and efficient carrying on of its activities and the proper performance of its functions

VISION, MISSION AND CORE VALUES

The Corporation's vision, mission and core values as provided hereunder;

Vision

The Corporation's vision is "To become a leading organisation in efficient commercialisation of Exclusive Economic Zone (EEZ) fisheries, aquaculture, and processing industries that contribute to the improvement of livelihoods and the national economy while conserving the environment."

Mission

The Corporation's mission is "To play a pivotal role in providing integrated support services for the development of the fisheries industry in Tanzania."

Core Values

The Corporation embraces the following core values, which are upheld by members of the Board of Directors and Employees;

- ✓ Integrity: staff are committed to being fair and honest in dealing with operations, customers and other stakeholders;
- ✓ Customer First: A customer is regarded as a business partner;
- ✓ Safety: Improving the safety of human resources in the fishing industry remains top priority;
- ✓ Results focus: Staff are result-oriented in the discharge of mandate to achieve the corporate goals; and
- ✓ Resource Sustainability: Staff are committed to sustainable utilisation of the Fisheries Resources to maximise profit.

OBJECTIVES AND STRATEGIES

During the year under review, the Corporation completed its third year of the five-year Strategic Plan 2022/23 - 2026/27. The Plan has eight strategic objectives to be implemented for 5 years

To facilitate the implementation of the five-year Strategic Plan, the corporate Strategic objectives and strategies were cascaded down to the units' level, where short-term action plans were developed in accordance with the units' mandate. The medium-term objectives and strategies as provided by the five-year Strategic Plan 2022/23 - 2026/27 are as follows:

The capacity of TAFICO to perform its functions improved:

This ensures that there are achievements of optimal services, sufficient capacity building in terms of human resources, modern equipment and other facilities, and also there is an urgent need to effectively strengthen the institutional Human Resource through on-the-job training. The training will produce well-trained, skilled, and motivated staff to carry out the activities stipulated in the Strategic Plan.

Strategies executed to achieve the strategic objective were as follows:

- Develop and improve infrastructure and property, plant and equipment;
- Develop and improve infrastructure and property, plant and equipment;
- Develop, review and operationalise policies, regulations, strategies and guidelines;
- Improve human resources capacity development and productivity;
- Coordinate and conduct Board of Directors' Meetings, and other Statutory Meetings; and
- Enhance staff remuneration and motivation.

Strengthen TAFICO's Sound Financial Resource Management and Accountability:

This aims at ensuring the availability of fiscal planning, revenue collection and accountability, debt management, Internal Control, procurement and Financial Reporting, there should also be a clearly stated operational budget that will serve as a guide for the entire fiscal year, there must be careful records of the inflow and outflow of cash to put a tight rein on any avenues for leakages that could push the corporate expenditure over the desired budget, there must be a clear plan for the use of the money as well as for the repayment of any loans to avoid any defaults.

Strategies executed to achieve the strategic objective were as follows:

- Have a clear financial management plan;
- Monitor the organisational financial position;
- Ensure customers pay on time so as to have a sound liquidity position;
- Know the day-to-day costs, to control expenditures of the Corporation;
- Keep up-to-date accounting records.

- Meet tax deadlines to avoid penalties for defaulting.
- Become more efficient and control overheads.
- Control of Inventories.
- Have a procurement plan and abide by it.
- Have good internal control.

Enhance Commercial Investment in Fishing and Aquaculture Production:

This entails the Commercial fishing and aquaculture in the new area that has emerged as an important economic activity in the fisheries industry to fill the gap of demand for fish; it also involves the processing and marketing of fish, fish products, aquatic flora and its products.

Strategies executed to achieve the strategic objective were as follows:

- To carry on business operations and activities (To fish, farm fish (aquaculture), buy, process, sell, prepare for market, import, export, all types of fish, fish products, aquatic flora and fauna and their products) either within the United Republic or elsewhere, whether as principal, agent, contractor or otherwise, and either alone or in conjunction with any other persons, firm or body corporate.
- To design, make, maintain and repair fishing gear on land and on-board vessels; and
- To acquire the required accessories for fishing gear.

Establish and Strengthen Mechanisms for Coordination, Communication and Collaboration with Stakeholders in The Fishing Industry:

This entails the strong Public Relations and Communication functions to enhance communication with the public, especially potential customers and other stakeholders, and hence create a supportive environment for business expansion.

Strategies executed to achieve the strategic objective were as follows:

- Preparation and implementation of public relations and communication strategy
- Preparation of documentaries, advertisements and promotional materials
- Development and implementation of public relations and communication campaigns and strategies;
- Maintenance of corporate website and social media pages, mass media programmes

CURRENT PERFORMANCE AND FUTURE DEVELOPMENT

Review of Current Performance

The Corporation were in implementation of the 2022/23 - 2026/27 Strategic Plan, which contains six strategic objectives geared towards achieving the Corporation's mandate of promoting the fisheries sector in the Country through investment in large-scale commercial fishing projects in territorial waters, Exclusive Economic Zones (EEZ), and High Seas, and large-scale investments in aquaculture.

During the implementation of the third year, the overall evaluation revealed considerable achievements as the Corporation is currently dealing with infrastructure development and the procurement of working tools and fishing Vessels.

TAFICO's approved budget for the 2024-2025 fiscal year was TZS 4,003,739,674. Of this, TZS 662,156,000 is the Own source collection, and TZS 3,341,583,674 is the Government subvention, comprised of TZS 928,133,300 for Other Charges (OC), TZS 1,282,000,000 for Personnel emoluments (PE) and TZS 1,131,450,374 for development.

The subvention received for the year under review is TZS 1,954,572,253.46 (58%), out of which, TZS 556,531,213.68 (28.47%) is for Other Charges, TZS 588,715,000 (30.12%) for Personnel emoluments (PE) and TZS 809,326,039.78 (41.41%) for Development projects.

During the year, the Corporation also received TZS 27,171,000 for the AFDP/IFAD project; the funds were received from the Ministry of Livestock and Fisheries for the purpose of implementing various project activities. The amount spent up to June 30th 2025, was TZS 45,332,459. Since there was a carryover of TZS 19,243,391 from the previous year.

TAFICO spent a total of TZS 1,481,061,623.52 in the year 2024/25, out of which TZS 316,024,514.98 (21%) is for Capital expenditure, TZS 1,165,037,108.54 (79%) is for Recurrent Expenditure, which consisted of Other Charges (OC) and own-source TZS 517,883,212.68 and Personnel Emoluments (PE) totalling TZS 588,715,000.

The Corporation has generated its own source revenue through the sale of flake, the sale of Fish and rental income from Godown and Apartment, during the year under review. TZS 23,709,000 was received from the sale of Ice, TZS 3,966,000 from the sale of Fish, TZS 130,600,000.00 from the Rent of Godown and Apartment, and the amount spent as at 30 June 2025 was TZS 158,275,000.

During the year under review, some of the implementations of the plan are as follows:-

- a) The Corporation continued the production and sale of Ice.
- b) Fisheries investment opportunities were promoted at the Dar es Salaam International Trade fair (Sabasaba), Nanenane.
- c) The head office building rehabilitated;
- d) The website and Government mail systems are in place;
- e) The Procurement of another two refrigerated trucks started.

Future Plans of the Corporation

In its five-Year Strategic Plan 2022/23 - 2026/27, the Corporation aligns its vision and strategic objectives with the national priorities outlined in the National Development Vision 2025, National Fisheries Policy 2015, the National Five-Year Development Plan III (2021/22 - 2025/26), and the National Fisheries Sector Master Plan (2021/22 - 2036/37). The Corporation recognises the main agenda of the Governments to sustain the country

in the middle-income status and above. Among others, the agenda can be attained through having an infrastructure of reducing post-harvest loss of fisheries products. In executing its mandate and achieving its expected results, the Corporation intends to achieve and accomplish the following in the coming five years:

- a) To review the Tanzania Fisheries Corporation (TAFICO) Establishment Order, 1974;
- b) Procurement of five (5) fishing Vessels to enable fishing in the Exclusive Economic Zone (EEZ). The Contract for the Construction of one Fishing Vessel of 22 meters long was signed on 30th April 2024, and the Construction of the Vessel was started on 1st May 2024, and it will be completed on 30th November 2025.
- c) To construct a fish processing plant at Kilwa District in Lindi Region;
- d) To procure and operate an ice plant at Kigamboni District, block and flake ice;
- e) To procure two 10-ton refrigerated Trucks;
- f) To construct a fish Feed Mill at Lake Victoria basin in Mwanza; and
- g) To build storage facilities (cold rooms and ice plants) in Kilwa, Tanga and Mtwara regions to minimize post-harvest loss of fishery and fishery products.
- h) To construct an Anchovy Processing plant at Pangani in the Tanga Region.

Challenges Experienced in 2024/2025 and Future Strategies

Despite the performances described above, the corporation faced the following challenges in implementing the work plan and budgets for the year 2024/25.

- ✓ Shortage of staff - The Management requested and continues to request staff from the Permanent Secretary of PO-PSMGG for TAFICO;
- ✓ Shortage of financial resources - The Management continues to request enough funding from the Government, and is preparing Concept Notes with a PPP arrangement between the Corporation and the Private Sectors and submitting to the Ministry of Finance to request funding.
- ✓ Shortage of transport facilities for facilitating office activities - Requesting Funds for purchasing transport facilities in the prepared TAFICO projects budget of 2025/2026.

POLITICAL, CHARITABLE CONTRIBUTIONS AND SUBSCRIPTIONS

During the year ended 30 June 2025, there were no contributions or subscriptions made to political parties or charitable organisations.

EMPLOYEES WELFARE

1. Management and Employees' Relationship

The Management and staff relationships continued to be cordial during the reporting period; no Employee complaints were raised during the year.

2. Staff Training and Development

The Corporation recognises the role of its staff's knowledge and skills in its operations and thus allocates resources in its budget to train and develop its staff through short-term programmes and in-house training.

3. Medical Assistance

The Corporation provides medical assistance to its staff and their dependents through the National Health Insurance Fund. During the year ended 30 June 2025, the National Health Insurance Fund provided these services.

STAFFING GENDER BALANCE

The Corporation, being an equal opportunity employer, does not discriminate against employees on the gender basis of gender. The Corporation provides equal employment opportunities to men and women. The staffing gender balance as at 30 June 2025 is 70% male to 30% female, and the number of staff is only 20 (38 male and 16 Female). There is an ongoing recruitment process, hoping that the ratio is going to change in favour of females.

HIV/AIDS POLICIES

The corporation adopted the National Policy on HIV/AIDS of 2001 and the circulars issued from time to time (for instance, Circular No. 2 of 2006 from the President's Office, Public Service Management and Good Governance-PO-PSMGG), which direct care to persons living with HIV/AIDS (PLHAs). These are addressed as follows:

- (i) People living with HIV/AIDS are entitled to all basic needs and all civil, legal, and human rights without any discrimination based on gender differences or sero-status.
- (ii) HIV infection shall not be grounds for discrimination in relation to education, employment, health and any other social services. Pre- employment HIV screening shall not be required. For persons already employed, HIV/AIDS screening, whether direct or indirect, shall not be required. HIV infection alone does not limit fitness to work or provide grounds for termination. HIV/AIDS patients shall be entitled to the social welfare benefits like other patients among the employees.
- (iii) HIV/AIDS information and education targeting the behaviour and attitudes of employees and employers alike shall be part of HIV/AIDS intervention in the workplace.
- (iv) Measures to protect the public from transmission of HIV/AIDS at the workplace shall be instituted by the respective organisations

TRAINING POLICY

The Corporation is in the process of implementing its own training programme for its employees. The policy states that;

- Ensure proper management and coordination of the training function in the public service;
- Ensure appreciation of the importance of training by employers;
- Mobilise and allocate resources for the training in the Public Service;
- Ensure that training programmes respond to the needs of different levels of public servants and contribute to the succession needs; and Groom and nurture potential leaders at all levels in the public service and
- Ensure Public Servants are retained after completion of training

RELATIONSHIP WITH STAKEHOLDERS

The Five Years of TAFICO Strategic Plan 2022/23 - 2026/27 provides a comprehensive analysis of TAFICO's key stakeholders. TAFICO recognises the importance of addressing the needs of its key stakeholders to add value and satisfy their needs and expectations. The Corporation's key stakeholders include the Government, Ministries, MDAs, and other institutions, Development Partners (IFAD, World Bank, ESDP-Japan), Non-Governmental Organisations - NGOs (WWF, Tuna Alliance, Sea Sense), Staff and the public. TAFICO is committed to delivering value to its stakeholders through better services and good customer care while maintaining good relationships in its engagements.

CAPITAL STRUCTURE AND TREASURY POLICIES

Capital Structure

According to the Tanzania Fisheries Corporation (TAFICO) Establishment Order of 1974, the authorised nominal capital of the Corporation is 20,000,000 divided into twenty thousand shares having a par value of one thousand shillings each. The United Republic of Tanzania holds all the shares. The initial paid-up capital of the corporation shall be such amount as the Minister may, after consultation with the Minister of Finance, determine, and such determination shall be published in the Gazette. For the year 2024/25, there is no paid-up share capital. Therefore, the Corporation's capital structure for the year ended 30th June 2025 consists of Deferred Income (Development) of TZS 118,016,754,165.00 and Retained Earnings of TZS 1,426,693,120.00

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board of Directors takes final responsibility for the Effective risk management and internal controls systems of the Corporation. It is the management's responsibility to ensure that adequate and internal financial and operational control systems are developed and maintained to provide reasonable assurance regarding:

- a) The effectiveness and efficiency of operations;
- b) The safeguarding of the Corporation's assets;
- c) Compliance with applicable laws and regulations;
- d) The reliability of accounting records;

- e) Business sustainability under normal as well as adverse conditions; and
- f) Responsible behaviours towards all stakeholders.

The risk management process is guided by the Corporate Risk Management Framework (CRMF) that nurtures an integrated approach to the management of all risks inherent in the operations so that the Corporation can, in turn, attain its strategic objectives.

The efficiency of any internal Control system is dependent on the strict observance of prescribed measures. There is always a risk of noncompliance with such measures by staff. Whilst no system of internal controls can provide absolute assurance against misstatement or losses, the organisation's system is designed to provide the Corporation's Board of Directors with reasonable assurance that the procedures in place operate effectively.

The Board of Directors assessed the internal control system throughout the financial year ended 30th June 2025 and believes that they met recognised criteria. The Board of Directors undertakes risks and internal control assessment through the Audit and Risk Management Committee.

(i) Principal Risks and Uncertainties

During the year under review, the Corporation faced the following risks:

(ii) Regulatory and Legal Risks

Regulatory and Legal risk arises from any uncertainty of enforceability, whether through legal or judicial processes, of the obligations of the Corporation's clients and counterparties, non-adherence to legislations, regulations, Government directives, and public or internal policies

In mitigating this type of risk, the Corporation researches and complies with all local, national, and international fishing regulations, obtains the necessary permits and licenses and establishes strong relationships with local authorities and regulatory bodies to stay informed about any changes in laws and regulations

(iii) Environmental Risks

This risk is associated with human activities; humans have relied on the ocean for subsistence by harvesting its abundance of fish. And new technologies have allowed humans to remove fish from the ocean on a massive scale to supply Earth's burgeoning population. Unfortunately, these practices have numerous negative environmental consequences, and overfishing has been identified as a primary cause of ecosystem collapse in many aquatic systems.

In managing these risks, the Corporation Implement sustainable fishing practices to protect the marine ecosystem. Adhere to catch limits and avoid overfishing, and invest in technologies that reduce bycatch and minimise environmental impact.

Market Risks

These risks are associated with the Corporation producing too much or too little fish or fish-related products to meet demand, resulting in lost profits and wasted sales opportunities

The risks can be managed by conducting thorough market research to understand demand and competition, and to diversify the Corporation's product offerings to reduce dependence on a single market. To build relationships with distributors and retailers to secure reliable markets for the Corporation's catch.

(i) Economic Risks

These risks are involved in investing in a business opportunity in an international market that arises from changes in sovereign policies, market fluctuations, and counterparty credit risks.

The risk can be mitigated by developing a comprehensive business plan that includes financial projections and risk assessments, and establishing financial reserves to cover unexpected expenses or downturns in the market. The Corporation will consider insurance options to protect against losses due to equipment damage or adverse weather conditions

Weather and Climate Risks

Risks related to weather and climate change include hurricanes, tornadoes, thunderstorms, lightning, hail, winds, and winter weather; many of these phenomena are related to atmospheric conditions.

The Corporation addresses these risks by monitoring weather patterns and investing in weather forecasting technology to plan fishing trips more effectively, developing a contingency plan for extreme weather events, such as hurricanes or storms and considering diversifying into fish farming or aquaculture to reduce dependence on wild catches

Infrastructure and Technology Risks

Risks arising from failure of software, hardware and IT infrastructure and other risks related to confidentiality, integrity and availability of information technology, and IT support services. The risk may fail critical business applications, malicious software attacks, and unauthorised access to the Corporation's Information Technology assets, thereby disrupting business processes and adversely affecting the Corporation's reputation.

In managing these risks, the Corporation will invest in modern fishing vessels and equipment to enhance efficiency and safety. It will regularly maintain and upgrade equipment to prevent breakdowns and develop backup plans for equipment failures.

(i) Safety Risks

Risks related to failure to implement safety programs to reduce occupational safety and health hazards.

The Corporation manages these risks through Prioritising safety training and providing appropriate safety equipment to all crew members, following strict safety protocols and emergency response plans and ensuring that all crew members are well-trained in first aid and rescue procedures.

(ii) Market Price Volatility

The risks resulted from price fluctuations of fish and fish-related products.

The risks can be mitigated by diversifying product offerings to include different fish species and products. The Corporation will consider value-added processing to reduce the impact of price fluctuations; it will also build long-term contracts with buyers to stabilise prices.

(iii) Political and Social Risks

The risks can be caused by political instability and circumstances or situations that affect people's lifestyles and well-being.

The Corporation mitigates these risks through staying informed about the political and social situation in the region, building strong relationships with local communities, engaging in responsible corporate social responsibility (CSR) initiatives, and being adaptable and prepared to navigate political changes.

(iv) Competition Risks

The risks are related to failure to anticipate changes in the market.

The Corporation addresses these risks by differentiating its products by focusing on quality, sustainability, and traceability, continuously monitoring its competitors and adjusting its strategies accordingly, and investing in branding and marketing to build customer loyalty.

(v) Infrastructure and Logistics Risks

These risks are caused by changes in transport cost, energy costs and infrastructure and services costs.

The Corporation mitigates these risks by developing a reliable supply chain and logistics network, investing in cold storage facilities to preserve the freshness of its catch, and ensuring efficient transportation and distribution channels.

(vi) REJUDICIAL ISSUES

During the year ended 30 June 2025, there was only one pending case at the High Court of Land Division, Dar es Salaam.

THE CORPORATION TENDER BOARD

The tender board of the Corporation was established on 28 November 2023. The Members of the Tender Board served the corporation during the year ended 30.06.2025 are: -

Table 5: Members of the Tender Board

No.	Name	Position	Gender	Designation	Date of Appointment
1.	Mr. Thadeo Ndazi	Secretary	Male	Head of Procurement Management Unit	28 th November, 2023
2.	Mr. Juvenalis Mushi	Member	Male	Acting Manager of Fish Operation Unit	28 th November, 2024
3.	Ms. Perpetua Masaga	Chairperson	Female	Head of Public Relations and Communication Unit	28 th November, 2023
4.	Mr. Ahmed Byabato	Member	Male	Head of Corporate Service Unit	28 th November, 2023
5.	Dr John Mapunda	Member	Male	Acting Head of Aquaculture Production Unit	28 th November, 2024

GOING CONCERN

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



CPA Shaibu R. Matessa
CHIEF EXECUTIVE OFFICER



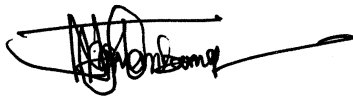
DECLARATION OF THE HEAD OF FINANCE AND ACCOUNTS

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

It is the duty of a Professional Accountant to assist the Board of Directors in discharging the responsibility of preparing financial statements of the Corporation showing a true and fair view of the Corporation's financial position and financial performance in accordance with applicable International Financial Reporting Standards, NBAA's pronouncements and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors, as stated under the statement of directors' responsibilities.

I, CPA Mshamu Ngwembano, being the Acting Head of Finance and Accounts of the Tanzania Fisheries Corporation (TAFICO), hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 have been prepared in compliance with International Financial Reporting Standards, NBAA's Pronouncements.

I thus confirm that the financial statements give a true and fair view of the position of the Tanzania Fisheries Corporation (TAFICO) as on that date and that they have been prepared on the basis of properly maintained financial records.



.....
ACPA Mshamu Ngwembano
Acting Manager - Finance and Accounts
NBAA Membership No.: ACPA7100
Date: 30/01/2025

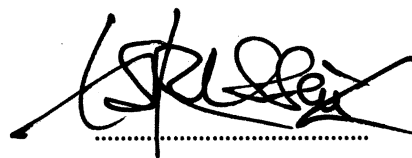
STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

ASSETS	NOTE	2024/25 TZS	2023/24 TZS
Current Assets			
Prepayment	17	3,383,435	1,222,031
Cash and Cash Equivalent	16	103,736,966	117,064,254
Receivables	18	10,940,000	10,940,000
Total Current Assets		118,060,401	129,226,285
Non current Assets			
Property, Plant and Equipment	14	118,845,786,247	118,338,357,628
Work in Progress-Building	15	986,413,243	732,987,728
Total Non-Current Assets		119,832,199,490	119,071,345,356
TOTAL ASSETS		119,950,259,891	119,200,571,641
LIABILITIES			
Current Liabilities			
Payables and Accruals	19	414,103,873	334,460,633
Deferred Income (Recurrent)	6	92,708,734	94,138,663
TOTAL LIABILITIES		506,812,606	428,599,296
EQUITY			
Retained Earning	22	1,426,693,120	781,852,729
Deferred Income (Development)	6	118,016,754,165	117,990,119,615
Total Equity		119,443,447,285	118,771,972,344
TOTAL EQUITY AND LIABILITIES		119,950,259,891	119,200,571,641

By Order of the Board

Agnes K. Meena
Ag Board Chairperson

Date: 30/10/2026



CPA Shaibu R. Matessa
Chief Executive Officer

Date: 30/10/2026

Controller and Auditor General

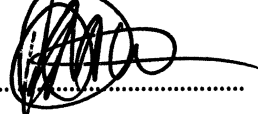


AR/CG/TAFICO/2024/25

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR AS AT 30 JUNE 2025

		2024/2025	2023/2024
	NOTE	TZS	TZS
Revenue from Flake Ice	4	27,675,000	5,156,200
Revenue from rental income	4A	130,600,000	-
Subvention from the Central Government	5	1,862,945,452	2,202,240,527
Miscellaneous Deposits	21	27,171,000	36,600,000
Amortization of Deferred Grants	6	<u>77,510,562</u>	<u>70,252,472</u>
TOTAL REVENUE		<u>2,125,902,015</u>	<u>2,314,249,198</u>
EXPENSES			
Wages, salaries and employee benefits	7	788,394,940	906,692,945
Directors Fees & Other Board Expenses	8	-	80,857,800
Travelling, Training and Other Facilitation Expenses	9	320,103,246	309,852,941
Services, Supplies and consumable Expenses	10	186,511,567	197,407,165
Routine Repair and Maintenance Expenses	11	15,573,600	9,499,500
Expected Credit Loss	28	2,054,999	-
Depreciation of Property, Plant and Equipment	12	<u>168,423,272</u>	<u>103,522,617</u>
TOTAL EXPENSES		<u>1,481,061,624</u>	<u>1,607,832,967</u>
PROFIT FOR THE YEAR		<u>644,840,391</u>	<u>706,416,231</u>

By Order of the Board



Agnes K. Meena

Ag Board Chairperson

Date: 30.06.2026



CPA Shaibu R. Matessa

Chief Executive Officer

Date: 30.06.2026

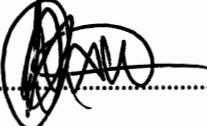
Controller and Auditor General



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2025

	NOTES	2024/2025 TZS	2023/2024 TZS
Cash Flows from Operating Activities			
Receipts			
Receipts from sales of Flake Ice and rental	25(a) 25(b)(c)(j)	158,275,000.00 1,954,572,253.46	5,156,200 2,296,379,190
Subvention from Other Government Entities			
Miscellaneous Receipts	21	<u>27,171,000.00</u>	<u>36,600,000</u>
Total Receipts		<u>2,140,018,253.46</u>	<u>2,338,135,390</u>
Payments			
Wages, salaries and employee benefits	25(d)	790,713,300.00	733,004,945
Directors Fees & Other Board Expenses	25(e)	13,750,000.00	19,857,800
Travelling, Training and Other Facilitation Expenses	25(f)	307,223,411.00	291,109,370
Services, Supplies and consumable Expenses	25(g)	198,897,937.16	143,898,071
Routine Repair and Maintenance Expenses	25(h)	15,573,600.00	9,499,500
Payments to payables			16,573,641.08
Advances to other government entities			-
Total Payments		<u>1,326,158,248.16</u>	<u>1,213,943,327</u>
Net Cash Flows from Operating Activities (A)	13	<u>813,860,005.30</u>	<u>1,124,192,063</u>
Cash Flows from Investing Activities			
Acquisition of Property and Equipment	14	(571,706,778.00)	(350,085,707)
Work in Progress - Buildings	15	(253,425,515.00)	(723,987,728)
Net Cash Flows from Investing Activities (B)		<u>(825,132,293.00)</u>	<u>(1,083,073,435)</u>
Cash Flows from Financing Activities			
		(11,272,288.00)	
Net Increase/ (Decrease) In Cash and Cash Equivalent During the Year (A+B)		-	<u>41,118,627</u>
Cash and Cash Equivalents at the Beginning of the year		<u>117,064,253.00</u>	<u>75,945,626</u>
Cash and Cash Equivalents at the End of the year	16	<u>105,791,965.00</u>	<u>117,064,253</u>

By Order of the Board



Agnes K. Meena

Ag Board Chairperson

Date: 30/01/2026



CPA Shaibu R. Matessa

Chief Executive Officer

Date: 30/01/2026

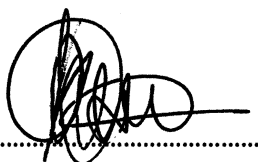
Controller and Auditor General

AR/CG/TAFICO/2024/25



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE, 2025

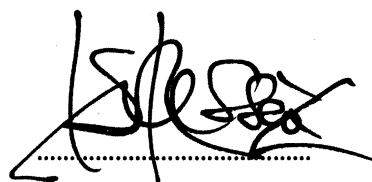
DESCRIPTIONS	RETAINED	TOTAL
	EARNINGS	
	TZS	TZS
As at 1 st July, 2024	75,436,497	75,436,497
Retained Earnings for the year	<u>706,416,232</u>	<u>706,416,232</u>
As at 30.06.2024	<u>781,852,728</u>	<u>781,852,728</u>
As at 1 st July ,2024	781,852,729	781,852,729
Retained Earning for the year	644,840,391	644,840,391
As at 30.06.2025	<u>1,426,693,120</u>	<u>1,426,693,120</u>



Agnes K. Meena

Ag Board Chairperson

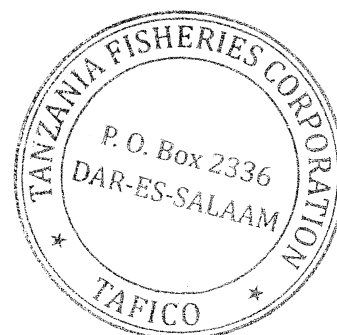
Date: 30/01/2026



CPA Shaibu R. Matessa

Chief Executive Officer

Date: 30/01/2026



SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURE ESTABLISHMENT OF THE CORPORATION

The Tanzania Fisheries Corporation (TAFICO) is a public entity established under Public Corporation Act (CAP 257 R.E. 2010). TAFICO became in operational following a Government Notice No. 17 published on 1st March 1974.

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

Ras Mkwavi, Ferry Street,
P. O. Box 2336,
17107 Kigamboni,
Dar es Salaam, Tanzania.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND DISCLOSURE

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

Basis of preparation

The financial statements have been prepared on a historical cost basis except where otherwise stated or as required by International Financial Reporting Standards and Interpretations to those Standards for assets and liabilities to be stated at their fair value as disclosed in the accounting policies hereafter. The financial statements are presented in Tanzanian Shillings where clearly stated.

Statement of compliance

The financial statements of Tanzania Fisheries Corporation (TAFICO) have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS) as far as they are practically applicable to TAFICO and comply with the requirement of TAFICO Establishment Order.

Revenue

Revenue of the Corporation comprises of sales of flake Ice, rental income, sale of Fish and sale of Block Ice TZS 158,275,000 and Government subvention for recurrent and development expenditure. Subvention and grants for recurrent expenditure are accounted for as revenues in the year they are spent, and for capital expenditures are accounted for as deferred revenues and amortized over the life span of the financed non-Current assets. For the year 2024/25 the subvention received from the Government is TZS 1,862,945,452.46.

Government Grants

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Corporation will comply with the conditions attached. Grants relating to income are deferred and recognized in the Statement of Profit or Loss and Other comprehensive income over the period necessary to match them with the related costs that they are intended to compensate or when recurrent expenditure is incurred and when attached conditions are met. Grants relating to non-monetary assets are recognised as deferred income in the Statement of Financial Position and are released to the Statement of Financial Performance over the useful life of the respective non-monetary assets. Further, the unused recurrent grants from the government and donors are also deferred so as to match them with the related expected costs. The deferred Grants as at 30th June 2025 amounted to TZS 118,016,754,165.05 and TZS 92,708,733.00 for Capital and recurrent grants, respectively.

Functional and Presentation Currency

The Financial statements are presented in Tanzanian Shillings, which is the Corporation's functional and presentation currency.

Employees Benefits

The Corporation has a defined benefit contribution scheme with the Public Service Social Security Funds (PSSSF). These are the defined contribution schemes under The Corporation pays a fixed contribution as per the rates set by the laws establishing the Funds. The Corporation has no legal or constructive obligation if the Funds do not have sufficient assets to pay all the employees benefits relating to the employees' service in the current and prior period. Also, the Corporation is a member of the National Health Insurance Fund (NHIF), whereby it contributes 3% of the employees' basic salary to the Fund for the provision of employees' medical services.

Prepayment

The Corporation normally made advances to GPSA for purchasing fuel and stationaries and they are used as per demanded. The prepayment shown in Financial Position of TZS 3,383,435 which comprises Advance to GPSA for procurement of fuel and stationaries as at 30th June, 2025 amounted to TZS 2,159,235 and 1,224,200 respectively

Cash and Cash Equivalents

The Cash and Cash Equivalents are carried in the Statement of Financial position at fair value. For the purpose of Cash flow Statements, Cash and Cash equivalents comprise of the cash on hand and Bank deposits that existed as at the year end. The cash and cash equivalent as at 30th June 2025 amounted to TZS 105,791,965. The Corporation has provided for Expected Credit Loss on cash and cash equivalent in commercial banks amounting to TZS 2,054,999 this will make Cash and Cash equivalent to TZS 103,736,966.

Receivables

The Receivables are initially recognised at fair value and subsequently measured at cost less provision for impairment. A specific provision is made in the account against receivables when it is not possible to collect all amounts due according to the original claims. The amount of the provision if any is recognized in the Statement of Profit or Loss and Other comprehensive income. Subject to the approval of the Board of Directors, bad debts may be written off after all measures have been taken to recover them. The Receivables comprise mainly with the unpaid s borrowed fund by the Parent Ministry for Burial Grants. The receivables as at 30th June 2025 amounted to TZS 10,940,000.

Payables and Accruals

Account payable is classified as current liabilities if payment is due one year or less (or in nominal operating cycle of the business if longer), if not they are presented as non-current liabilities. Payables are recognised initially at fair value and subsequently carried at amortised cost using the effective interest method. The payables comprise of unpaid Directors fees, audit fees and staff entitlements, Unspent Funds received from IFAD Project and allowance as at 30th June, 2025. The Account payables and Accruals as at 30.06.2025 amounted to TZS 414,103,873.27

Property, Plant and Equipment

Property, Plant and Equipment were initially recorded at construction, acquisition or purchase cost plus direct attributable cost and subsequently were shown at fair value based on valuation carried out in June 2017 by the external independent Valuer, less subsequent depreciation.

Subsequent costs are included in the assets carrying amounts 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 the Corporation and the cost can be measured reliably. Repairs and maintenance are charged to the Statement of Profit or Loss and Other comprehensive income during the financial period in which they were incurred. The net value of Property Plant and Equipment as at 30.06.2025 amounted to TZS 118,845,786,247.

Depreciation

Depreciation is provided on a straight-line method to write off the cost of non-current assets to its residual value over its estimated useful economic life. Annual depreciation rates applied in the 2024/2025 are as follows: -

Particulars	Useful life
Office Buildings and Structures	50 years
Hardware: Servers and Equipment (Incl. Desktops, Laptops, and UPS etc.)	4 years
Furniture and fittings	5 years
Equipment	7 years
Plant and Machinery	15 years

Land is not depreciated

The total depreciation for the year amounted to TZS 168,423,271.533

Property, plant and equipment acquired during the year are depreciated in full when they are available for use and cease to be depreciated at earlier of the date that the asset is classified as held for sale and the date that the asset is de-recognized. Assets that have indefinite useful life are not subject to depreciation and are tested annually for impairment. Assets that are subject to depreciation are reviewed for impairments whenever events or changes in circumstances indicate that the carrying amount is less than the recoverable amount.

During the year under review TAFICO has received Block Ice Machine from Donor so as to facilitate the corporate aim of producing Block ice that will be used to store a fresh fish from the sea. The total cost of that Machine is **TZS 129,819,023.45** which include the actual cost of the Block Ice Machine and all cost that incurred by corporation to make such Block Machine ready for intended use. Therefore, the cost incurred by TAFICO is **TZS 25,673,911.03** and the actual cost of the Block Machine from Donor is **TZS 104,145,112.42**. all this Make the Sum of **TZS 129,819,023.45** as stipulated in Fixed Asset Register.

Retained Earnings

The retained Earnings represent accumulated undistributed and unallocated Profit created during the years. The total Retained Earnings during the year is TZS 1,426,693,120.00.

Capital Work in Progress

The Capital Work in Progress (WIP) is stated at cost and not depreciated. The depreciation of WIP commences when the assets are ready for their intended use and transferred to PPE. The amount referred to the uncompleted contractual work which is carried out at TAFICO HQ, Ras Mkwavi Kigamboni amounted to TZS 801,121,301 and advance payment to Songoro Marine for Floating Jet rehabilitation TZS 185,291,942. This make the total of WIP to be TZS 986,413,243.

Credit Expected Loss

The Expected Credit Loss (ECL) model, introduced under IFRS 9, represents a significant shift in how companies account for credit risk and potential losses on financial assets. This model requires entities to estimate the expected credit losses over the life of their financial assets, rather than waiting for a loss event to occur, as was the case under the previous incurred loss model.

Calculation of ECL:

TAFICO calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Key Assumptions in ECL Calculation

- **Probability of Default (PD):** This represents the likelihood that a borrower will default on their obligations within a specified time frame, typically the next 12 months for Stage 1 assets. For assets that show a significant increase in credit risk, the PD is assessed over the lifetime of the asset.
 - **Loss Given Default (LGD):** This is the estimated loss that a lender would incur if a borrower defaults, expressed as a percentage of the total exposure at default. LGD considers factors such as collateral and recovery rates, which can significantly influence the loss amount.
 - **Exposure at Default (EAD):** This is the total value that is at risk at the time of default. It represents the outstanding balance of the financial asset at the time of default and is crucial for calculating the ECL
 - **Discount Factor (DF):** This accounts for the time value of money, reflecting the present value of future cash flows
-
- **Key Impacts of ECL on Financial Statements:**

Recognition of Losses: Under the ECL model, financial institutions must recognize credit losses based on expected future losses rather than waiting for a default to occur. This proactive approach means that losses are recorded as soon as they are anticipated, which can lead to a more conservative view of a company's financial health.

Impact on Statement of Financial Performance: The recognition of ECLs directly affects Financial Performance. Increased provisions for expected credit losses can reduce net income, impacting profitability metrics and potentially influencing investor perceptions and stock prices.

Financial Position Adjustments. ECLs are recorded as a reduction in the carrying amount of financial assets on the Financial Position. This adjustment reflects a more accurate valuation of assets, aligning the reported figures with the anticipated risks associated with those assets.

Regulatory Compliance: Adopting the ECL model ensures compliance with IFRS 9, which is crucial for entities operating in jurisdictions that require adherence to these standards. Non-compliance can lead to regulatory penalties and affect the entity's reputation.

Influence of Macroeconomic Factors: The ECL model incorporates macroeconomic forecasts and borrower-specific risks, meaning that changes in economic conditions can lead to fluctuations in ECL estimates. This dynamic nature requires companies to continuously update their loss provisions, which can lead to volatility in financial results

Sector-Specific Implications: Different sectors may experience varying impacts from ECL. For instance, banks and financial institutions with long-term loans may have more

pronounced effects compared to companies with short-term trade receivables, as the latter can utilize simplified approaches for ECL calculations

Therefore, during the year, the Corporation has provided for Expected Credit Loss on cash and cash equivalent in commercial banks amounting to TZS 2,054,999

Financial Assets and Liabilities

Financial Assets

(i) Classification

Financial assets are classified in the following measurement categories:

- Measured subsequently at fair value, either through OCI (FVOCI), or through profit or loss (FVPL)
- Measured at amortised cost.

The classification depends on the business model for managing the financial assets as well as the contractual terms of the cash flows. For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether an irrevocable election has been made at the time of initial recognition to account for the equity investment at FVOCI. Debt investments are reclassified when, and only when, the business model for managing those assets change.

(ii) Measurement

At initial recognition, a financial asset is measured at its fair value, plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial liabilities

1. Classification

Financial Liabilities are classified in the following measurement categories

- Measured at amortised cost.
- Measured at fair value through profit or loss (FVTPL).
- Designated at fair value through profit or loss (FVTPL).

2. Measurement

Generally, Financial liability is measured at amortised cost, unless it is a financial liability held for trading or designated at FVTPL. In addition, specific measurement requirements are given for:

- a) Financial guarantee contracts,
- b) Commitments to provide a loan at below-market interest rate,
- c) Contingent consideration recognised by an acquirer in a business combination

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances. The organisation is making estimates and assumptions concerning the future.

The Estimates and assumptions that have significant risk are addressed below:

Property, Plant and Equipment and Depreciation

Critical estimates are made in Accordance with Accounting Circular No.2 of 2017/18 in determining the depreciation rate for Property, Plant and Equipment and their residual value

5.7 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

	2024/25	2023/24
	TZS	TZS
4: Sales of Flake Ice		
Revenue from the sale of products	23,403,000	5,156,200
Revenue from the sale of Block Ice	306,000	-
Revenue from the sale of Fish	3,966,000	-
Total	27,675,000	5,156,200
4A: Other Revenue		
Revenue from the rent of Godown and Apartment	130,600,000	-
Total	130,600,000	-
5: Subvention from the Central Government		
Other Charges	517,883,213	478,008,225
Development	756,347,240	1,097,865,357
Personal Emoluments	588,715,000	626,366,945
Total	1,862,945,453	2,202,240,527
6: Deferred Income - Development)		
Opening Balance	117,990,119,616	118,060,372,087
Additionally, during the year	104,145,112	-
Total	118,094,264,728	118,060,372,087
Less: Amortisation	(77,510,562)	(70,252,471)
Net Book Value	118,016,754,166	117,990,119,616
Amortization		
Office Building & Structures	15,265,067	15,265,067
Commercial Buildings	29,974,874	29,974,874
Town Houses & Apartments	18,327,604	18,327,604
Office Furniture	7,000,000	7,000,000
Plant & Machinery	6,943,007	-
Total	77,510,562	70,252,471
6A: Deferred Income - Recurrent		
Recurrent Grants from Central Government	38648001	26,005,089
Development Grants from Central Government	54,060,732	68,133,573
Total	92,708,733	94,138,663

The Capital Grants from the Central Government consists of the Non-Current Assets situated in Dar es Salaam Region which have been measured at fair value.

7: Wages, Salaries and Employee Benefits Expense

Casual Labours	32,758,000	26,453,000
Civil Servants	538,674,225	528,579,700
Court Attire Allowance	1,000,000	-
Extra-Duty	62,305,000	33,110,000
Internship allowance	2,550,000	3,450,000
Furniture Allowances	-	64,000,000
Housing Allowance	35,400,000	37,800,000
Telephone Allowance	16,190,000	32,500,000
Electricity Allowance	17,730,000	19,920,000
Gift and Prize	1,500,000	-
Entertainment Allowance	3,350,000	-
Leave Travel	3,606,500	5,203,000
National Health Insurance Schemes (NHIF)	17,661,450	15,857,391
Workers Compensation Fund (WCF)	2,943,575	2,642,899
Public Service Social Security Fund (PSSSF)	29,435,750	79,286,955
Disturbance Allowances	3,340,440	-
Honoraria	-	500,000
Acting Allowance	-	47,940,000
Subsistence Allowances	19,950,000	9,450,000
Total	788,394,940	906,692,945

8: Directors Fees and Other**Board Expenses**

Directors' Fees	-	61,000,000
Per Diem Domestics	-	13,350,000
Air travel ticket-Domestic	-	570,800
Diesel	-	1,737,000
Food and Refreshments	-	3,700,000
Rent of Vehicles and Crafts	-	500,000
Presentation Fees	-	-
Total	-	80,857,800

9: Travelling, Training and other Facilitation Expenses

Air travel ticket-Domestic	4,900,000	19,505,475
Air travel ticket-Foreign	10,364,750	-
Moving Expenses	19,705,400	19,932,882
Sitting Allowance	8,470,000	12,175,000
Diesel	37,600,196	35,638,075
Ground Transport (Bus, Train, Water)	-	816,000
Ground travel (bus, railway taxi, etc.)	2,242,000	2,412,000
Per Diem - Domestic	190,162,000	173,356,609
Tuition Fees	6,500,000	18,180,000

Transport Allowance	-	5,197,000
Contribution Expenses	15,000,000	11,000,000
Per Diem - Foreign	23,158,900	7,539,900
Rent of Vehicle	500,000	-
Lodging/Accommodation travel in Country	-	1,600,000
Facilitation fees	1,500,000	2,500,000
Total	320,103,246	309,852,941

**10: Services, Supplies and
Consumables Expenses**

Cleaning Supplies	300,000	3,171,000
Computer Supplies and Accessories	6,786,231	535,000
Conference Facilities	-	750,000
Electricity charges	28,600,000	9,900,000
Exhibition, Festivals and Celebrations	3,715,000	12,501,600
Food and Refreshments	20,167,000	34,438,000
Internet and Email connection	12,290,000	11,500,000
Office Consumables (papers, pencils, pens	13,008,400	16,004,400
Direct labor (contracted or casual hire)	470,000	1,700,900
Outsourcing Costs (security services etc.)	20,021,600	33,789,017
Audit fees	20,820,000	15,000,000
Sundry Expenses	2,595,000	800,000
Funeral Expenses	2,500,000	1,000,000
Posts and Telegraphs	725,000	416,400
Subscription Fees	1,891,000	1,913,000
Uniforms and Ceremonial Dresses	-	250,000
Water Charges	3,538,739	2,739,000
Consultancy fees	12,200,000	19,198,000
Advertising and Publications	-	6,151,175
Small Tools and Equipment	1,895,000	2,651,000
PPRA Fees	1,250,000	3,000,000
Printing and Photocopying Costs	3,090,000	2,150,920
Insurance Expense	20,461,200	8,088,518
Lease Expenses	8,165,000	750,000
Loose tools Expense	-	6,183,000
Wire, Wireless, Telephone, Telex Services	-	670,000
Bank Charges and Commissions	2,022,397	2,156,235
Total	186,511,567	197,407,165

11: Routine Repair and Maintenance Expenses

Computers, printers, scanners, and other computer related equipment	-	440,000
Electrical and Other Cabling Materials	160,000	3,383,000
Motor Vehicles and Water Craft	13,793,600	4,418,000
Cement, bricks and construction materials	-	773,500
Air Conditioner Maintenance Expenses	480,000	485,000
Outsourcing costs (Maintenance contract)	1,140,000	-
Total	15,573,600	9,499,500

12: Depreciation of Property, Plant and Equipment

Hardware: servers and equipment (incl. desktops, laptops, UPS etc.)	12,973,253	3,846,100
Office buildings and structures	15,265,076	15,265,076
Commercial Building	29,974,874	29,974,874
Town houses and apartments	18,327,604	18,327,604
Office Furniture and Fittings	13,259,900	7,000,000
Plant and Machinery	17,585,773	8,931,172
Motor Vehicles (Administrative)	60,384,790	19,584,790
Office equipment	652,000	593,000
Total	168,423,272	103,522,617

NOTE 13: Reconciliation of Net Cash Flow from Operating Activities

	NOTES	2024/2025	2023/2024
		TZS	TZS
Cash Flows from Operating Activities			
Profit Before Tax		654,525,389	706,416,231
Adjustments for Items Not Involving the Movement of Cash			
Amortisation of Deferred Grants	5	(77,510,562)	(70,252,471)
Depreciation Expenses	12	168,423,272	103,522,617
Expected credit loss		2,054,999	-
Net Cash Flows Before Changes in Working Capital		737,808,099	739,686,377
Changes In Working Capital Items:			
(Increase)/Decrease in Trade and Other Receivables		(2,161,404)	15,290,481
Increase/(Decrease) in Trade and Other Payables		78,213,310	369,215,205
Net Cash Flows from Operating Activities (A)		813,860,005	1,124,192,063

NOTE 14: Property Plant and Equipment for the year ended 30 June 2025

	Land	Hardware: servers and equipment (incl. desktops, laptops, UPS etc.)	Office buildings and structures	Commercial Building	PARTICULARS	Office Furniture and Fittings	Office equipment	Motor Vehicles	Plant and Machinery	Totals
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
COSTS/VALUATION										
As at 01 July 2024	114,905,001,000	31,258,500	763,253,821	1,498,743,705	916,380,212	70,000,000	5,930,000	195,847,900	133,967,577.40	118,520,382,7
Additional monetary during the year	0.00	74,843,867.08	0.00	0.00	0.00	62,599,000.00	590,000.00	408,000,000.00	25,673,911.03	571,706,778.
Additional: Non- monetary during the year									104,145,112.42	104,145,112.4
Cost/Revaluation as at 30th June 2025	114,905,001,000	106,102,367	763,253,821	1,498,743,705	916,380,212	132,599,000	6,520,000	603,847,900	263,786,600.85	119,196,234,60
ACCUMULATED DEPRECIATION										
As at 01 July 2023	0.00	4,506,100	30,530,153	59,634,665	36,655,208	21,000,000	1,183,000	19,584,790	8,931,171.83	182,025,0
Depreciation Charge during the year	0.00	12,973,253.39	15,265,076	29,974,874.09	18,327,604.25	13,259,900.00	652,000.00	60,384,790.00	17,585,773.39	168,423,271.0
Accumulated Depreciation as at 30th June 2025	0.00	17,479,353	45,795,229	89,609,339	54,982,813	34,259,900	1,835,000	79,969,580	26,516,945	350,448,30
Carrying Value at 30th June 2025	114,905,001,000	84,623,014	717,458,592	1,409,134,166	861,397,400	98,339,100	4,685,000	523,878,320	237,269,655.63	118,845,786,20

The Non-Current Assets Consists Of those non-movable Assets in Dar es Salaam Region and working tools at TAFICO HQ, Ras Mkwavi Kigamboni

NOTE 15: WORK IN PROGRESS AS AT 30.6.2025

PARTICULARS	COST AS AT 30.06.2024	ADDITIONAL DURING THE YEAR	TRANSFERD TO PPE- ASSET 30.06.2025	TOTAL WIP
	TZS	TZS	TZS	TZS
Rehabilitation of Office Buildings	125,978,332.11			125,978,332.11
Rehabilitation of Office Buildings	215,517,761.75			215,517,761.75
Rehabilitation of Office Buildings	391,491,634.30	68,133,573.28		459,625,207.58
Rehabilitation of Floating Jet	-	185,291,941.70	-	185,291,941.70
GRAND TOTAL	732,987,728.16	253,425,515	-	986,413,243.14

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025 (CONTINUED)

15: Work in progress	2024/2025	2023/2024
Capital work in Progress -Buildings	986,413,243	732,987,728
Total	986,413,243	732,987,728

16: Cash and Cash Equivalent

Commercial Bank balances		
CRDB Project Account	1,081,932	19,283,391
CRDB Expenditure Accounts	102,638,833	96,124,662
Gepg TAFICO Collection Account NMB	-	-
Gepg TAFICO Collection Account TCB	-	-
Deposit Cash account	-	-
Provision for ECL	(2,054,999)	
BOT Account Balances	2,071,200	1,656,200
Total	103,736,966	117,064,253

17 Prepayment

Advances to GPSA	3,383,435	1,222,031
Total	3,383,435	1,222,031

18. Receivables

Advances to other government entities	10,940,000	10,940,000
Total	10,940,000	10,940,000

SCHEDULE SHOWING RECEIVABLE AGING ANALYSIS

	2024/2025				2023/2024
	1-6 Month	6-12 Month	1-3 Years	3-6 Years	1-3 years
Accounts			10,940,000		10,940,000
Receivable			10,940,000		10,940,000

19: Payables and Accruals

Directors Fees	47,250,000.00	61,000,000.00
Advertising and Publications	3,326,375.00	5,521,175.00
Tuition Fees	3,630,000.00	-
Audit Fees payables	35,820,000.00	30,000,000.00
security service	24,899,400.00	24,899,400.00
Furniture Allowances	58,730,000.00	60,000,000.00
Housing Allowance	29,400,000.00	21,000,000.00
Telephone Allowance	36,455,000.00	28,655,000.00
Electricity Allowance	25,845,000.00	15,395,000.00
Moving Allowances	16,205,700.00	8,400,300.00
Acting Allowances	47,940,000.00	47,940,000.00
Sitting Allowance	2,960,000.00	-
Substance Allowances	19,950,000.00	-
Other staff costs	-	4,328,000.00
Per Diem - Domestic	28,731,000.00	-
Leave Travel	2,299,200.00	-
Disturbance Allowances	3,340,440.00	-
Insurance cover	8,088,518.27	8,088,518.00
Air travel ticket-Domestic	8,059,240.00	8,059,240.00
Hardware: servers and equipment	11,174,000.00	11,174,000.00
Total	414,103,873.27	334,460,633.00
Deferred income	92,708,733.00	94,138,663.00
Total	92,708,733.00	94,138,663.00

SCHEDULE SHOWING AGING ANALYSIS

Details	2024/2025		2023/2024
	1-6 Month	1-3 Years	1-3 years
			3-6 Years
Other Accounts Payable	109,028,040	305,075,833	334,460,633
	109,028,040	305,075,833	334,460,633

20. The Authorized Share Capital

The authorized nominal capital of the Corporation is TZS 20,000,000 of 20,000,000 shares Of TZS 1/- each. All the shares are held by the United Republic of Tanzania. For The year 2024/25 there is no paid-up share capital.

	2024/25	2023/24
21: Miscellaneous Deposits		
AFDP/IFAD Funds	27,171,000	36,600,000
Total	27,171,000	36,600,000

22: Retained earnings		
Balance at Beginning of the Year	781,852,729	75,436,497
Add/(Less) Profit/Loss for the Period	644,840,391	706,416,231
Balance at End of the Year	1,426,693,120	781,852,728

23. Related Party Disclosures

In the course of its operations, the Corporation enters into transactions with related parties, which include the Directors and key management personnel. The related party transactions during the year 2024/25 are as follows:

Directors Remuneration	12,250,000	80,857,800
Key Management Staff Salaries, allowances and benefits	276,250,000	444,328,200
Total	288,500,000	525,186,000

Related Party Transactions include Key Management Staff Salaries, allowances and benefits and payments made to board members in respect of directors' fees, transport and night allowances.

24. Intra-Entity Transactions

List of transactions/balances with other government entities for the year ended 30 June, 2025 are as follows: -

LIST OF TRANSACTIONS/BALANCES WITH OTHER GOVERNMENT ENTITIES FOR THE YEAR ENDED 30 June, 2025				
SN	Goods/Services received	Name of the Entity provided Goods or Services	Amount paid	Payable balance
1	Fuel & Stationary	Government procurement Service Agency (GPSA)	46,920,864.12	3,383,435
2	Clearance of refrigerated container	Tanzania Ports Authority	1,831,167.47	-
3	Subscription fees	Public procurement Regulatory Authority	120,000	-
4	Electricity	Tanzania Electric Supply Company Limited (TANESCO)	28,600,000	-
5	Water	Dar es salaam water supply and sanitation authority (DAWASA)	3,538,739.36	-
6	Internet	Tanzania Telecommunication Company Limited	12,290,000	-
7	Subscription fees and Tuition fees	National Board of Accountants and Auditors (NBAA)	1,800,000	-
8	Consolidated Fund	The Treasury Register	15,000,000	
9	Physical verification and Services Fees For the Imported ice block machine	Tanzania Bureau of Standard	180,000	
10	Contribution for the fisheries and aquaculture research	TAFIRI	1,400,000	
11	Participation in celebration of international women's day	Prevention For Gender Based Violence	3,000,000	

12	Facilitation of recruitment process	Presidents Office Public Services Recruitment Secretariat	8,800,000	
13	Insurance cover	National Insurance Corporation	20,461,200	
14	Fees to attend a Workshop for Government officers	Ministry of Culture, Arts and Sports	500,000	

25. Cash flow generated from operation

(a) Receipts from sale of Flake Ice and rent received

Reported to the statement of financial performance	158,275,000	5,156,200.00
Balance reported to Receivables		
Cash paid during the year	158,275,000	5,156,200

(b) Subvention from Other Government Entities -OC

Reported to the statement of financial performance	517,883,213	478,008,225
Balance reported to payables	38,648,001	26,005,090
Cash paid during the year	556,531,214	504,013,315

(c) Subvention from Other Government Entities DEV

Reported to the statement of financial performance	756,347,240	1,097,865,357
Balance reported to payables	52,978,800	68,133,574
Cash paid during the year	809,326,040	1,165,998,931

(d) Wages, salaries and employee benefits

Reported to the statement of financial performance	788,394,940	906,692,945
Paid to Payable		
Leave Pay	690,000	
Furniture Allowance	1,270,000	
Balance reported to payables		
Housing Allowances	(8,400,000)	(21,000,000)
Telephone Allowances	(7,590,000)	(28,655,000)
Electricity Allowances	(10,660,000)	(15,395,000)
Furniture Allowances	-	(60,000,000)

Disturbance allowance	(3,340,440)	
Leave Pay	(2,201,200)	(698,000)
Subsistence Allowance	(19,950,000)	
Acting Allowances	-	(47,940,000)
Cash paid during the year	738,213,300	733,004,945

(e) Directors' Fees & Other Board Expenses

Reported to the statement of financial performance	-	80,857,800
Balance reported to payables	13,750,000	<u>(61,000,000)</u>
Cash paid during the year	13,750,000	<u>19,857,800</u>

(f) Travelling, Training and Other Facilitation Expenses

Reported to the statement of financial performance	320,103,246	292,496,332
Paid to Payable		
Moving Allowances	4,200,000	
Balance reported to payables		
Tuition Fees	-	(3,630,000)
Moving Allowances	(12,005,400)	(5,832,300)
Air Tickets	-	(8,059,240)
Prepayments GPSA	(3,383,435)	(1,222,031)
Per diem Allowance	(28,731,000)	
Sitting Allowance	(2,960,000)	
Cash paid during the year	277,223,411	273,752,761

(g) Services, Supplies and consumable Expenses

Reported to the statement of financial performance	186,511,567	197,407,165
Paid to Payable		
Advertising And Publication Costs	2,194,800	
Balance reported to Receivables	-	-
Outsourcing Costs (security services)	-	(24,899,400)
Insurance Expenses	-	(8,088,518)
Advertising And Publication Costs	-	(5,521,175)
Withholding Taxes payable	-	-
Audit Fee Payables	(5,820,000)	(15,000,000)
Cash paid during the year	182,863,454	143,898,071

(h) Routine Repair and Maintenance Expenses

Reported to the statement of financial performance	15,573,600	9,499,500
Balance reported to payables	-	-
Cash paid during the year	15,573,600	9,499,500

(i) Subvention from other government entities

Reported to the statement of financial performance	588,715,000.00	626,366,944.00
Balance reported to financial Position (Deferred Income)	-	-
Cash paid during the year	<u>588,715,000</u>	<u>626,366,944</u>

26. Contingent Liabilities

The Corporation is involved in legal dispute regarding the ownership of land with title number 17359 located at Kurasini, Dar es salaam and recorded under Property, Plant and Equipment. The case is currently pending in courts, and the outcome currently is uncertain. Currently the court has ruled out the case and TAFICO own the Land.

27. Comparative Figures

The Previous year figures have been regrouped wherever considered necessary in order to make them comparable with current year figures.

28. Expected Credit Loss

During the accounting period ended June 2025 TAFICO has established the Expected credit loss of TZS 2,054,999.

Account identifier	Bank Name	Rating Agency	Score	Month end date	Balance (EAD)	PD as preBank Rating (%)	LGD(%)	ECL
TAFICO Expenditure Account	CRDB BANK	MOODY'S	B2	30-Jun-25	102,638,833	2.16%	92.69%	2,054,999
TAFICO Project Account	CRDB BANK	MOODY'S	B2	30-Jun-25	1,081,932	2.16%	0.00%	-
							TOTA ECL	2,054,999

29. SUSTAINABILITY DISCLOSURE

a. Governance

The Board of Directors provides overall oversight and accountability for sustainability and climate-related issues, ensuring their integration into TAFICO's strategic direction and daily operations. The Audit Committee supports this function by reviewing risks, compliance, and disclosures under IFRS S1 and S2. The Board and senior management approve sustainability strategies, targets, and policies while ensuring alignment with national priorities.

Key governance tools include the Estates Policy, Risk Management Framework, and Capital Project Appraisal Guidelines, which embed sustainability and climate risk assessments in major projects. Senior management performance evaluations include sustainability objectives, with quarterly progress reports submitted to the Audit Committee and Board.

b. Strategy

TAFICO's sustainability strategy is guided by a financial materiality approach per IFRS S1, focusing on issues that influence enterprise value over the short, medium, and long term.

Short-term risks include fuel cost volatility, higher electricity tariffs, and compliance penalties, while opportunities exist in cost savings, green technology funding, and enhanced corporate reputation. Medium-term risks include extreme weather and donor shifts, balanced by opportunities in renewable energy consultancy and low-carbon projects. Long-term challenges such as water scarcity and infrastructure wear are offset by opportunities to achieve net-zero emissions and strengthen sustainability leadership. Sustainability is embedded in the Strategic Plan 2022-2027.

c. Climate Strategy and Resilience

TAFICO's climate resilience strategy focuses on adapting infrastructure, energy systems, and community projects to withstand climate disruptions. Planned actions include improved drainage, resilient construction materials, and renewable energy adoption. Current financial effects include high fuel and electricity costs, with anticipated savings from efficiency initiatives. Climate risks may threaten infrastructure but offer opportunities for asset longevity and increased grant funding through sustainability-linked projects.

d. Risk Management

Sustainability and climate risks are embedded within the Enterprise Risk Management (ERM) Framework. Risk identification integrates regulatory reviews, environmental hazard assessments, and community feedback. These inputs inform annual planning and budgeting led by the Planning and Private Partnership Manager.

Key Risk Indicators (KRIs) include weather incidents, water use, renewable energy share, waste diversion, and compliance rates. Results are reviewed quarterly by the Audit Committee, linking mitigation to strategic opportunities such as renewable energy adoption, funding access, and community projects.

e. Metrics and Targets

The 2024/2025 period serves as TAFICO's baseline year for IFRS S1/S2-aligned disclosures. Data sources include utility bills, fuel logs, and travel records, with emission factors from IPCC, Tanzania NIR, IEA, and DEFRA.

Baseline GHG Emissions:

- 2 Scope 1 (Diesel): 35,658 tCO₂e
- 3 Scope 2 (Electricity): 25,129 tCO₂e
- 4 Scope 3 (Air travel): 20,557 tCO₂e
- 5 Total: 81,343.97 tCO₂e

f. Operational Footprint

TAFICO promotes energy efficiency through LED retrofits, smart lighting controls, and efficient equipment procurement. Water conservation measures include low-flow fixtures, dual-flush systems, and leak repairs.

Sustainable transport initiatives encourage public transit and walking, reducing emissions and costs.

g. Stakeholder Engagement and Compliance

TAFICO engages government agencies, private partners, financiers, and local fishers through consultations, surveys, and community outreach. These engagements drive joint environmental and social initiatives, reinforcing compliance and shared value creation.

h. Statement of Compliance

This report fully complies with IFRS S1 and S2 disclosure requirements, structured around governance, strategy, risk management, and metrics/targets. It marks TAFICO's first formal sustainability report and establishes a foundation for improved measurement, transparency, and accountability in future reporting cycles.