



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



TANZANIA INDUSTRIAL RESEARCH AND DEVELOPMENT (TIRDO)

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

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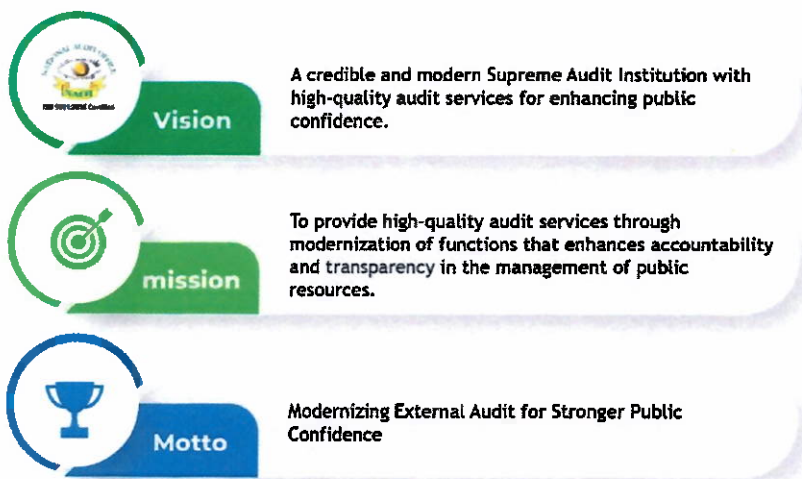
AR/PA/TIRDO/2024/25

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



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ABBREVIATIONS

CAG	Controller and Auditor General
COMSATS	The Commission on Science and Technology for Sustainable Development of the South
COSTECH	Tanzania Commission for Science and Technology
CSIR	Council of Scientific and Industrial Research
DIT	Dar es Salaam Institute of Technology
IAEA	International Atomic Energy Agency
ICT	Information Communication Technology
IPSAS	International Public Sector Accounting Standards
ISSAIs	International Standard of Supreme Audit Institutions
NAO	National Audit Office
NBAA	National Board of Accountants and Auditors
NHIF	National Health Insurance Fund
PSSSF	Public Service Social Security Fund
SADCAS	The Southern African Development Community Accreditation Services
SUA	Sokoine University of Agriculture
TBS	Tanzania Bureau of Standards
TFRS	Tanzania Financial Report Standard
TIRDO	Tanzania Industrial Research and Development Organisation
TPRI	Tropical Pesticides Research Institute
TPSF	Tanzania Private Sector Foundation
TZS	Tanzanian Shillings
UNIDO	United Nations Industrial Development Organization
URT	United Republic of Tanzania
WAITRO	The World Association of Industrial Technology and Research Organization
WIPO	World Intellectual Property Organization

1.0 INDEPENDENT REPORT OF THE CONTROLLER AND AUDITOR GENERAL

Chairperson of the Council,
Tanzania Industrial Research and Development Organisation (TIRDO),
P.O. Box 23235,
DAR ES SALAAM.

1.1 REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Unqualified Opinion

I have audited the financial statements of Tanzania Industrial Research and Development Organisation (TIRDO), which comprise the Statement of Financial Position as at 30 June 2025, the Statement of Financial Performance, Statement of Changes in Net Assets, Cashflow 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 the Tanzania Industrial Research and Development Organisation as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) Accrual basis of accounting and in the manner required by the Public Finance Act, Cap. 348.

Basis for Opinion

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

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

Key Audit Matters

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

Other Information

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

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

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

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

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

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

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

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

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an audit report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



Other Information

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

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

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

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

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

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

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

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

1.2 REPORT ON COMPLIANCE WITH LEGISLATIONS

1.2.1 Compliance with the Public Procurement laws

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

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

Conclusion

Based on the audit procedures performed, I conclude that Tanzania Industrial Research and Development Organisation complies, in all material respects, with the requirements of the Public Procurement laws in Tanzania.

1.2.2 Compliance with the Budget Act and other Budget Guidelines

Subject matter: Budget formulation and execution

I conducted a compliance audit of budget formulation and execution at Tanzania Industrial Research and Development Organisation for the year ended 30 June 2025 as per the Budget Act, Cap. 348, and the Budget Guidelines issued by the Ministry of Finance. I reviewed budget submissions, approval memoranda, commitment registers, ledger entries and variance analyses to confirm that the entity prepared estimates in the prescribed format, obtained timely authorizations before incurring obligations, recorded transactions accurately and reported variances as required.

Conclusion

Based on the audit procedures performed, I conclude that Tanzania Industrial Research and Development Organisation (TIRDO) 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

THE REPORT BY THOSE CHARGED WITH GOVERNANCE

In compliance with the Establishment Act of the Organization, the Public Corporations Act, 1992 and the Tanzania Financial Reporting Standard (TFRS No 1) on the Report by Those Charged with Governance, the Permanent Secretary submit the report together with Financial Statements of the Organization for the year ended 30 June 2025.

2.1 Corporate Profile

2.1.1 Legal Status and Ownership

Tanzania Industrial Research and Development Organisation (“TIRDO” or “the Organisation”) is a body corporate established in 1979 under the TIRDO Establishment Act, 1979 which came into operation on 1 April 1979. The entity is a parastatal organization wholly owned by the Government of the United Republic of Tanzania (URT) through the Ministry of Industry and Trade. The organization is mandated to assist the industrial sector in the country through the delivery of technical expertise and support services in order to upgrade its technological base.

2.1.2 Vision and Mission

Vision

To be a Centre of excellence in provision of innovative solutions for a competitive industrial sector.

Mission

To support the development of competitive and green industries through quality research, technologies development and professional technical support services.

2.1.3 Principal Activities

The principal functions of TIRDO include:

- (i) To carry out and promote the carrying out of applied research designed to facilitate the evaluation, development and use of local materials in industrial processes;
- (ii) To research into local and foreign industrial techniques and technologies, and evaluate their suitability for adaptation and use in industrial production;
- (iii) To promote or provide facilities for training personnel in carrying out scientific and industrial research;
- (iv) To operate documentation systems to disseminate information on applied research;
- (v) To provide technical services for industrial development; and
- (vi) To provide technical capacity to mitigate industrial pollution.

2.1.4 Financing Structure

The Organisation is mainly funded by Government subventions allocated annually by Parliament of the URT. The Organisation also generates own revenue from leased properties and fees from carrying out research and consultancy activities related to the development of the industrial sector both in the public and private sectors.

2.1.5 Corporate Governance

TIRDO Governing Council consists of ten (10) members: Eight (8) members are male while Two (2) members are female. Apart from the Director General who is the Secretary of the Council, no other member holds executive position in the Organization. The Council is responsible for the performance of functions and management of the affairs of the Organization, which include responsibility of identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and review the performance of plans and budgets. The Council is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and compliance with sound corporate governance principles.

The directors recognize the importance of integrity, transparency and accountability to ensure high standards of corporate governance throughout the Organisation.

In accordance with the TIRDO Establishment Act, The Council is required to meet at least four times a year. As required the Council met four (4) times during the year.

During the meetings, the Governing Council discussed key investment decisions and financial matters, reviewed the performance of approved plans and budgets, assessed progress against strategic objectives, and considered recommendations to improve financial efficiency and governance.

The Council delegates day-to-day management of the Organization activities to the Director General assisted by senior management. Senior Management is invited to attend Council meetings and facilitate the effective control of all the Organization's operating activities, acting as the medium of communication and coordinating all various departments and divisions.

The Organization is committed to the principles of effective corporate governance. The Organization has documented code of ethics, which is communicated to everyone in the Organization, and all employees abide by. The Councillors also recognize the importance of integrity, transparency and accountability.

2.1.6 Composition of the Governing Council

The members of the Governing Council of TIRDO, who served the Organization during the year and up to the date of this Report are shown in Table 1 below.

Table 1: Governing Council Members up to the date of this Report

S/N	Name	Date of Appointment	Gender	Position	Qualifications	Nationality	Age
1.	Eng. Bashir Juma Mrindoko	26.06.2022	Male	Chairperson (Demised on 30.12.2025)	MA. Engineering	Tanzanian	71
2.	Prof. Mkumbukwa M.A. Mtambo	07.09.2022	Male	Secretary/DG	PhD. Veterinary Medicine	Tanzanian	66
3.	Dr. Amos Muhunda Nungu	07.09.2022	Male	Member	PhD. in Telecommunication System	Tanzanian	50
4.	Mr. Peter Alanambula Ilomo	07.09.2022	Male	Member	MA. Health Management Policy and Planning	Tanzanian	70
5.	Dr. Abdulla Rashid Abdulla	07.09.2022	Male	Member	PhD. Industrial Economics	Tanzanian	53
6.	Prof. Sylvester Michael Mpanduji	07.09.2022	Male	Member	PhD. Agricultural Engineering	Tanzanian	64
7.	Prof. Maulilio John Kipanyula	07.09.2022	Male	Member	PhD. Bioscience and Biotechnology	Tanzanian	51
8.	Mrs. Christine F. Kilindu	07.09.2022	Female	Member	BSc. (Hons) In Management	Tanzanian	79
9.	Ms. Rhobi Daniel Sattima	07.09.2022	Female	Member	MA. Business Administration (Finance); CPA(T)	Tanzanian	49
10.	Dr. Lugano Wilson Mwansule	07.09.2022	Male	Member	PhD. Energy Engineering	Tanzanian	61

According to the TIRDO Establishment Act, 1979, the Council is required to meet on quarterly basis each year.

The Council has established two Sub-Committees to ensure a high standard of corporate governance in the Organization. These are Finance & Audit Committee and Technical Programmes Committee.

Members of each of the committees are as follows:

(a) Finance and Audit Committee (FAC)

Name	Position	Gender	Qualification	Nationality
Ms. Rhobi Sattima	Chairman	Female	MA. Business Administration (Finance); CPA(T)	Tanzanian
Mr. Peter Ilomo	Member	Male	MA. Health Management Policy & Planning	Tanzanian
Mrs. Christine Kilindu	Member	Female	BSc. (Hons) in Management	Tanzanian
Prof. Maulilio Kipanyula	Member	Male	PhD. Bioscience & Biotechnology	Tanzanian
Prof. Mkumbukwa Mtambo	Secretary	Male	PhD. Veterinary Medicine	Tanzanian

The Finance and Audit Committee deliberated on matters relating to TIRDO's Internal and External Audit findings, Risk Management and Governance related issues as well as measures to ensure transparency, accountability, and prudent utilization of financial and institutional resources in support of TIRDO's objectives.

Additionally, the Committee deliberated matters related to Financial Management and Institutional operations. Discussions encompassed the review of budgetary allocations for the Organization, assessment of investment progress, monitoring of procurement activities, and evaluation of human resources and administrative matters.

Four committee meetings of the FAC were planned for the year, and all four meetings were successfully held as scheduled.

(b) Technical Programmes Committee (TPC)

Name	Position	Gender	Qualification	Nationality
Prof. Sylevester Mpanduji	Chairman	Male	PhD. Agricultural Engineering	Tanzanian
Dr. Abdulla Rashid Abdulla	Member	Male	PhD. Industrial Economics	Tanzanian
Dr. Wilson Lugano	Member	Male	PhD. Energy Engineering	Tanzanian
Dr. Amos Nungu	Member	Male	PhD. in Telecommunication System	Tanzanian
Prof. Mkumbukwa Mtambo	Secretary	Male	PhD. Veterinary Medicine	Tanzanian

The Technical Committee deliberated on matters related to TIRDO's research and technical functions. Discussions included the review and evaluation of ongoing and proposed research projects, assessment of laboratory infrastructure and technical capacity, including the handling and analysis of tested samples. The Committee also addressed issues concerning consultancy services, incubation programmes, and the preparation of research proposals for funding from donors, with the aim of enhancing the quality, impact, and sustainability of TIRDO's research activities.

Likewise, four TPC meetings were held during the year as planned.

Number of meetings attended by each committee member are as follows:

(a) Finance and Audit Committee (FAC)

S/No	Name	Number of meetings
1	Ms. Rhobi Sattima	4
2	Mr. Peter Ilomo	3
3	Mrs. Christine Kilindu	3
4	Prof. Maulilio Kipanyula	3
5	Prof. Mkumbukwa Mtambo	4

(b) Technical Programmes Committee (TPC)

S/No.	Name	Number of meetings
1	Prof. Sylevester Mpanduji	4
2	Dr. Abdulla Rashid Abdulla	4
3	Dr. Wilson Lugano	3
4	Dr. Amos Nungu	3
5	Prof. Mkumbukwa Mtambo	4

2.1.7 Management

At the apex of the Organization is the Minister who appoints the Governing Council members while the Council's Chairperson is appointed by the President of the United Republic of Tanzania. The composition of the Council includes Government officials, business community, industrialists and academia. The Chief Executive Officer of the Organization is the Director General who is appointed by the President. The structure consists of five Departments by Directors namely:

- (i) Engineering Development;
- (ii) ICT and Technology Transfer;
- (iii) Industrial Research;
- (iv) Human Resource and Administration; and
- (v) Finance.

Under the Departments, there are twelve operating Divisions and in the office of the Director General, there are three Units. Each Division is responsible for its functional activities including technology development and provision of technical services. The Corporate Services Unit does the extension services, information management and marketing. Centralized services cover Finance, Human Resources and Administration, Planning and Legal.

2.2 Strategic Objectives, Strengths and Links

2.2.1 Strategic Objectives

TIRDO corporate strategic plan had eight strategic objectives as follows;

- (i) HIV/AIDS and NCDs Morbidity and Mortality Reduced;
- (ii) National Anticorruption strategy enhanced, sustained and implemented;
- (iii) Utilization of local raw materials for industrial production through value addition

- promoted;
- (iv) Quality, Reliable and internationally recognized laboratory services provided.
 - (v) Eco-friendly and low emission production processes in industries Developed and promoted;
 - (vi) Technical services for industrial development and dissemination of technical knowledge efficiently provided;
 - (vii) Quality and standard of locally produced products to meet quality standards and specifications set by Domestic, Regional and International markets Improved; and
 - (viii) TIRDO transformed into a centre of excellence in applied R&D and technical services and be self-reliant in conducting its core activities.

2.2.2 Strategic Strengths

The Tanzania Industrial Research and Development Organization (TIRDO) plays a vital role in the industrial development of Tanzania. TIRDO serves as a key government agency responsible for promoting and supporting industrial research, innovation, and technological advancements in the country.

Its strategic strengths and role in industrial development is highlighted:

(i) Research and Development (R&D)

The Organization conducts research and development activities focused on enhancing industrial productivity, efficiency, and competitiveness. It carries out scientific investigations, technological studies, and applied research to address industry-specific challenges and develop innovative solutions. It also collaborates with academic institutions, industry stakeholders, and other research organizations to foster a culture of research and innovation in Tanzania.

(ii) Technology Transfer and Commercialization

TIRDO facilitates the transfer of technology and knowledge from research institutions to industries. It identifies emerging technologies, conducts feasibility studies, and supports the commercialization of research outcomes. TIRDO assists in bridging the gap between research and industry by facilitating technology licensing, incubation, and entrepreneurship programs, thus fostering the growth of technology-driven enterprises.

(iii) Standards and Quality Assurance

TIRDO plays a crucial role in setting and ensuring compliance with standards and quality requirements in industries. It promotes and assist in development of national standards, technical regulations, and quality assurance systems. TIRDO provides testing, calibration, and certification services to support industries in meeting national and international quality standards. By promoting quality assurance, TIRDO enhances the competitiveness of Tanzanian industries in domestic and international markets.

(iv) Capacity Building and Training

TIRDO conducts training programs, workshops, and seminars to build the capacity of industrial professionals, researchers, and entrepreneurs. It aims to enhance their skills, knowledge, and understanding of emerging technologies and industrial best practices. TIRDO also collaborates with educational institutions to develop curricula and training modules that align with the evolving needs of the industrial sector.

(v) Policy Advice and Advocacy

TIRDO provides policy advice and recommendations to the government on matters related to industrial development. It actively participates in policy formulation processes, providing expert input on issues such as research and development, innovation, technology adoption, and industrial competitiveness. TIRDO serves as a voice for the industrial sector, advocating for policies that promote sustainable industrial growth and economic development.

(vi) Collaboration and Partnerships

TIRDO actively engages with domestic and international stakeholders to foster collaboration, knowledge sharing, and technology transfer. It collaborates with industry associations, research institutions, development partners, and other organizations to leverage expertise, resources, and networks. These collaborations contribute to the development of a vibrant ecosystem that supports industrial innovation, entrepreneurship, and investment.

The Organisation enjoys both international and national links in the conduct of its activities, which include: -

- The World Association of Industrial Technology and Research Organization (WAITRO);
- The Commission on Science and Technology for Sustainable Development of the South (COMSATS);
- The Southern African Development Community Accreditation Services (SADCAS).
- World Intellectual Property Organization (WIPO);
- International Atomic Energy Agency (IAEA);
- Council of Scientific and Industrial Research (CSIR);
- United Nations Industrial Development Organization (UNIDO); and locally

TIRDO is also associated with the following Organizations: -

- The Commission for Science and Technology (COSTECH).
- Tanzania Bureau of Standards (TBS)
- Dar es Salaam Institute of Technology (DIT)
- Sokoine University of Agriculture (SUA)
- Tropical Pesticides Research Institute (TPRI)
- Tanzania Private Sector Foundation (TPSF)
- University of Dodoma (UDOM)

2.2.3 Operating Model

TIRDO's Operating Model is summarized on Table 2 below:

Table 2: TIRDO's Operating Model

NO	Strategic Objective	Inputs	Processes	Outputs	Outcome
1	HIV/AIDS infections and Non-Communicable Diseases reduced, and supportive services provided	Budget, partnerships with health organizations, training resources	Awareness campaigns, capacity building, access to health services.	Reduced cases of HIV/AIDS and NCDs, improved workforce health	Increased productivity and reduced healthcare costs
2	National Anticorruption strategy enhanced, sustained, and implemented	Ethical policies, training resources, governance frameworks	Training, monitoring, adherence to anti-corruption frameworks	Compliance with the Anticorruption policy, reduced corruption incidents.	Improved governance and public trust
3	Research activities across sectors enhanced and sustained	Research funding, skilled researchers, industry collaboration and International Research institutes collaboration.	Conducting sector-specific research, Collaborate with Industries in Research projects, promoting applied R&D	Increased R&D outputs, increased technologies and innovative solutions	Enhanced industrial innovation and competitiveness
4	ISO-certified laboratory services provided	Accredited equipment, skilled personnel, certification frameworks,	Proficiency Testing, User samples testing, calibration, certification and accreditation	Laboratories achieving ISO certification (accreditation), reliable test results, improved product quality	Increased industry confidence in quality standards, Improved market share of Tanzanian products.
5	Energy-efficient and low-emission production processes in industries promoted	Green energy technology, R&D funding, equipment, environmental expertise	Research, development, and dissemination of energy-efficient technologies	Adoption of green technologies, reduced industrial emissions, industries and large energy consumers audited.	Improved environmental sustainability and cost efficiency. Improved energy management practices.
6	Industrial technical and technology transfer services for industrial development enhanced.	Advanced technical tools, skilled personnel, training programs	Technical support, technology transfer, training	Increased adoption of local technologies, skilled workforce	Growth in locally driven industrial innovations
7	Governance structure and systems for effective performance of the Organization sustainably enhanced	Leadership training, governance frameworks, organizational resources	Review and implementation of governance structures	Improved governance systems, transparent reporting	Enhanced organizational efficiency and alignment with national industrialization goals.

2.2.4 TIRDO's Stakeholders

The TIRDO's key stakeholders, services offered and expectations are provided in Table 3 below.

Table 3: Stake holders Relationship

S/N	Stakeholder	Service Offered	Expectation
1	Ministry of Industry and Trade	<ul style="list-style-type: none"> • Performance reports • Audited accounts • Annual budget and plans • Technical advice on R&D matters 	<ul style="list-style-type: none"> • Accurate and timely reports • Informed, Professional and advise • Compliance budget and plans • Compliance with Government policies and guidelines • Cooperation within the ministry and other Government related institutions
2	TIRDO Employees	<ul style="list-style-type: none"> • Remuneration • Incentive packages • Working environment infrastructure and working tools • Provision of information • Career development 	<ul style="list-style-type: none"> • Timely payment of remuneration • Good incentive package • Conducive working environment • Good infrastructure • Participation in decision making • Transparency in decision making • Career development Promotion
3	General public	<ul style="list-style-type: none"> • Consultancy services • Awareness creation on applied research matters. 	<ul style="list-style-type: none"> • Timely and accurate information • Good customer care
4	Micro, Small and Medium Enterprises (SMEs)	<ul style="list-style-type: none"> • Provision of training, • Technical advices and • Consultancy services 	<ul style="list-style-type: none"> • Appropriate training • Timely and reliable advices • Good customer care
5	Higher learning and other Research Institution	<ul style="list-style-type: none"> • Supporting practical training • Supporting research works • Engagement to joint consultancy works 	<ul style="list-style-type: none"> • Quality proposals, • timely reporting, effective supervision • Timely and reliable information and technical advices
6	Ministries, Independent departments, Agencies and Local Government Authorities (LGA)	<ul style="list-style-type: none"> • Provision of applied research works • Provision of technical advices on industrial development • Provision of consultancy services 	<ul style="list-style-type: none"> • Timely dissemination of information • Accurate and timely technical services
7	Regional and International Science and technology, Research Organizations	<ul style="list-style-type: none"> • Provision of technical advices and collaboration among partners • Engagement to joint researches technical services and consultancy works 	<ul style="list-style-type: none"> • Technical collaboration improvement • Accurate and timely technical services linkages • Expertise sharing and transfer of technology
8	Public and Private Industries	<ul style="list-style-type: none"> • Provision of training, • Technical advices • Laboratory tests and • Consultancy services 	<ul style="list-style-type: none"> • Appropriate training, • Accurate and timely results and advice • Good customer care
9	Development Partners (DPs)	<ul style="list-style-type: none"> • Submission of project proposals • Provision of accountability reports 	<ul style="list-style-type: none"> • Accurate and timely submission of viable and feasible proposals
10	Media	<ul style="list-style-type: none"> • Provision of public related information 	<ul style="list-style-type: none"> • Accurate and timely information

2.2.5 Societal Responsibility

The Organization has been participating and supporting both technical and financial support to various societies programs through Corporate Social Responsibility (CSR) budget. However, despite continuous participation and funding, demand is higher than the organizational technical and financial capacity. Going forward, the Organization will aim to increase its budget allocation and focus its contribution to specific programs related to Research and Development (R&D).

2.2.6 Environmental Challenges

The Organisation's day-to-day operations leads to impacts on the environment. The major environmental challenges facing the Organization include energy consumption and waste production. To address these challenges the Organization has continued with its efforts to promote training to its staff and purchase of advanced and environmentally friendly laboratory equipment's. The Organisation has embarked on sustainable laboratory practices by reducing resource consumption, such as energy, water, and materials, and minimizing waste through practices like recycling and proper management of chemicals and hazardous substances, and energy-efficient equipment's. The Organization benefits from having state of art energy laboratory and reliable experts (technicians, Energy managers and Auditors).

Through cleaner Technologies, the Organization is responsible for developing innovative, green technologies that reduce or eliminate industrial waste and promote sustainable development.

2.2.7 Political Environment and Donation

The Organization benefit from the political stability prevailing in the country. It abides by the existing legal, regulatory and political environment. In preparing and implementing its annual plans and budgets, the Organization takes into considerations wider national plans, including the manifesto of the ruling political part Chama cha Mapinduzi. There has not been any political interference with the Organization while exercising its mandate. Further, TIRDO did not make any political donations during the year 2024/25.

2.3 Major Achievements and Future Plans

2.3.1 Major achievements include

- (i) Industrial supervision activities including the Kilimanjaro International Leather Industries, CPB Rice Paddy processing factory, Soda Ash processing plant feasibility study in Arusha and MSD Gloves Manufacturing Factory;
- (ii) Industrial Mapping Project for the Lake zone that comprises Mwanza and Shinyanga were implemented. A total of 3,091 industries in Mwanza were reached physically and their information/data collected, whereas the same in Shinyanga were, 1,843 industries visited;
- (iii) National Industrial Information Management System (NIIMS) developed for storing industries information. Industrial information for seven (7) regions is already uploaded. The System has several modules; however Industrial Module is 95 % completed other Modules such as Skill Mapping, Infrastructures, and Raw materials

- are still developed;
- (iv) A total of nine research projects that aimed at developing technologies for value addition in industrial processes were successively implemented in areas of leather processing, biomass briquetting technology, essential oil productions, coal briquetting technology, among others;
 - (v) Infrastructure enhancements in terms of laboratory equipment for the food microbiology laboratory, chemical processing laboratory, energy laboratory and leather-testing laboratory;
 - (vi) Technical services provision to industries in areas of Non-Destructive Testing (NDT) ongoing construction of Msalato International Airport, energy auditing, environmental auditing, ESIA among others;
 - (vii) The Organization also established 20 technical collaborative agreements with Research Institutions, Higher Learning Institutions and Private companies inside and outside Tanzania;
 - (viii) Quality Management Manual and Quality Management Procedures were prepared and submitted to SADCAS for review;
 - (ix) TIRDO Food Microbiology Laboratory was granted 5 years Accreditation Certificate with number TEST - 1 0033 which certified the facility to comply accordance with ISO/IEC 17025:2017; and
 - (x) Established coal reference laboratory that serves the Nation on coal quality testing. Through this laboratory, TIRDO was able to advise the Government on the quality of the Tanzanian coal.

2.3.2 Future Plans

- (i) To be the hub that acts as a "Think Tank" for the development of industries and their resources in the country.
- (ii) To identify various investment opportunities in industries, stimulate job creation, contribute to the national income, preserve the environment, and enhance security.
- (iii) To establish an industrial information centre for providing accurate information on industries to the government, thereby assisting in various decisions regarding industrial development.
- (iv) To establish a centre for forecasting industrial technology trends and assist the government in identifying future investment opportunities, enabling strategic planning for those opportunities;
- (v) To have an Industrial Clinic for providing solutions to various challenges faced by industries, ensuring their sustainability and preventing them from shutting down or ceasing production;
- (vi) To assess available raw materials in the country, especially rare minerals (strategic minerals), and advise on their proper use in industrial activities to prevent losses for the government;
- (vii) To nurture, support, and develop technologies resulting from research for industrial use, thereby increasing employment, discovering talents, and supporting the production of modern technologies;
- (viii) To strengthen laboratory for improved cook-stoves testing to support national clean cooking initiatives/strategy;

- (ix) To strengthen laboratories for coal, metallurgy, oil, and gas to provide professional services to strategic industries such as Liganga and Mchuchuma, Ngaka, and the oil and gas industries for efficiency; and
- (x) To continue evaluating the current status of privatized processing industries that have ceased production, with the aim of finding the best ways to revive or use them for alternative purposes to avoid losses for the government.

2.4 Commercial and Operational Risks

2.4.1 Risks

TIRDO's Council identified key commercial and operational risks that face the Organization towards achieving its mission and objectives that include: -

- a) Inadequate and unreliable resources and insufficient funding required for developing and implementing research and development programs and to fulfil the mandate of TIRDO;
- b) A rapid progress of science and technology and diffusion of technological innovations in industries;
- c) Absence of a strong private sector that appreciates the contribution of research and development and is willing to support and adopt local innovations, which is a major hurdle for technology transfer pathway;
- d) Competition in the research and development business is intense and increasing, both from local and international research and development institutions and individuals; and
- e) Strengthening of the procurement management and financial management units to better enhance budgetary controls, risk management, and monitoring and evaluation of performance.

2.4.2 Financial Risk Management Objectives and Policies

To ensure its financial stability and profitability, TIRDO has implemented policies and practices for a sound and prudent management and control of the principal financial risks to which it is exposed. The Organization's overall risk management program focuses on the identification and management of risks and seeks to minimize potential adverse effects on its financial performance. A summary of the risk management objectives and policies are also disclosed in the notes to the Financial Statements.

2.4.3 An Overview of the Financial Performance for the year 2024/25

In recent years, the Organisation's financial performance has not been satisfactory including the year under review. With the assistance of the Government, the Council is poised to address this situation in the short term, medium and long term. The summarized comparative financial performance for the two years ended 30 June 2025 is shown in Table 4.

Table 4: Condensed Two-Year Comparative Financial Performance

Narration	Actual 2024/25 TZS	Actual 2023/24 TZS	Performance Change in %
Government Grants			
Personnel Emoluments Grant (Note 12)	2,726,718,118	2,579,385,958	6
Development Funds (Note 12)	476,237,457	983,475,477	-52
Industrial Mapping (Note 12)	500,000,000	500,000,000	0
Other Development Grants (Note 14)	-	2,000,000	-100
Total Grants	3,702,955,575	4,064,861,435	-9
Own Revenue			
Rental Revenue (Note 13)	1,214,940,919	1,210,411,875	0
Research & Consultancy revenue (Note 13)	466,991,769	476,572,833	-2
Other Revenue (Note 13)	40,631,111	24,486,000	66
Total Internally Generated Revenue	1,722,563,799	1,711,470,708	1
ECL Reversal of Cash	766,125	13,141,248	-94
Total Revenue	5,426,285,499	5,789,473,391	-6
Total Expenses Excluding Depreciation	5,428,858,469	4,763,074,155	14
Operating Surplus/(Deficit)	(2,572,970)	1,203,068,548	-100
Depreciation	391,319,458	514,944,398	-24
Disposal of Asset/ Donation to CARMATEC	-	198,852,840	-100
Other transfers - consolidated fund	10,000,000	5,000,000	100
Expected Credit Loss (Note 21)	3,183,065	318,245,428	-99
Impairment of assets, Net	-	28,697,760	-100
Surplus/(Deficit) for the year	(407,075,493)	(39,241,190)	937

Source: Financial Statements for the respective years

2.4.4 The annual Revenue Budget Proposal Submitted to the Ministry of Industry and Trade for Approval

The budget estimates of Government subventions and internally generated revenue proposed by the Council and the amounts approved by the Parent Ministry are summarised in Table 5.

Table 5: Budget Estimates Proposed and the Estimates Approved for Year 2024/25

Revenue Item	Proposed Budget Estimate year 2024/25 TZS	Approved Budget Estimate year 2024/25 TZS	(%) of Original Proposal Estimate
Government Grants			
Personnel Emoluments	3,021,294,000	3,021,294,000	100
Other Charges	0	0	0
Development Grant	3,100,000,000	3,100,000,000	100
Total Grants	6,121,294,000	6,121,294,000	100
Internally Generated Revenue			
Revenue from Exchange Transactions	6,023,741,765	6,023,741,765	100
Other Revenue	0	0	0
Total Internally Generated Revenue	6,023,741,765	6,023,741,765	100
Gross Revenue Budget	12,145,035,765	12,145,035,765	100

Source: Approved Budget for the year 2024/25

2.4.5 Annual Approved Revenue Budget Vs Actual Revenue Collection

The actual financial performance results for the year 2024/25 compared with the approved budget estimates are summarised in Table 6.

Table 6: Actual Revenue Compared with Approved Budget Estimate for 2024/25

Revenue Item	Approved Budget Estimate TZS	Actual Receipts TZS	% of Approved Budget Estimate
Government Grants			
Personnel Emoluments	3,021,294,000	2,726,711,118	90
Development Grant	3,100,000,000	986,616,432	32
Total Government Grants	6,121,294,000	3,713,334,550	61
Internally Generated Revenue:			
Professional & Consultancy Fees	5,023,741,765	466,997,769	9
Deposits	0	71,821,143	-
Rental Revenue	1,000,000,000	1,009,037,410	101
Other revenue	0	40,637,111	-
Total Internally Generated Revenue	6,023,741,765	1,588,476,433	28
Gross Revenue	12,145,035,765	5,301,811,983	26

Source: Approved Budget and Financial Statements for 2024/25

2.5 Employees Welfare

The Organization's employment terms are reviewed annually to ensure that they meet statutory and market conditions. The Organization contributes towards the National Health Insurance Fund (NHIF), a national defined contribution scheme, to cover medical expenses for employees and their immediate dependents. Contributions are determined by local statute and the Organization's contributions are charged to the statement of financial performance in the year to which they relate. In order to improve the motivation of employees, the Organization provides training and holds regular meetings with employees to elicit their views on the promotion of customer service and working conditions.

In addition, the Organisation contributes to Public Service Social Security Fund (PSSSF) on mandatory basis, whereby TIRDO contributes 10% and the remaining 90% is deducted from employee emoluments. The amount contributed by the Organisation for its employees to PSSSF are recognized as expense in the Statement of Financial Performance during the year.

2.6 Related Party Transactions

Transactions with related parties during the year were in the normal course of business. Details of transactions and balances are included in the note 1.8 appended to the financial statements.

2.7 Borrowings

The Organization is financed through revenue and capital grants from its sole shareholder, the Government of the United Republic of Tanzania. At the date of the financial statements under report, the Organisation did not have any liabilities arising from borrowings.

2.8 Disabled Persons and Gender Parity

2.8.1 Disabled Persons

The Organisation adheres to a disability policy that responds to the National Disability Policy (2004), which requires all government institutions, families, relatives, local governments, and non-governmental organizations to care for disabled persons. The Management ensures that people with disabilities have access to the Organisation's facilities and environment that is comparable to that of their non-disabled peers. The policy recognizes that disabled staff and community members are integral to the Organisation's community.

2.8.2 Gender Parity

The average number of staffing during the year was as follows:

Gender	2025	2024
Male	61	44
Female	40	51
Total	101	95

The Organisation gives equal access to employment opportunities and ensures that the best available person is appointed to any position free from discrimination of any kind and without regard to factors such as gender, marital status, tribe, religion and disability which does not impair ability to discharge duties

2.9 Statement of Compliance with Laws and Other Regulatory Requirements

The Council members individually and collectively are aware that, the Organisation's management has the responsibility to comply with relevant laws, Government Policy Directives and Circulars and thus we confirm that, during the year under report the Organisation was in compliance with all the relevant laws and regulations including the Public Procurement Act No 7 of 2011 and its Regulations of 2013. The statutory contributions accruing to permanent and pensionable employees and those payable by the employer have been duly recognised in the financial statements in accordance with the requirements of the regulating laws and Treasury directives on harmonised financial reporting in the public sector.

2.10 Future Outlook

The transformation of TIRDO into a highly reputable and competitive research centre under the Tanzania Development Vision 2025 can only be realized through deliberate capacity building initiatives, attracting and retaining high calibre professionals, upgrading quality of the Research, Technology and Innovation programmes, at the organization. The

infrastructure development for industrial research and technology services provision at TIRDO represents the largest investment of the Organization. When completed, the laboratories will serve as research, technology and innovation hub targeting value addition of the raw material resources across the country, and in the East African region.

The improvement of TIRDO capacity on accrediting laboratories, upgrading knowledge and skills of the organization's staff will significantly contribute towards TIRDO's ability in assisting industries. There has been an increase in the level of interest in the research and development activities by industries due to fair competition of their products in the market.

2.11 Future Development Plans

TIRDO has developed new Corporate Strategic Plan 2021/22-2025/26 that will go concurrent with the third five years Development Plan (FYDP III) 2021/22-2025/26 with the theme "*Realising Competitiveness and Industrialization for Human Development*". The strength of the Organization will be in acquiring and developing a human resource capacity which will have to turn the Organization into a learning Organization which can cope with change and compete regionally and internationally. TIRDO must create capacity, provide demand driven services and work closely with the Private Sector and the industry. This includes winning more research and consultancy contracts and collaboration with other international research Organizations in doing projects and creating outputs and products of international nature. This is the only way to play its role of supporting the evolution of a competitive national industrial sector and creating the desired impact.

2.12 Appointment of Auditor

The Controller and Auditor General is the statutory auditor of the Tanzania Industrial Research and Development Organization (TIRDO) by virtue of Article 143 of the Constitution of the United Republic of Tanzania, 1977 and as amplified under section 10 of the Public Audit Act, Cap. 418. For the second term the Controller and Auditors General appointed M/s Globe Accountancy Services 2013 with Tax Identification Number (TIN) 121-811-464, and also registered with the National Board of Accountants and Auditors (NBAA) and issued with NBAA Registration Number PF 281 to audit the financial statements of TIRDO on his behalf by virtue of the powers vested in him under Sect 33 of the Public Audit, Cap. 418.

The Registered office of Globe Accountancy Services 2013 is: Plot 50/29, NHC Biashara Complex, House No. 108, Mwananyamala Street, Kinondoni, Dar es Salaam.

2.13 Responsibility of the 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 Organisation present fairly the financial position, financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS), the Tanzania Financial Reporting Standard (TFRS 1) and in the manner required by Section 10 (2) of the Public Audit Act, Cap 418.


2.14 Acknowledgement

The Council expresses their appreciation to the President of the URT, Hon. **Samia Suluhu Hassan** and the Government in general for the financial and material support with which the Organisation has been able to discharge its mandated functions and activities during the year under report. The Director General and Management also wish to record, their appreciation to our partners and stakeholders both in the public and private sectors for their patronage and support thus keeping the objectives of the TIRDO alive as a provider of public service in the development of the local industrial sector.

Finally, the Permanent Secretary wishes to congratulate Council members, the Management and all the staff under the leadership of the Director General for the achievements made during the year through hard work, commitment and loyalty to the ideals of the TIRDO stated in its Vision and Mission.

2.15 APPROVAL OF THE FINANCIAL STATEMENTS

The Financial Statements of the TIRDO, as indicated above, were approved by the Permanent Secretary and are signed on its behalf by:



ENG. RAMSON A. MWILANGALI
ACTING DIRECTOR GENERAL

20thMarch, 2026

DATE



AMB. WAZIRI R. SALUM
PERMANENT SECRETARY

3.0 STATEMENT OF PERMANENT SECRETARY RESPONSIBILITIES

The Interpretation of the Laws Act [Cap 1] as amended under The Written (Miscellaneous Amendments) No 6 Act of 2019, Section 39 sub 2(c) provided that “where the tenure of board prescribed in any written law has come to an end, it shall be lawful for any operation requiring the decision of the board to be performed by the Permanent Secretary of the Ministry responsible for the board until such time a board is constituted”.

The Permanent Secretary is responsible for the preparation and fair presentation of the Financial Statements, comprising the Statement of Financial Position at 30 June 2025, and the statement of financial performance, the statement of changes in equity and statement of cash flows for the year ended 30 June 2025, and notes to the financial statements, which include the summary of significant accounting policies and other explanatory notes, in accordance with International Public Sector Accounting Standards (IPSAS).

The Permanent Secretary Responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Permanent secretary has made assessment of the Organization’s ability to continue as a going concern and have no reason to believe the business will not be a going concern in the near future.

Approval of the Financial Statements

The financial statements of the TIRDO, as indicated above, were approved by the Permanent Secretary Ministry of Industry and Trade and are signed on its behalf by:



 AMB. WAZIRI R. SALUM
 PERMANENT SECRETARY

20th
March, 2026
 DATE

4.0 DECLARATION OF THE HEAD OF FINANCE

According to the powers conferred under the Auditors and Accountants (Registration) Act, 1972, as amended 2020, National Board of Accountants, and Auditors (NBAA) requires financial statements to be accompanied with a declaration issued by the Head of Finance/Accounting responsible for the preparation of financial statements of the entity concerned.

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

I CPA Jacobsen K. David, Director of Finance of Tanzania Industrial Research and Development Organization (TIRDO) hereby acknowledge my responsibility of ensuring that financial statements for the year ended 30 June 2025 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that, the financial statements give a true and fair view in all material respect, the financial position, financial performance and cash flows of the Tanzania Industrial Research and Development Organization (TIRDO) as at 30 June 2025, in accordance with the International Public Sector Accounting Standards (IPSAS) and that they have been prepared based on properly maintained financial records.

Signed by:.....

Position: Director of Finance

NBAA Membership No: ACPA 4642

Date:^{20th}.....March, 2026

5.0 FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025


		2024/25	2023/24
ASSETS	Note	TZS	TZS
Current Assets			
Cash and Cash equivalent	2	174,069,262	81,272,458
Trade and Other Receivables	3	455,422,721	274,150,327
Advances to Other Government Entities	4	484,984,954	253,634,558
Inventory	5	<u>55,174,324</u>	<u>63,262,071</u>
Total Current Assets		1,169,651,261	672,319,414
Non-Current Assets			
Property, Plant and Equipment	6	144,271,031,715	144,589,315,835
Capital Work In Progress	7	2,466,885,652	2,541,396,672
Intangible Assets	8	-	-
Investment Property	9	<u>2,291,091,358</u>	<u>2,285,589,976</u>
Total Non-Current Assets		<u>149,029,008,725</u>	<u>149,416,302,483</u>
TOTAL ASSETS		150,198,659,986	150,088,621,897
LIABILITIES			
Current Liabilities			
Trade and Other Payables	10	3,040,164,118	2,605,253,655
Deferred Income	10.1	158,292,987	147,914,011
Unapplied Deposits Account	10.2	<u>72,324,143</u>	<u>500,000</u>
Total Current Liabilities		<u>3,270,781,248</u>	<u>2,753,667,666</u>
NET ASSETS		<u>146,927,878,738</u>	<u>147,334,954,231</u>
CAPITAL AND RESERVES			
Capital Fund	11	824,589,688	824,589,688
Accumulated Surpluses		<u>146,103,289,050</u>	<u>146,510,364,543</u>
TOTAL CAPITAL AND RESERVES		<u>146,927,878,738</u>	<u>147,334,954,231</u>



 ENG. RAMSON A. MWILANGALI
 ACTING DIRECTOR GENERAL

20th
March, 2026


DATE



 AMB. WAZIRI R. SALUM
 PERMANENT SECRETARY

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2025

	Note	2024/25 TZS	2023/24 TZS
REVENUE			
Revenue from non-exchange transactions	12	3,702,955,575	4,062,861,435
Revenue from Exchange transactions	13	1,722,563,799	1,711,470,708
Other Development Grants Received	14	-	2,000,000
ECL Reversal of Cash	15	<u>766,125</u>	<u>13,141,248</u>
TOTAL REVENUE		<u>5,426,285,499</u>	<u>5,789,473,391</u>
EXPENSES			
Wages, Salaries and Employee Benefits	16	3,479,741,205	2,967,544,722
Use of Goods and Services	17	1,612,005,513	1,580,738,191
Maintenance Expenses	18	107,480,969	70,004,964
Depreciation & Amortisation Expenses	19	391,319,458	514,944,398
Other Expenses	20	229,630,782	144,786,278
Impairment of assets, Net	9.1	-	28,697,760
Expected Credit Loss	21	3,183,065	318,245,428
Donation in kind	22	<u>-</u>	<u>198,752,840</u>
TOTAL EXPENSES		<u>5,823,360,992</u>	<u>5,823,714,581</u>
Operating Deficits		(397,075,493)	(34,241,190)
Other Transfers	23	<u>(10,000,000)</u>	<u>(5,000,000)</u>
Net Deficit for the Year		<u>(407,075,493)</u>	<u>(39,241,190)</u>



 ENG. RAMSON A. MWILANGALI
 ACTING DIRECTOR GENERAL


20th
March, 2026
 DATE



 AMB. WAZIRI R. SALUM
 PERMANENT SECRETARY


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

PARTICULARS	CAPITAL FUND	ACCUMULATED	TOTAL
	TZS	SURPLUS TZS	TZS
Balance at 1 July 2023	824,589,688	147,459,956,162	148,284,545,850
As previously stated, Prior Year Adjustments (Note 24)	-	(910,350,429)	(910,350,429)
As restated	824,589,688	146,549,605,733	147,374,195,421
Net Deficit for the Year	-	(39,241,190)	(39,241,190)
Carried Forward at 30 June 2024	<u>824,589,688</u>	<u>146,510,364,543</u>	<u>147,334,954,231</u>
Balance at 1 July 2024	824,589,688	146,510,364,543	147,334,954,231
Net Deficit for the Year	-	(407,075,493)	(407,075,493)
Carried Forward at 30 June 2025	<u>824,589,688</u>	<u>146,103,289,050</u>	<u>146,927,878,738</u>



 ENG. RAMSON A. MWILANGALI
 ACTING DIRECTOR GENERAL


20th
March, 2026
 DATE



 AMB. WAZIRI R. SALUM
 PERMANENT SECRETARY

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

		2024/25	2023/24
	Note	TZS	TZS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Non-Exchange Transactions	25.1	3,713,334,550	3,469,897,226
Receipts from Exchange Transactions	25.2	1,516,655,290	1,383,017,901
Increase in Deposit	25.3	<u>71,824,143</u>	<u>-</u>
Total Receipts from Non-Exchange Transactions		5,301,813,983	4,852,915,127
PAYMENTS:			
Wages, Salaries and Employee Benefits	25.4	3,247,703,367	3,182,257,566
Use of Goods and Service	25.5	1,531,780,142	1,582,843,299
Social Benefits	25.6	10,000,000	-
Other Transfers Contribution to Consolidated Fund (CF)	25.7	10,000,000	5,000,000
Other Expenses	25.8	219,145,016	152,522,436
Maintenance Expenses	25.9	107,480,969	70,004,964
Decrease in Deposit	25.3	<u>-</u>	<u>6,033,789</u>
Total Payments		5,126,109,494	4,998,662,054
Net Cash flows from operating activities (A)		175,704,489	(145,746,927)
CASH FLOW FROM INVESTING ACTIVITIES:			
Acquisition of Property, Plant and Equipment	25.10	(79,724,620)	(131,882,329)
Payment for Work in Progress	25.11	<u>-</u>	<u>(224,744,710)</u>
Net Cash flows from Investing Activities (B)		(79,724,620)	(356,627,039)
Net (Decrease)/ Increase in Cash & Equivalents (A+B)		95,979,869	(502,373,966)
Cash & Cash Equivalents at beginning of the year		<u>81,591,247</u>	<u>583,965,213</u>
Cash & Cash Equivalents at end of the year - Gross	2	<u>177,571,116</u>	<u>81,591,247</u>



 ENG. RAMSON A. MWILANGALI
 ACTING DIRECTOR GENERAL

.....
 20th March, 2026
 DATE



 AMB. WAZIRI R. SALUM
 PERMANENT SECRETARY

TANZANIA INDUSTRIAL RESEARCH AND DEVELOPMENT ORGANISATION (TIRDO)

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

Description	Budgeted Amount		Final Budget (B) on Cash Basis		Actual Amount on Comparison Basis (A)		Difference	
	Original Budget On Cash Basis	Reallocations/ Adjustments	TZS	TZS	TZS	TZS	Actual (B-A)	%
RECEIPTS:								
Revenue Grants	6,121,294,000	0	6,121,294,000	3,713,334,550	2,407,959,450	39%		
Revenue from Exchange Transactions	6,023,741,765	0	6,023,741,765	1,516,655,290	4,507,086,475	75%		
Deposits	0	0	0	71,824,143	-71,824,143			
Total Receipts	12,145,035,765	0	12,145,035,765	5,301,813,983	6,843,221,782	56%		
PAYMENTS:								
Wages, Salaries and Employee Benefits	5,082,237,278	0	5,082,237,278	3,247,703,367	1,834,533,911	36%		
Use of Goods and Service	3,488,883,487	0	3,488,883,487	1,531,780,142	1,957,103,345	56%		
Other Transfers	22,000,000	0	22,000,000	10,000,000	12,000,000	55%		
Social Benefits								
Other Expenses	422,875,000	0	422,875,000	10,000,000	-10,000,000			
Maintenance Expenses	529,040,000	0	529,040,000	219,145,016	203,729,984	48%		
Payment for Work in Progress	1,900,000,000	0	1,900,000,000	107,480,969	421,559,031	80%		
Acquisition of Property, Plant and Equipment	700,000,000	0	700,000,000	79,724,620	1,900,000,000	100%		
Total Payment	12,145,035,765	0	12,145,035,765	5,205,834,114	6,939,201,651	57%		
Net Receipts/Payments	0	0	0	95,979,869	(95,979,869)			

Notes 1 to 32 form part of these financial statements.

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 ENG. RAMSON A. MWILANGALI
 ACTING DIRECTOR GENERAL

2015
March, 2026

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 AMB. WAZIRI R. SALUM
 PERMANENT SECRETARY

DATE

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**NOTE 1: MATERIAL ACCOUNTING POLICIES****1.1 STATEMENT OF COMPLIANCE WITH IPSASs**

The financial statements which comprise the Statement of Financial Position as at 30 June 2025, Statement of Financial Performance, Statement of Changes in Net Assets, Statement of Cash Flow, Statement of Comparison of Budget and Actual Amounts and Significant Accounting Policies and Notes to the financial statements for the year ended 30 June 2025 have been prepared in all material respects in compliance with the requirements of the International Public Sector Accounting Standards (IPSASs).

1.2 MEASUREMENT OF EXPECTED CREDIT LOSSES (ECLs)

The key inputs into the measurement of ECLs are the discounted product of: probability of default (PD), loss given default (LGD) and exposure at default (EAD).

The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

EAD is based on the amounts the Entity expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). Loss Given Default (LGD) represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD).

LGD is calculated on a 12-month or lifetime basis, where 12-month LGD is the percentage of loss expected to be made if the default occurs in the next 12 months and Lifetime LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime of the loan.

The ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival (i.e. the exposure has not prepaid or defaulted in an earlier month). This effectively calculates an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The Lifetime PD is developed by applying a maturity profile to the current 12month PD. The maturity profile looks at how defaults develop on a portfolio from the point of initial recognition throughout the lifetime of the loans. The maturity profile is based on historical observed data and is assumed to be the same across all assets within a portfolio and credit grade band.

This is supported by historical analysis.

CASH AND CASH EQUIVALENT

DESCRIPTION	2025 (TZS)	2024 (TZS)
Cash at Bank and on hand (Note 2)	177,571,116	81,591,247
Expected Credit Loss (ECL):		
Balance at 1 July	(318,789)	(13,460,037)
Charged/(Released) during the year	(3,334,877)	13,141,248
Adjustment	<u>151,812</u>	<u>-</u>
	<u>(3,501,854)</u>	<u>(318,789)</u>
Cash as per Statement of Net Assets (Note 2)	<u>174,069,262</u>	<u>81,272,458</u>

Analysis of Cash and Cash Equivalent

For the purpose of the statement of cash flows, cash and cash equivalent comprises of the following balances with less than 12 months' maturity from the date of acquisition

DESCRIPTION	2025 (TZS)	2024 (TZS)
Cash as per Statement of Financial Position	174,069,262	81,272,458
Add: Expected Credit Loss closing balances	<u>3,501,854</u>	<u>318,789</u>
Gross Cash and Cash Equivalent	<u>177,571,116</u>	<u>81,591,247</u>

1.3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The Material accounting policies adopted in the preparation of these General-Purpose Financial Statements are set out in paragraphs below:

1.3.1 Going Concern

The Financial Statements have been prepared on the assumption that the Organisation will continue to operate as a going concern based on the actions that have been taken by the management of the Organisation and the continued support of the Government of the United Republic of Tanzania. The Council believes that these actions will enable the Organisation to operate on a sustainable basis. The actions taken include:

- a) Request for financial support and/(or) guarantee from the Government of the United Republic of Tanzania to finance the anticipated shortfall in cash flows required to meet capital expenditure and working capital needs; and
- b) Participation of TIRDO in the United Republic of Tanzania's long-term mega projects

If the Organisation was not able to continue as a going concern, these Financial Statements would have to be prepared on a break-up value or liquidation basis. In which case, long term assets and liabilities would be reclassified as current assets and liabilities and assets would be restated to a forced sale value basis. In addition, it would be necessary to make provisions of closure costs and losses to the date of termination, including redundancies and penalties for early termination of employment contracts.

1.3.2 Basis of Accounting

The financial statements are prepared on a going concern basis in compliance with International Public Accounting Standards (IPSASs) pursuant to the Government decision vide the Treasury Circular No 11 of 2014/15 issued by the Permanent Secretary and Paymaster General by virtue of the powers provided for in the Public Finance Act, 2001 (amended 2004) directed that, all public-sector entities except Government Business Entities (GBEs), should migrate to IPSAS Accrual Basis of Accounting beginning the financial year ended 30 June 2015.

The financial statements of the Organisation are prepared under historical cost convention and modified when necessary to include revaluation of its assets at fair value. The financial statements prepared have not been adjusted to reflect effects of inflationary factors. The preparation of financial statements in compliance with IPSAS requires the adoption of accounting policies that are relevant to the nature of business and activities of the TIRDO and selection of accounting estimates that are appropriate and reasonable given the circumstances.

1.3.3 Definition of Financial Statements under IPSASs Financial Reporting Framework

The financial statements comprise the Statement of Performance, Statement of Financial Position, Statement of Changes in Net Assets/Equity, Statement of Cash Flow and Significant Accounting Policies and Notes. Income and expenses are recognised in the statement of financial performance. Analysis of expenses in the statement of financial performance is given by nature.

The preparation of financial statements is in conformity with International Public Accounting Standards (IPSASs) that requires the use of estimates and assumptions. It also requires the management to exercise prudent judgment in the process of applying the accounting policies adopted by the Organisation. Although such estimates and assumptions are based on the Council's best knowledge of the information available, actual results may differ from those estimates. The judgments and estimates are reviewed at the end of each reporting period, and any revisions to such estimates are recognised in the year in which the revision is made. The areas involving the judgments of most significance to the financial statements, and the sources of estimation uncertainty that have a significant risk of resulting in a material adjustment within the next financial year, are disclosed in the notes.

1.3.4 Reporting Currency and Translation of Foreign Currencies

All transactions are recorded in the functional currency (the currency of the primary economic environment in which the Organisation operates), which is the Tanzania Shillings (TZS). Transactions in foreign currencies during the year are converted into the functional currency using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the financial position date denominated in foreign currencies are translated into the functional currency using the exchange rate prevailing as at that date. The resulting foreign exchange gains and losses from the settlement of such transactions and from year-end translation are recognised on a net basis in the statement of financial performance in the year in which they arise.

1.3.5 Revenue Recognition

1.3.5.1 Revenue

Revenue represents the fair value of consideration received or receivable for the sale of services in the ordinary course of the Organisation's activities. Revenue is recognised when it is probable that, future economic benefits will flow to the Organisation and the amount of revenue can be measured reliably. Revenue is stated net of Value Added Tax, rebates and trade discounts and cash discounts are treated as part of finance costs.

Sales of services are recognised upon performance of the service and the customer's acceptance based on the proportion of actual service rendered to the total services to be provided. Rental revenue from operating leases is recognised on a straight-line basis over the period of the lease. Interest revenue is recognised on time proportion basis using the effective interest method.

1.3.5.2 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 Organisation will comply with all the attached conditions. Government grants received for capital expenditure by the Organization are classified as Deferred capital grants in the statement of financial position and amortized to the statement of financial performance on a systematic basis to match with the amount of expenditure on development activities using the grants; while grants received from the Government and development partners to finance general operations are treated as re-current revenue and credited in the statement of financial performance.

1.3.6 Property, Plant and Equipment

All categories of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets. Computer software, including the operating system that is an integral part of the related hardware is capitalized as part of the computer equipment. All items of property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. Repairs and maintenance expenses are charged to the statement of financial performance in the year in which they are incurred.

Depreciation of Organization's Assets is allocated systematically over the estimated useful life. Depreciation for valuation purposes is the adjustment made to the replacement cost to reflect physical deterioration, functional and economic obsolescence. Assets expected life are estimated in range as follows;

Assets Category	Estimated useful life (Years)
Buildings	50
Plant & Machinery	15
Furniture & Fixture	10
Office Equipment	10
Computer Peripherals	8
Motor Vehicles	10

As no parts of items of property, plant and equipment have a cost that is significant in relation to the total cost of the item, the same rate of depreciation is applied to the whole item. The Assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are considered in determining the surplus or deficit. On disposal of revalued assets, amounts in the revaluation surplus reserve relating to that asset are transferred to accumulated surplus.

1.3.7 Intangible Assets

Intangible assets are non-monetary assets which are without physical substance and identifiable (either being separable or arising from contractual or other legal rights). Intangible assets meeting the relevant recognition criteria are initially measured at cost, subsequently measured at cost or using the revaluation model, and amortised on a systematic basis over their useful lives (unless the asset has an indefinite useful life, in which case it is not amortised). All categories of intangible assets which may comprise data bases, processors, accounting software and website planning and hosting costs etc are stated at historical cost or fair value and amortised within ten years at the rate of 10%.

1.3.8 Investment Property - Cost Model

Investment property is property held to earn rentals or for capital appreciation or both. Investment property, including interest in leasehold land is recognised at cost including the transaction costs. Subsequent expenditure on investment property where such expenditure increases the future economic value in excess of the original assessed standard of performance is added to the carrying amount of the investment property. All other subsequent expenditure is recognised as an expense in the year in which it is incurred. Where no fair value is determined in any year, the applicable depreciation shall be charged consistent with the requirement of IPSAS 17.

1.3.9 Impairment of Non-Financial Assets

Non-financial assets that are carried at amortised cost are reviewed at the end of each reporting period for any indication that an asset may be impaired. If any such indication exists, an impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

1.3.10 Inventories Valuation

Inventories are stated at the lower of cost or net realisable value using the FIFO method. Inventories are held for consumption in the ordinary course of Organisation's activities.

1.3.11 Retirement Benefits and Other Social Security Schemes Obligations

The Organisation and the employees contribute to the Public Service Social Security Fund (PSSSF). The Organisation and employees also contribute to the National Insurance Health Fund (NHIF). The Organisation is also obligated to contribute 0.5% of the salaries of permanent and pensionable employees towards the Workmen's Compensation Fund (WCF). These contributions are determined by local statute of the respective social security schemes and the Organization's portions of the contributions are charged in the statement of financial performance in the year in which they accrue.

1.3.12 Accrued Employees' Statutory Benefits

The estimated monetary liabilities for employee's accrued statutory benefits are recognised as an accrued employment cost and charged in the statement of financial performance in the year to which they relate.

1.3.13 Borrowing Costs

Borrowing costs, net of any temporary investment revenue on those borrowings, that are attributable to acquisition, construction or production of a qualifying asset are capitalised as part of the asset. The net borrowing cost capitalised is either the actual borrowing cost incurred on the amount borrowed specifically to finance the asset; or in the case of general borrowings, the borrowing cost is determined using the overall weighted average cost of the borrowings on all outstanding borrowings during the year less any specific borrowings directly attributable to the asset and applying this rate to the borrowing attributable to the asset. Capitalisation of borrowing costs ceases when all activities necessary to prepare the qualifying asset for its intended use or sale are complete. All other Borrowing costs are recognised in the statement of financial performance in the year in which they are incurred.

1.3.14 Financial Instruments

The Organisation classifies its financial instruments into the following categories:-

1.3.14.1 Loans and Receivables

Comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and excludes assets which the Organisation intends to sell immediately or in the near term or those which the entity upon initial recognition designates as at fair value through the statement of financial performance or as available-for-sale financial assets.

1.3.14.2 Financial Assets

All financial assets are recognised initially using the trade date accounting which is the date the Organisation commits itself to the purchase or sale. Financial assets stated at fair value through the statement of financial performance are initially recognised at fair value and the transaction costs are expensed in the statement of financial performance. All other categories of financial assets are recorded at the fair value of the consideration given plus the transaction cost. A financial asset is considered impaired if there is objective evidence of impairment. Impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount.

Changes in the carrying values and impairment losses of loans and receivables are recognised in the statement of financial performance. Trade and other receivables not collectible are written off against the related provision. Subsequent recoveries of amounts previously written off are credited to the statement of financial performance in the year of recovery.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or the Organisation has transferred substantially all risks and rewards of ownership. Financial assets held during the year are classified as demand and term deposits with banking institutions and trade and other receivables were classified as receivables and prepayments.

1.3.14.3 Financial Liabilities

All financial liabilities are recognised initially at fair value of the consideration given plus the transaction cost with the exception of financial liabilities carried at fair value through statement of financial position, which are initially recognised at fair value and the transaction costs are expensed in the statement of financial performance. Subsequently, all financial liabilities are carried at amortised cost using the effective interest method except for financial liabilities through the statement of financial performance which are carried at fair value.

All financial liabilities are classified as non-current except financial liabilities at fair value through statement of financial performance, those expected to be settled in the Organisation's normal operating cycle, those payable or expected to be paid within twelve (12) months of the statement of financial position date and those which the Organisation does not have an unconditional right to defer settlement for at least twelve months after the date of the statement of financial position. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Borrowings, trade and other liabilities are classified as financial liabilities by the Organisation and are carried at amortised cost.

1.3.15 Provision for Liabilities and Charges

Provisions are recognised when the Organisation has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

1.3.16 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and demand and term deposits, with maturities of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to a insignificant risk of changes in value, net of bank overdrafts. In the statement of financial position, bank overdrafts, if any, are included as borrowings under current liabilities.

1.3.17 Capital Fund

The capital fund represents the value of assets vested in the Organization under the Establishment Act.

1.4 SIGNIFICANT JUDGEMENTS AND KEY SOURCES OF ESTIMATION OF UNCERTAINTY

In the process of applying the accounting policies adopted by the Organization, the Council makes certain judgments and estimates that may affect the carrying values of assets and liabilities in the next financial period. Such judgments and estimates are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the current circumstances. The Council evaluates these at each financial reporting date to ensure that they are still reasonable under the prevailing circumstances based on the information available.

1.4.1 Impairment Loss Estimation

Key assumptions about the future and other sources of estimation uncertainty made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year include determining impairment losses estimates on receivables. Such estimates include the determination of the net realisable value or the recoverable amount of the asset. Any movement in the impairment provision is set out in notes to financial statements. Moreover, in determining whether an impairment loss should be recognised in the statement of financial performance for receivables or financial assets, judgment is made as to whether there is a measurable decrease in the estimated future cash flows of any receivable or financial asset.

1.5 RISK MANAGEMENT OBJECTIVES AND POLICIES**1.5.1 Financial Risk Management**

The Organization's activities expose it to a variety of financial risks including credit, liquidity and market risks. The Organization's overall risk management policies are set out by the Council and implemented by the management, and focus on the unpredictability of changes in the business environment and seek to minimize the potential adverse effects of such risks on the Organization's performance by setting acceptable levels of risk. The Organisation does not hedge against any risks.

1.5.2 Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk mainly arises from financial assets, and is managed on an Organisation-wide basis. The Organisation does not grade the credit quality of financial assets that are neither past due nor impaired.

Credit risk on financial assets with banking institutions is managed by dealing with institutions with good credit ratings and placing limits on deposits that can be held with each institution.

Credit risk on trade receivables is currently managed by ensuring that for customers without a positive credit history with the Organisation, services are offered only after payments have been received. For investment property debtors, the credit history is determined by considering the financial position, past experience and other relevant factors. The past due debtors are not impaired and continue to be collected. The Organisation does not hold any collateral against the past due or impaired receivables. The management continues to actively follow up past dues and impaired receivables.

1.5.3 Liquidity Risk

Liquidity risk is the risk that the Organisation will encounter difficulty in meeting obligations associated with financial liabilities. The Organisation mitigates these risks through government subvention funding to meet its capital requirements and working capital requirements on an annual basis based on subventions funding. The Government of the United Republic of Tanzania is also in the process of formalising arrangement to fund research and development activities of Government owned Research Institutions by allocating 1% of Gross Domestic Product in an effort to further enhance research and development activities in the country.

1.5.4 Capital Management

The Organisation's objective in managing its capital is to ensure that it supports the development of its business and is able to continue as a going concern. The Organisation is not subject to any external capital requirements.

1.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Organisation and the cost of the item can be measured reliably. Ordinary repairs and maintenance expenditure are charged to the statement of financial performance in the year in which they are incurred.

1.6.1 Land

Land consists of twenty-two (22) hectares at various locations in Msasani Peninsular Kinondoni Municipality in Dar es Salaam City. Land was valued at fair value as at 30 June 2017. The valuation was carried out by M/S Emack (T) Limited, an independent registered professional valuer.

1.6.2 Buildings

Buildings consist of office buildings, workshops and residential houses at various locations at Msasani Peninsular Area, in Kinondoni Municipality in Dar es Salaam. Buildings are initially recognized at cost, but are subject to revaluation to fair value on an ongoing basis in compliance with the IPSASs. The revaluation of most buildings was carried out in June 2017 by Emack (T) Limited, independent professional valuers, on the basis of open market replacement values.

1.6.3 Equipment, Loose Tools and Furniture

All categories of equipment, loose tools and furniture are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure directly attributable to the acquisition of the assets.

1.6.4 Motor Vehicles

There are Eight running motor vehicles which are carried out at valuation. Four of these eight were acquired more than ten years ago.

1.6.5 Capital Works in Progress

The composition and movement in capital works in progress TZS 2,466,885,652 disclosed in the statement of financial position as at 30 June 2025 is summarised in the table below:

Particulars	30 June 2024	Addition in Monetary	Addition in non-monetary	Adjustment	30 June 2025
Administration Building	2,254,156,719	-	156,839,376	(231,350,396)	2,179,645,619
Engineering Workshop	113,423,520	-	-	-	113,423,520
Machinery & Equipment	173,816,433	-	-	-	173,816,433
Total TZS	2,541,396,672	-	156,839,376	(231,350,396)	2,466,885,652

Source: WIP Register

1.7 PRESENTATION OF BUDGET INFORMATION IN THE FINANCIAL STATEMENTS

The Statement of Comparison of the Budget and Actual Amounts based on accrual basis is presented as a separate financial statement to disclose the original and final budget and actual amounts on comparable basis. The Organisation's budget was initially endorsed by the Permanent Secretary for Ministry of Industry and Trade, Treasury Registrar and finally submitted to the parent Ministry for approval and tabling in the National Assembly by the responsible Minister during the 2023/24 budget session. Other silent features of the budget

and a summary of performance review are highlighted in Note 27 to the financial statements.

1.8 RELATED PARTY TRANSACTIONS

The transactions summarised below were incurred with related parties during the current year compared with previous year.

Related Party	Numbers	2024/25 TZS	2023/24 TZS
Councillors Allowances & Meetings	10		
Councillors' Emoluments	-	53,000,000	
Councillors Meetings	-	25,205,000	71,000,000
Sub-total	10	78,205,000	71,000,000
Key Management Personnel Emoluments	7		
Salaries		416,418,000	324,690,500
Housing Allowance		43,200,000	42,200,000
House Rent (One Director)		30,000,000	30,000,000
Utilities Allowances		42,240,000	25,800,000
Other Benefits (One Director)		30,000,000	30,000,000
Sub-total	7	561,858,000	452,690,500
Total	17	640,063,000	523,690,500

Source: Human Resource Annual Report for 2024/25

The Key management personnel consist of the Director General, Five Directors and the Internal Auditor. During the reporting period, the internal auditor and all directors were provided with houses owned by the Organisation.

1.9 FINANCIAL COMMITMENTS

At the date of these financial statements there was no any capital expenditure commitment contracted (2024: None).

1.10 CONTINGENT LIABILITIES

At 30 June 2025, the Organisation had no contingent liabilities in respect of banks, other guarantees and other matters arising in the ordinary course of business from which it is anticipated that material liabilities may arise.

1.11 SUBSEQUENT EVENTS

At the time of adopting the financial statements, the Council was not aware of any significant transactions, events or conditions whose non-disclosure or omission could result in material misstatements of the financial statements for the year then ended.

1.12 CORRESPONDING FIGURES

Where necessary, comparative figures of the previous year have been rearranged/ adjusted to conform to changes made in the presentation of the financial statements in the current year.

NOTE 2: CASH AND CASH EQUIVALENTS	2024/25	2023/24
	TZS	TZS
BOT Bank Accounts Balances	17,301,992	60,101,235
NMB Bank PLC	87,714,561	20,759,592
CRDB Bank PLC	230,420	230,420
Unapplied Cash Account	72,324,143	500,000
Gross Cash and Cash Equivalent	177,571,116	81,591,247
Less: Provision for ECL (Cash)	(3,501,854)	(318,789)
Net Cash and Cash Equivalents	174,069,262	81,272,458
NOTE 3: TRADE AND OTHER RECEIVABLES		
Trade Receivables	1,563,396,078	1,423,482,479
Withholding tax deducted at source	99,274,529	33,279,618
Staff Receivables	196,098,521	202,767,921
Other Receivables	19,369,947	38,102,788
	1,878,139,075	1,697,632,806
Less: Provision for impairment	(1,422,716,354)	(1,423,482,479)
Net Receivables	455,422,721	274,150,327
NOTE 4: ADVANCES TO OTHER GOVERNMENT ENTITIES		
SUMA JKT - Civil contractor:		
Balance at 1 July	253,634,558	253,634,558
Adjustment - Overbilling (Note 7)	231,350,396	-
Balance at 30 June	484,984,954	253,634,558
NOTE 5: INVENTORIES		
Consumables and Supplies	55,174,324	63,262,071
Total	55,174,324	63,262,071

TANZANIA INDUSTRIAL RESEARCH AND DEVELOPMENT ORGANISATION (TIRDO)

NOTE 6(a): PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2025

PARTICULARS	LAND	BUILDINGS	EQUIPMENT & MACHINERY	COMPUTER & PERIPHERALS	FURNITURE, FIXTURES & FITTINGS	AMMUNITION & LOOSE TOOLS	MOTOR VEHICLES	TOTAL
	TZS	TZS	TZS	TZS	TZS	TZS	TZS	TZS
Balance at 1 July 2024	136,798,000,000	8,615,315,787	1,605,042,424	399,559,420	259,163,816	47,624,460	1,067,099,243	148,791,805,150
Additions - Cash (Note 25.10)	-	-	74,391,020	5,333,600	-	-	-	79,724,620
Transfer to Investment property	-	(77,932,800)	-	-	-	-	-	(77,932,800)
Adjustments						(1,357,600)		(1,357,600)
Balance at 30 June 2025	136,798,000,000	8,537,382,987	1,679,433,444	404,893,020	259,163,816	46,266,860	1,067,099,243	148,792,239,370
ACCUMULATED DEPRECIATION:								
Balance at 1 July 2024	-	1,782,878,498	1,335,133,092	256,138,164	243,413,656	33,676,031	551,249,874	4,202,489,315
Charge for Year	-	170,731,660	48,059,348	21,155,761	2,892,880	1,921,183	91,272,424	336,033,256
Transfer	-	(17,145,216)	-	-	-	-	-	(17,145,216)
Adjustment						(169,700)		(169,700)
Balance at 30 June 2025	-	1,936,464,942	1,383,192,440	277,293,925	246,306,536	35,427,514	642,522,298	4,521,207,655
NET BOOK VALUE:								
At 30 June 2025	136,798,000,000	6,600,918,044	296,241,005	127,599,095	12,857,280	10,839,346	424,576,945	144,271,031,715

From the above fixed asset schedule, Motor vehicle TZS 104,500,000 are fully depreciated.

TANZANIA INDUSTRIAL RESEARCH AND DEVELOPMENT ORGANISATION (TIRDO)

NOTE 6(b): PROPERTY, PLANT AND EQUIPMENT AS AT 30 JUNE 2024

PARTICULARS	LAND		BUILDINGS		EQUIPMENT & MACHINERY		COMPUTER & PERIPHERALS		FURNITURE, FIXTURES & FITTINGS		AMMUNITION & TOOLS		MOTOR VEHICLES		TOTAL	
	TZS		TZS		TZS		TZS		TZS		TZS		TZS			TZS
COST																
Balance at 1 July 2023	136,798,000,000		8,615,315,787		1,505,998,015		364,409,960		259,163,816		35,420,300		1,067,099,243		148,645,407,121	
Additions - Cash (Note 25.10)	-		-		84,528,709		35,149,460		-		12,204,160		-		131,882,329	
Additions - In kind (Note 26)	-		-		14,515,700		-		-		-		-		14,515,700	
Balance at 30 June 2024	136,798,000,000		8,615,315,787		1,605,042,424		399,559,420		259,163,816		47,624,460		1,067,099,243		148,791,805,150	
ACCUMULATED DEPRECIATION:																
Balance at 1 July 2023	-		-		-		-		223,936,139		239,034,475		29,472,594		454,633,700	
Charge for Year	-		172,290,316		148,654,137		32,202,025		4,379,181		4,203,437		96,616,174		458,345,270	
Balance at 30 June 2024	-		1,782,878,498		1,335,133,092		256,138,164		243,413,656		33,676,031		551,249,874		4,202,489,315	
NET BOOK VALUE:																
At 30 June 2024	136,798,000,000		6,832,437,289		269,909,332		143,421,256		15,750,160		13,948,429		515,849,369		144,589,315,835	

NOTE 7: CAPITAL WORK IN PROGRESS	2024/25	2023/24
	TZS	TZS
Balance as at 1 July	2,541,396,672	2,341,588,369
Additions - Cash	-	224,744,710
Additions - Non-Cash/Accrual (Note 26)	156,839,376	173,816,433
Asset Transfer-CARMATEC (Notes 22 & 26)	-	(198,752,840)
Adjustment - Overbilling (Notes 4 & 26)	(231,350,396)	-
Balance as at 30 June	2,466,885,652	2,541,396,672

NOTE 8: INTANGIBLE ASSETS

ACCOUNTING SOFTWARE

COST/ REVALUATION

Balance at 1 July	-	16,000,000
Revaluation Adjustment	-	-
Balance at 30 June	-	16,000,000
ACCUMULATED AMORTIZATION:		
Balance at 1 July	-	13,864,258
Charge for Year	-	2,135,742
Balance at 30 June	-	16,000,000
NET CARRYING AMOUNT	-	-

NOTE 9: INVESTMENT PROPERTY

COST:

Cost at 1 July	2,686,377,301	2,563,204,301
Addition	-	159,965,000
Transfers (Note 6(a))	77,932,800	-
Impairment of asset - building	-	(36,792,000)
Total	2,764,310,101	2,686,377,301

DEPRECIATION:

Accumulated Depreciation at 1 July	400,787,325	354,418,179
Transfer (Note 6(a))	17,145,216	-
Depreciation for the year	55,286,202	54,463,386
Accumulated depreciation on impairment	0	(8,094,240)
Accumulated Depreciation at 30 June	473,218,743	400,787,325

NET CARRYING AMOUNT

2,291,091,358 **2,285,589,976**

NOTE 9.1: IMPAIRMENT OF ASSETS, NET

Cost of buildings	-	36,792,000
Accumulated depreciation on impairment	-	(8,094,240)
Net Impairment cost	-	28,697,760

NOTE 10: TRADE AND OTHER PAYABLES

Trade Payables	2,016,530,620	1,765,521,614
Employees' Benefits Payable	679,420,643	387,282,805
Utilities Payable	5,050,943	5,050,942
Deferred Rental Income	232,985,479	186,467,769
Withholding Tax Payable	1,604,693	2,751,386

	2024/25 TZS	2023/24 TZS
VAT Payable	104,571,740	258,179,139
Total	3,040,164,118	2,605,253,655

NOTE 10.1 DEFERRED INCOME

Balance at 1 July	147,914,010	740,878,219
Development Grant Received	986,616,434	890,511,269
Transferred to Revenue (Note 12) - Development Fund	(476,237,457)	(983,475,477)
Transferred to Revenue (Note 12) - Industrial Mapping	(500,000,000)	(500,000,000)
Balance at 30 June	158,292,987	147,914,011

NOTE 10.2 UNAPPLIED DEPOSITS ACCOUNT

Pending Customer Payments	72,324,143	500,000
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NOTE 11: CAPITAL FUND

Balance at 1 July	824,589,688	824,589,688
Amount Received	-	-
Less: Reclassification of Capital Grant	-	-
Balance at 30 June	824,589,688	824,589,688

NOTE 12: REVENUE FROM NON-EXCHANGE TRANSACTIONS

Government Revenue Expenditure Subvention (Note 12.1)	2,726,718,118	2,579,385,958
Government Development Fund (Note 10.1)	476,237,457	983,475,477
Industrial Mapping (Note 10.1)	500,000,000	500,000,000
TOTAL	3,702,955,575	4,062,861,435

NOTE 12.1: REVENUE EXPENDITURE SUBVENTIONS

Salaries - Permanent & Pensionable	2,334,478,000	2,191,014,000
Employer's Pensions Contributions	310,708,650	313,680,225
Employer's NHIF Contributions	69,884,115	64,021,485
Employer's WCF Contributions	11,647,353	10,670,248
Total revenue expenditure Subvention	2,726,718,118	2,579,385,958

NOTE 13: REVENUE FROM EXCHANGE TRANSACTIONS

Research and Consultancy Fees (Note 13.1)	466,991,769	476,572,833
Rental Income from Investment Property	1,214,940,919	1,210,411,875
Other Revenue (Note 13.2)	40,631,111	24,486,000
TOTAL	1,722,563,799	1,711,470,708

NOTE 13.1: RESEARCH AND CONSULTANCY FEES

Special and General Consultancy	466,991,769	476,572,833
TOTAL	466,991,769	476,572,833

NOTE 13.2: OTHER REVENUE	2024/25	2023/24
	TZS	TZS
Conference facilities	908,000	1,686,000
Miscellaneous Income	39,723,111	22,800,000
TOTAL	40,631,111	24,486,000

NOTE 14: OTHER DEVELOPMENT GRANTS RECEIVED

Donation from BRELA	-	2,000,000
TOTAL	-	2,000,000

NOTE 15: OTHER INCOME

ECL Reversal of Cash	766,125	13,141,248
TOTAL	766,125	13,141,248

NOTE 16: SALARIES, WAGES AND BENEFITS

Casual Laborers	13,278,550	23,891,800
Civil Servants	2,726,718,118	2,579,385,958
Councilors Allowance	25,205,000	37,324,375
Electricity	4,250,000	-
Electricity Allowance	50,430,000	45,000
Extra Duty	1,820,000	3,965,000
Facilitation Allowance	82,400,000	72,718,500
Food and Refreshment	99,947,967	40,297,916
Furniture Allowance	0	8,000,000
Honoraria	91,832,272	59,059,457
Housing Allowance	253,500	2,690,400
Internship Allowance	40,790,000	31,067,818
Leave Travel	26,813,798	22,320,498
Medical and Dental Refunds	2,330,078	700,000
Moving Expenses	0	27,384,000
Outfit Allowance	1,100,000	600,000
Housing allowance Expenses	132,050,000	-
Professional Allowances	26,335,000	1,000,000
Responsibility Allowance	12,000,000	246,000
Sitting Allowance	41,975,000	32,070,000
Special Allowance	21,286,922	12,422,000
Staff debts Expenses	500,000	-
Subsistence Allowance	2,465,000	6,020,000
Telephone charges	1,970,000	147,500
Telephone	45,240,000	500,000
Telephone Allowance	13,069,000	5,088,500
Transport Expenses	15,681,000	600,000
TOTAL	3,479,741,205	2,967,544,722

NOTE 17: USE OF GOODS AND SERVICES	2024/25	2023/24
	TZS	TZS
Advertising and publication	11,341,540	14,280,000
Air Travel Tickets Training - Domestic	7,374,450	7,144,450
Air Travel Tickets Training - Foreign	17,578,750	12,308,650
Air Travel Tickets Travel - In - Country	-	2,700,000
Books, Reference and Periodicals	16,000,000	1,090,000
Catering Services	-	1,500,000
Cleaning Supplies - Use of goods and Services	2,241,470	-
Communication Network Services	3,000,000	-
Computer Software - Use of goods and Services	3,000,000	-
Computer Supplies and Accessories	8,837,900	-
Conference Facilities	2,400,000	-
Contract based training services	-	1,250,000
Diesel	102,177,636	98,734,658
Electricity	86,545,110	92,597,383
Entertainment	79,922,000	36,617,945
Exhibition, Festivals and Celebrations	9,634,121	8,536,766
Food and Refreshments	43,348,000	33,642,377
Fumigation Expenses	610,000	-
Gifts and Prizes	9,000,000	-
Ground Transport (Bus, Train, Water)	78,519,387	51,970,982
Ground travel (bus, railway taxi, etc) Travel - In - Country	51,247,750	24,108,000
Ground travel (bus, railway taxi, etc) Travel Out Of Country	720,000	6,170,000
Internet and Email connections	3,688,680	20,196,020
Laboratory small non-durable equipment	-	125,000
Laboratory Supplies	46,167,560	15,824,400
Land Rent Expenses - Other operating Expenses	184,699,909	164,849,453
Lubricants	-	486,308
Mobile Charges	847,500	200,000
Office Consumables (papers, pencils, pens and stationaries)	45,207,934	67,809,718
Other Chemicals Expenses	272,100	-
Outsourcing Costs (includes cleaning and security services)	2,414,000	9,908,478
Per Diem - Domestic	608,686,325	616,738,260
Per Diem - Foreign	33,317,529	123,516,156
Posts and Telegraphs	-	300,000
Printing and Photocopy paper	1,656,100	17,876,200
Printing and Photocopying Costs	2,952,000	17,452,940
Protective Clothing, footwear and gears	-	20,000
Publicity	-	3,750,000
Rent - Housing	30,000,000	25,178,500
Subscription Fees	56,911,840	4,673,000
Training Allowances	27,370,812	131,000
Training Materials	100,000	-
Tuition Fees Training - Domestic	16,895,000	13,126,750
Tuition Fees Training - Foreign	-	57,099,188
Uniforms -Clothing, Bedding, Footwear and Services	4,445,600	4,750,000
Visa Application Fees	150,000	-

	2024/25	2023/24
	TZS	TZS
NOTE 18: MAINTENANCE EXPENSES		
Cement, Bricks and Building Materials	12,550,000	-
Direct labour (contracted or casual hire) - Buildings	17,481,400	-
Motor Vehicles and Water Craft	-	3,263,421
Outsource maintenance contract services - Buildings	3,222,000	4,559,940
Outsource maintenance contract services - Machinery, Equipment and Plant	46,781,029	55,217,500
Outsource maintenance contract services - Roads and Bridges	-	550,000
Repair and Maintenance of Sewerage System	2,335,000	-
Roofing Materials	20,186,140	-
Spare Parts - Vehicles and Transportation Equipment	82,400	1,391,103
Tyres and Batteries	4,843,000	5,023,000
TOTAL	107,480,969	70,004,964
NOTE 19: DEPRECIATION AND AMORTISATION EXPENSES		
Buildings (Note 6)	170,731,660	172,290,316
Equipment & Machinery (Note 6)	48,059,348	148,654,137
Computer Peripherals (Note 6)	21,155,761	32,202,025
Furniture, Fixtures & Fittings (Note 6)	2,892,880	4,379,181
Ammunition & Loose Tools (Note 6)	1,921,183	4,203,437
Motor Vehicles (Note 6)	91,272,424	96,616,174
Total depreciation on Property, Plant & Equipment (Note 6)	336,033,256	458,345,270
Intangible Assets Amortization (Notes 8)	-	2,135,742
Investment Property (Notes 9)	55,286,202	54,463,386
Total depreciation	391,319,458	514,944,398
NOTE 20: OTHER EXPENSES		
Audit fees	70,800,000	51,000,000
Audit supervision expenses	7,080,000	22,080,000
Burial Expenses	20,050,000	1,560,000
Consultancy fees	24,451,000	7,280,000
Director's Fee	53,000,000	39,750,000
Freight Forwarding and Clearing Charges - Other operating Expenses	2,595,000	-
Insurance Expenses	13,381,442	6,864,673
Property tax Expenses	22,500	-
Special Operation Service	1,000,000	2,580,000
Specialized Equipment and Supplies	6,000,000	-
Sundry Expenses	22,883,290	13,671,605
Suppliers Debts	(3,132,450)	-
Social benefits	10,000,000	-
Surveys	1,500,000	-
Total	229,630,782	144,786,278

NOTE 21: EXPECTED CREDIT LOSS	2024/25	2023/24
	TZS	TZS
Cash and Cash Equivalents	3,183,065	-
Trade Receivables	-	318,245,428
Total	3,183,065	318,245,428

NOTE 22: DONATION IN KIND		
Equipment donated to CARMATEC (Note 7)	-	198,752,840
Total	-	198,752,840

NOTE 23: OTHER TRANSFERS		
Other Transfers - consolidated fund	10,000,000	5,000,000
Total	10,000,000	5,000,000

NOTE 24: PRIOR YEAR ADJUSTMENTS		
Expected Credit Loss on Trade Receivables (Note 21)	-	965,219,743
Expected Credit Loss on Cash and Cash Equivalents (Note 21)	3,183,065	13,460,037
Asset adjustment (Note 20)	-	(800,000)
Other prior year items	-	(67,529,351)
Total	3,183,065	910,350,429

NOTE 25: PAYMENTS FOR CASH FLOW STATEMENT

NOTE 25.1: RECEIPTS FROM NON-EXCHANGE TRANSACTIONS		
Government Grant- Personal Emolument	2,726,718,118	2,579,385,958
Government Grant- Development Fund	976,237,457	1,483,475,476
Deferred Subvention Current	126,403,639	
Add/Less (Change in Working Capital):		
Development Deferred Income Addition	(976,237,457)	(1,483,475,477)
Deferred Subvention Capital	986,616,432	890,511,269
Recurrent Deferred Income Addition	(126,403,639)	-
Total Receipts	3,713,334,550	3,469,897,226

NOTE 25.2: RECEIPTS FROM EXCHANGE TRANSACTIONS

Revenue from Conference Facilities	908,000	1,686,000
Donation-BRELA	-	2,000,000
Miscellaneous Revenue	39,723,111	22,800,000
Professional Fees	62,124,146	22,772,857
Revenue from Consultancy Fees	404,867,624	476,572,833
Revenue from Rent of Government Quarters	1,214,940,919	1,210,411,875
Change in Working Capital: Trade Receivables	(205,908,510)	(353,225,664)
Less: Other Revenue	-	-
Total Receipts	1,516,655,290	1,383,017,901

NOTE 25.3: DEPOSITS

(Reduction)/Additions in Deposit	71,824,143	(6,033,789)
Total	71,824,143	(6,033,789)

	2024/25 TZS	2023/24 TZS
NOTE 25.4: WAGES, SALARIES AND EMPLOYEE BENEFITS		
Wages, Salaries and Employee Benefits	3,505,036,205	3,132,394,176
Add/Less: Change in Working Capital	(257,332,838)	49,863,390
Total Payment	3,247,703,367	3,182,257,566
NOTE 25.5: USE OF GOODS AND SERVICES		
Use of Goods and Service	1,593,279,513	1,415,888,736
Adjustment for:		
Changes in inventories - consumables	-8,087,747	-19,400,408
Changes in Trade payables	-53,638,917	171,797,624
Changes in rental income deferred	-	-150,778,889
Changes in VAT Payable	-	-19,212,225
Advances to other business entities	-	-
Changes in staff receivable/imprest	-919,400	-124,108,788
Other changes (unreconciled)	-	130,042,996
Withholding tax	1,146,693	4,797,820
WIP - Buildings	-	173,816,433
Total Expenses	1,531,780,142	1,582,843,299
NOTE 25.6: SOCIAL BENEFITS		
Social Benefits	10,000,000	-
Total Payment	10,000,000	-
NOTE 25.7: OTHER TRANSFERS		
Contribution to Consolidated Fund (15%)	10,000,000	5,000,000
Total Payment	10,000,000	5,000,000
NOTE 25.8: OTHER EXPENSES		
Other Expenses (Note 20)	219,630,782	144,786,278
Adjustment for:		
Prior year items - Cash ECL	-485,766	-318,790
Changes in Utilities payable	-	8,054,948
Total Payment	219,145,016	152,522,436
NOTE 25.9: MAINTENANCE EXPENSES		
Cement, Bricks and Building Materials	12,550,000	-
Direct labour (contracted or casual hire) - Buildings	17,481,400	-
Motor Vehicles and Water Craft	-	3,263,421
Outsource maintenance contract services - Buildings	3,222,000	4,559,940
Outsource maintenance contract services - Machinery, Equipment and Plant	46,781,029	55,217,500
Outsource maintenance contract services - Roads and Bridges	-	550,000
Repair and Maintenance of Sewerage System	2,335,000	-
Roofing Materials	20,186,140	-
Spare Parts - Vehicles and Transportation Equipment	82,400	1,391,103
Tyres and Batteries	4,843,000	5,023,000
Total Payment	107,480,969	70,004,964

	2024/25	2023/24
	TZS	TZS
NOTE 25.10: ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT		
Scientific Equipment Monetary (Note 6)	(74,391,020)	(84,528,709)
Computers and Photocopiers Monetary (Note 6)	(5,333,600)	(35,149,460)
Precision Tools, Weight and Measures (Measurements) Monetary (Note 6)	-	(12,204,160)
Total Payment	(79,724,620)	(131,882,329)

NOTE 25.11: PAYMENT FOR WORK IN PROGRESS

Buildings other than dwellings - Administration Building	-	(224,744,710)
Total Payment	-	(224,744,710)

NOTE 26: RECONCILIATION OF THE SURPLUS FROM OPERATING ACTIVITIES

Deficits for the year	(407,075,493)	(39,241,190)
Add/(Less): Non-Cash Item		
Amortization of Intangible Assets	-	2,135,742
Net adjustment in Ammunition and Loose Tools (Note 6(a))	1,187,900	-
ECL Reversal of Cash	(766,125)	-
WIP Transfer (Note 7)	-	198,752,840
Loss on disposal of assets	-	28,697,760
Depreciation of Investment Property - Carried at Cost	55,286,202	54,463,386
Depreciation of Property, Plant and Equipment	336,033,256	458,345,270
Adjustments in WIP	231,350,396	-
Increase in ECL for cash and cash equivalents	3,183,065	(13,141,248)
Non-Monetary -WIP (Buildings) (Note 7)	(156,839,376)	(173,816,433)
Non-Monetary Revenue - Equipment (Note 6(b))	-	(14,515,700)
Other adjustments	280,359	(92,754,439)
Add/ (Less): Change in Working Capital		
Trade and Other Receivables	(181,272,394)	89,128,552
Inventories	8,087,747	19,400,408
Advances to Government Entities	(231,350,396)	-
Trade and Other Payables	434,910,463	(64,522,668)
Deferred Income	10,378,976	(592,964,208)
Deposits	71,824,143	(6,033,789)
Net Cash Flow from Operating Activities	175,218,723	(146,065,717)

TANZANIA INDUSTRIAL RESEARCH AND DEVELOPMENT ORGANISATION (TIRDO)

NOTE: 27: EXPLANATIONS ON DIFFERENCES BETWEEN BUDGET AND ACTUAL AMOUNTS

Description	Original Budget	Reallocation/ Adjustments	Final Budget (B)	Actual Amount on Comparison Basis (A)	Difference Final Actual (B-A)	Reasons for Variation
RECEIPTS:	TZS	TZS	TZS	TZS	TZS	
Revenue Grants	6,121,294,000	0	6,121,294,000	3,785,158,694	2,336,135,306	Approved Development Budget Fund during the year for the Construction of Administration building was partly not disbursed and new employees were not recruited.
Revenue from Exchange Transactions	6,023,741,765	0	6,023,741,765	1,516,655,289	4,507,086,476	Most of the planned Research, Consultancy services and donors fund were not realized during the financial year due to expiration of accreditation of food and microbiology laboratory, also the delay of the submitted proposal to the donors to finance the proposed projects.
Total Receipts	12,145,035,765	0	12,145,035,765	5,301,813,983	6,843,221,782	
PAYMENTS:						
Wages, Salaries and Employee Benefits	5,082,237,278	0	5,082,237,278	3,247,703,367	1,834,533,911	New recruitment, Promotion and increment applied was not fully realized.
Use of Goods and Service	3,488,883,487	0	3,488,883,487	1,531,780,142	1,957,103,345	Procurements of goods and services were not exhaustively met as per plan due to low internal generated fund from research and consultancy services as approved for implementation.
Other Transfers	22,000,000	0	22,000,000	10,000,000	12,000,000	Contribution to the Government Consolidated fund was not fully paid due to low internal generated fund from research and consultancy services.
Social benefits	0	0	0	10,000,000	0	Not budgeted.
Other Expenses	422,875,000	0	422,875,000	219,145,016	203,729,984	Audit fees, Bank charges, and other operational Expenses budget are not yet reflected. (Accrual expenses)
Maintenance Expenses	529,040,000	0	529,040,000	107,480,969	421,559,031	The planned Maintenance of laboratory equipment and buildings was not done due to low internal generated fund.
Payment for Work in Progress	1,900,000,000	0	1,900,000,000	0	1,900,000,000	Approved development Funds from the Government Subvention were not disbursed timely during the year 2024/25.
Acquisition of Property, Plant and Equipment	700,000,000	0	700,000,000	79,724,620	620,275,380	Approved development Funds from the Government Subvention were not fully disbursed during the financial period.
Total Payment	12,145,035,765	0	12,145,035,765	5,205,834,114	6,939,201,651	
Net Receipts/Payments	0	0	0	95,979,869	(95,979,869)	

NOTE 28: RECLASSIFICATION

The Following expense reclassifications relating to the year 2023/24 have been to correct the prior year error:

	2023/24 as audited	2023/24 as reclassified	Difference
Wages, Salaries and Employee Benefits	3,132,394,176	2,967,544,722	164,849,454
Use of Goods and Services	1,415,888,737	1,580,738,191	(164,849,454)
Total	4,548,282,913	4,548,282,913	-

NOTE 29: CURRENCY

These financial statements are presented in Tanzanian shillings (TZS).

NOTE 30: EVENTS AFTER THE REPORTING DATE

As at the date of signing the audit report, there were no events that occurred subsequent to the reporting date, 30 June 2025, that warrant disclosure or adjustments to the amounts included in the financial statements as at that date, as required by IPSAS 14.

NOTE 31: CONTINGENT LIABILITY

- (i) TIRDO has received the assessment of TZS 492,101,477 from Tanzania Revenue Authority in respect of unremitted Skills Development Levy (SDL) together with related penalties from the years of income 2019 to 2023. This amount has not been accrued in the Financial Statements because the Management believes to have a strong case against the Government of the URT through the Ministry of Finance as the Government is responsible for payment of staff emoluments in full.
- (ii) TIRDO has an ongoing legal case with former tenant EBONY Limited at the High Court (Land Division), Case No. 16453/2025. The tenant has lodged a compensation claim of TZS 723 million following eviction from the rented premises following his failure to settle long outstanding rental charges. The case is still at early stages of hearing.

NOTE 32: COMPARATIVES

Where necessary, comparative figures have been adjusted or reclassified to conform to changes made in the current year.